

Specified All Risks Section

Definitions

Damage/Damaged

Accidental loss or destruction of or damage to Property Insured.

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.

Premises

The buildings at the address or addresses stated in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible.

Property/Property Insured

Property belonging to the Insured or for which the Insured are responsible, as described in the Schedule.

Territorial Limits

- A. The Premises
- B. Anywhere within the United Kingdom
- C. Anywhere within countries of the European Union
- D. Anywhere in the world.

Cover

The Insurer will pay the Insured for Damage to Property Insured described in the Schedule, whilst within the Territorial Limits specified in the Schedule, excluding

1. Damage caused by or consisting of
 - a. inherent vice, latent defect, gradual deterioration, wear and tear, market depreciation, frost, change in water table level, its own faulty or defective design or materials
 - b. pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but the Insurer will pay for subsequent Damage which itself results from a cause not otherwise excluded
 - c. faulty manipulation, dyeing, cleaning, repair or renovation, but the Insurer will pay for
 - i. such Damage not otherwise excluded which itself results from a Specified Event
 - ii. subsequent Damage which itself results from a cause not otherwise excluded.
2. Damage caused by or consisting of
 - a. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
 - b. change in temperature, colour, flavour, texture or finish
 - c. theft or attempted theft
 - i. which does not involve entry to or exit from a building by forcible and violent means or hold-up by violence or threat of violence to the Insured or any other person who has a legal right to be on the Premises or in possession of Property Insured
 - ii. of Property in the open or in open fronted buildings or in buildings not on permanent foundations
 - iii. as a result of the Insured being deceived into knowingly parting with Property
 - or Damage consisting of
 - d. mechanical or electrical breakdown or derangement but the Insurer will pay for
 - i. such Damage not otherwise excluded which itself results from a Specified Event or from any other accidental loss, destruction or damage
 - ii. subsequent Damage which itself results from a cause not otherwise excluded.
3. loss, destruction or damage caused by pollution or contamination, but the Insurer will pay for destruction or damage to the Property Insured not otherwise excluded, caused by
 - a. pollution or contamination which itself results from a Specified Event
 - b. any Specified Event which itself results from pollution or contamination.
4. Damage caused by or consisting of disappearance, unexplained or inventory shortage or the misfiling or misplacing of information.
5. Damage to any Property caused by fire, resulting from its undergoing any process involving the application of heat.
6. any Property more specifically insured by or on behalf of the Insured.
7. Damage occasioned by nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority.
8. Damage in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of Damage by fire or explosion) strikers, locked-out workers, persons taking part in labour disturbances or malicious persons.

9. Damage 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
to correctly to recognise any date as its true calendar date
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
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 Damage which is not otherwise excluded and which itself results from a Specified Event.
10. Damage not occurring within the Territorial Limits specified in the Schedule.
11. consequential loss or damage of any kind or description.
12. after the application of all other terms and conditions of this Section and the Policy including any Underinsurance (Average) Basis of Settlement Adjustment, and in respect of each separate Premises, the amount of the Excess specified in the Schedule'

Basis of Settlement

The Insurer will pay the Insured the value of the Property Insured at the time of its loss or destruction, or the amount of the Damage, or at the Insurer's option will reinstate or replace such Property or any part of such Property.

The most the Insurer will pay for any one claim is

- A. the Total Sum Insured, or for each item its individual Sum Insured, at the time of Damage
- B. the amount of the Sum Insured remaining after deduction for any other Damage occurring during the same Period of Insurance, unless the Insurer agrees to reinstate any such Sum Insured.

In consideration of Sums Insured not being reduced by the amount of any claim, the Insured will pay the appropriate additional premium on the amount of the claim from the date of Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft (as insured by this Section).

Basis of Settlement Adjustments

In calculating the most the Insurer will pay for any one claim, adjustments shall be made in accordance with the following clauses.

1. **Average (Underinsurance)**

Sums Insured are declared to be separately subject to Average. This means if at the time of Damage the Sum Insured for any item is less than the value of the item covered by such sum insured, the amount payable by the Insurer will be proportionately reduced.

2. **Contribution and Average**

If at the time of Damage any other insurance has been effected by or on behalf of the Insured covering any of the Property Damaged, the Insurer's liability under this Section shall be limited to the Insurer's rateable proportion of such Damage.

3. **Interested Parties**

The Insurer agrees to note the interest of any party notifying their interest in any of the Property Insured in writing, the nature and extent of such interest to be disclosed in the event of Damage.

Section Conditions

1. Precautions

The Insured must

- a. install any additional protections in the Premises, or in any vehicle, asked for by the Insurer
- b. remove all keys including duplicate keys relative to the security of the Premises from such secured Premises when they are closed for business or left unattended, or to the security of any vehicle from such secured vehicle when such vehicle is left unattended.

2. 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 if in respect of any of the Property Insured there is any alteration

- a. due to its disposal or removal
- b. in respect of which the interest of the Insured ceases except by will or operation of law
- 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 site adjoining the Premises
- 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 Damage 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
- 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.

3. Non Invalidation

This Section shall not be invalidated by any act, omission, alteration or neglect unknown to or beyond the control of the Insured by which the risk of Damage is increased, provided the Insured shall give notice to the Insurer (and pay an additional premium) immediately they become aware of such act, omission, alteration or neglect.

4. Additional Claims Conditions

In the event of Damage, 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 30 days after such Damage (28 days in the case of 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
 - i. full information in writing of the Property Insured Damaged and the amount of Damage
 - ii. details of any other insurances on the Property Insured covered by this Section
 - b. all such proof and information relating to the claim as may reasonably be required
 - c. if required, a statutory declaration of the truth of the claim and of any matters connected with it.
- 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.

5. Reinstatement

If any property is to be reinstated or replaced by the Insurer, the Insured shall at their own expense provide all documents, books and information as may reasonably be required. The Insurer shall not be bound to reinstate exactly, but only as circumstances permit, and in a reasonably sufficient manner, and shall not in any case be bound to expend for any one item of this Section more than its Sum Insured.

6. The Insurer's Rights following a Claim

In respect of Damage for which a claim is made, the Insurer and any person authorised by the Insurer may without incurring any liability or diminishing any of the Insurer's rights in respect of the cover under this Section, enter take or keep possession of the Premises where such Damage has occurred, and take possession of or require to be delivered to the Insurer any Property Insured, and deal with such Property for all reasonable purposes and in any reasonable manner.

No Property may be abandoned to the Insurer, whether taken possession of by the Insurer or not.

The Insurer will not pay for any claim unless the terms of this condition have been complied with.

7. 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

- a. 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 Damage
- b. any tenant or lessee, in respect of Damage to Property in the communal parts of the Premises, unless such Damage arises out of a criminal, fraudulent or malicious act by the tenant or lessee.

8. 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.