



# Computer insurance section

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**Your** schedule will show if this section is covered.

## Meanings of defined terms

These meanings apply within **your** Computer insurance section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy**, and not just this section, can be found in the General introduction section of **your policy**.

## Business interruption

Loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** as a result of **damage** to the **computer equipment** shown in **your** schedule used by **you** at the **premises** for the purpose of the **business**.

## Communicable disease

Any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- 1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- 2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- 3 the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

## Computer equipment

- 1 all computer equipment (including interconnecting wiring, fixed disks, **data-carrying materials** and telecommunications equipment used for the storage and communication of electronically processed data) but excluding any such computer equipment controlling a manufacturing process or, unless detailed in **your** schedule, **portable computer equipment**
- 2 ancillary equipment solely for use with the computer equipment comprising of air conditioning equipment, generating equipment, uninterruptible power supply, voltage regulating equipment, temperature and humidity recording equipment, electronic access equipment, heat, smoke and water detection equipment, lightning and transient over voltage protection devices, computer furniture, gas flooding cylinders and pipe work and computer room partitioning
- 3 all current and backup computer software and programs held on hard discs or **data-carrying materials**
- 4 lock down plates, security enclosures, security cables and other similar devices

owned by or on **deferred purchase**, leased, hired or rented by **you** or whilst on trial with a view to purchase.

## Computer systems

Computer or other equipment or component or system or item which processes, stores, transmits or receives **data**.

## Cyber act

An unauthorised, malicious or criminal act or series of related unauthorised, malicious and criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **computer systems**.

## Cyber action

The use of a **technology system** by or on behalf of a **state** to disrupt, deny, degrade, manipulate or destroy information in a **technology system**

to hinder, defend against civil war, insurrection, rebellion, or revolution within that **state**.

## Cyber incident

- 1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **computer systems**; or
- 2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **computer systems**.

## Cyber operation

The use of a **technology system** by or on behalf of a **state** to disrupt, deny, degrade, manipulate or destroy information in a **technology system** of or in another **state**.

## Damage/damaged

Loss or destruction or damage.

## Data

Any data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

## Data-carrying materials

Removable magnetic, optical or electronic data storage media currently in use or used for backup purposes for programs or data, excluding any fixed disks or paper records.

## Deferred purchase

An arrangement where **you** have entered into an agreement which entitles **you** to defer payment for **computer equipment** for a period exceeding 90 days or a period in excess of usual trade credit.

### Defined peril

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, theft or attempted theft, earthquake, **storm, flood**, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal.

### Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **computer systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**.

### Flood

#### Damage caused by

- 1 the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam
- 2 inundation from the sea
- 3 inundation by rainwater or rainwater-induced run off other than where the inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the building

whether resulting from storm or not.

### Hacking

Unauthorised access to any **computer systems**, whether **your** property or not.

### Hardware

**Computer equipment, portable equipment** and electronic equipment shown in **your** schedule.

### Indemnity period

The period during which the computer operations are affected as a result of an **insured event**, beginning when the **insured event** occurred and ending not later than the number of months shown in **your** schedule.

### Insured event

- 1 **Damage** covered under Part 1 and/or Part 2 of this section.
- 2 Loss, distortion, corruption or erasure of programs (covered under Part 1 of this section) and/or loss, distortion, corruption or erasure of information (covered under Part 2 of this section).
- 3 **Damage** to any item detailed in paragraph 1 or 2 of the **computer equipment** meaning due to its own breakdown or derangement.
- 4 The accidental failure or fluctuations of the supply of electricity to any item detailed in paragraph 1 and 2 of the **computer equipment** meaning at the **premises** where the **computer equipment** is situated.
- 5 The accidental failure of any telecommunications system other than satellite systems used in connection with the **computer equipment**.
- 6 You being denied access to the **computer equipment**, provided **our** liability does not exceed £25,000 in any one **period of insurance** or the sum insured shown in **your** schedule whichever is less, due to
  - a **damage** to the **computer equipment** at or within a 1 mile radius of the **premises**
  - b a public or police authority using its compulsory powers to protect property at risk as a result of physical damage caused by fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, malicious persons, theft or attempted theft, earthquake, **storm, flood**, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal to any property within a 1 mile radius of the **premises**.

### Loss of interest

- 1 interest payable in respect of loans raised
- 2 interest lost because investment capital has been used instead of raising a loan

as a direct result of minimising or to minimise the effect of the interruption or interference.

### Phishing

Any access or attempted access to **data** made by means of misrepresentation or deception.

### Portable computer equipment

- 1 Laptops, palmtops and notebooks.
- 2 Personal digital assistants.
- 3 Projectors, printers and other peripheral devices which are designed to be carried and used in conjunction with other portable computer equipment.
- 4 Removable satellite navigation systems.
- 5 Digital cameras.

### Premises

The premises shown in **your** schedule.

### State

Sovereign state.

### Storm

Storm excluding damage by **flood**.

### Technology system

Any computer, hardware, software, communications system, electronic device (including but not limited to smart phone, laptop, tablet, wearable device), server, cloud infrastructure or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

### Telecommunication networks

Telecommunication networks include, but are not limited to, the internet, internet service providers, Domain Name System service

providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.

### Terrorism

In England, Scotland and Wales: 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 His Majesty's Government in the United Kingdom or any other government de jure or de facto.

In Northern Ireland: An act including, but not limited to the use of force or violence and/or 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 put the public or any section of the public in fear.

In the Channel Islands, Isle of Man and the Rest of the World: An act of any person(s) 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 any government de jure or de facto.

### Time element loss

Business interruption, contingent business interruption or any other consequential losses.

### Verify/Verified

Checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration.

### Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems, data** or operations, whether involving self-replication or not. The meaning of virus or

similar mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

### War

- 1 The use of physical force by a state against another **state** or as part of a civil war, rebellion, revolution, insurrection, and/or
- 2 Military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

Whether war be declared or not.

## ✓ What is covered

### Part 1 – Computer equipment

Please also refer to ‘What is covered under Part 1 and Part 2’.

### Damage to computer equipment

**We** will cover **you** for **damage** to any **computer equipment** described in **your** schedule occurring during the **period of insurance** whilst at the **premises** in accordance with the following Basis of settlement.

### Basis of settlement

In the event of the property insured by Part 1 being destroyed or damaged **we** will

- 1 where any item of **computer equipment** suffers **damage** to the extent that repair is uneconomic or impractical, **we** will replace with new **computer equipment** of equal performance and/or capacity. If this is not possible, its replacement will have the nearest higher performance and/or capacity to the **computer equipment** lost or damaged
- 2 where the **computer equipment** suffers **damage**, **we** will repair the **damage** and restore the portion that has suffered **damage** to a working condition the same as, but not better or more extensive than, its condition when new.

Provided that

- 1 **our** liability for loss of or **damage** to **computer equipment** does not exceed the sum insured shown in **your** schedule, or additionally provided under the heading Automatic cover under the heading ‘What is covered under Part 1 and Part 2’
- 2 the work of repair or replacement commences and is carried out without unreasonable delay
- 3 **a** if the cost of repair or replacement is not actually incurred  
or  
**b** if at the time of the **damage** the **computer equipment** is covered by any other insurance arranged by **you** or on **your** behalf which is not upon a reinstatement basis

the Basis of settlement shall be

- i where a repair would have been economic and practical but for **a** and **b** above, the amount payable shall be an amount equivalent to the value of the repair at the time of the **damage**
  - ii where a repair would have been uneconomic or impractical but for **a** and **b** above, the amount payable shall be equivalent to the current market value of the item being replaced at the time of the **damage**
- 4 where, due to **3** above, no payment is made beyond the amount which would have been payable under this section if this condition had not been incorporated, the rights and liability of **us** and **you** in respect of the **damage** will be subject to the terms and conditions of this **policy** as if this condition had not been incorporated.

### Portable computer equipment

**We** will cover **you** for damage to any **portable computer equipment** described in **your** schedule occurring during the **period of insurance** whilst anywhere in the geographical areas shown in **your** schedule. The cover provided applies whilst in transit between any situations in the territorial limits (including whilst in transit by sea or air).

Provided that

- 1 **our** liability for **portable computer equipment** away from the **premises** will not exceed the lesser of
  - a the sum insured shown in **your** schedule for **portable computer equipment** or £5,000 any one loss or series of losses arising out of theft or attempted theft
  - b £25,000 in respect of any other loss
- 2 **portable computer equipment** must at all times be carried as hand luggage when in transit other than by private motor vehicle.

### Temporary removal cover

**We** will cover **you** for **damage** occurring during the **period of insurance**, to any **computer equipment** detailed in **your** schedule whilst temporarily removed or in transit between the **premises** and any other location (including whilst in transit by sea or air but only whilst in **your** custody, care and control).

Provided that **our** liability will not exceed £100,000 for any one claim.

This cover does not apply to **portable computer equipment**.

### Part 2 – Reinstatement of data

Please also refer to ‘What is covered under Part 1 and Part 2’.

#### Reinstatement of data cover

**We** will cover **you** for the cost of reinstating data lost or damaged as a result of an **insured event**.

Provided that

- 1 **we** will not be liable for **damage** to software insured under Part 1
- 2 **our** liability is limited solely to the cost of reinstating data and does not exceed the sum insured shown in **your** schedule.

#### Research and development costs cover

**We** will cover **you** for the costs of re-writing any data processing research or development projects to the stage they had reached immediately prior to the **insured event** but excluding any benefit which **you** would have obtained from the completion of the data processing research or development projects had the **damage** not occurred.

Provided that

- 1 Part 2 is covered
- 2 **you** have fully complied with paragraphs 4 and 5 of the Precautions condition.

**Our** liability under this cover will not exceed £25,000 or the sum insured shown in **your** schedule, whichever is less.

### What is covered under Part 1 and Part 2

#### Accidental discharge of gas flooding systems cover

**We** will cover **you** for the cost of recharging gas flooding systems, installed solely for the protection of the **computer equipment** following accidental discharge.

Provided that

- 1 **we** will not be liable for any claim as a result of gradual leakage, discharge or drop in pressure
- 2 **you** will maintain, at **your** own expense, the gas flooding system in accordance with the supplier’s and/or maker’s recommendations.

**Our** liability will not exceed £100,000 in any one **period of insurance**.

#### Automatic cover

**We** will cover **you** for the additional **computer equipment** purchased by **you** during the **period of insurance** for which **you** are responsible, at any existing **premises** shown in **your** schedule until the next renewal date at no additional charge.

**Our** liability will not exceed £500,000 any one premises or 25% of sum insured for Part 1, whichever is the less.



### Consulting engineers fees and investigation costs cover

**We** will cover **you** for the costs (including consulting engineers fees) incurred with **our** prior consent in conducting investigations and/or tests into the possible repair, replacement or reinstatement of the **computer equipment** suffering **damage**, regardless of whether the investigations and/or tests are successful or not.

**Our** liability for any one claim will not exceed the sum insured shown in **your** schedule.

### Debris removal costs cover

**We** will cover **you** for the costs necessarily and reasonably incurred with **our** consent in removal of debris and the protection of the **computer equipment** as a result of **damage** insured by this section.

**Our** liability will not exceed 10% of the sum insured under Part 1 or £50,000, whichever is the less.

### Expediting costs cover

**We** will cover **you** for the costs necessarily and reasonably incurred in making temporary repairs and/or expediting the repair, reinstatement replacement of insured items as a result of **damage**, excluding costs recoverable under Part 3.

**Our** liability for any one claim will not exceed 50% or £50,000, whichever is the less.

### Extra hire or lease costs cover

**We** will cover **you** for

- 1 extra hire, lease or rental costs arising out of changes to or replacement of an existing hire, lease or rental agreement.

Any payment **we** make under this extension will end:

- a when the hire, lease or rental agreement in force at the time of the **damage** ends; or
  - b 12 months after the date of the **damage**; whichever comes first.
- 2 continuing hire, lease or rental costs which **you** are legally liable to pay.

- 3 the cost of payments **you** have to continue paying, under any extended warranty, maintenance contract or repair-service agreement, for **hardware** which has been **damaged** and is no longer in use.

Any payment we make under this extension will end:

- i when the warranty, maintenance contract or repair-service agreement ends; or
- ii 12 months after the date of the **damage**; whichever comes first.

- 4 the cost to **you** of any unused parts of any non-refundable extended warranties, maintenance contracts or repair-service agreements for **hardware** which has been **damaged** and is no longer in use.

**Our** liability under this cover will not exceed £25,000 in any one **period of insurance**.

### Fire brigade charges cover

**We** will cover **you** for charges **you** have to pay for the fire service, or any other organisation responsible for protecting the public, attending the **premises**.

**Our** liability will not exceed £50,000 for any one claim.

### Incompatibility of records cover

**We** will cover **you** for the cost of

- 1 modifying the **computer equipment** insured under Part 1

or

- 2 replacing the **data-carrying materials** together with reinstatement of data

whichever is the less as a result of a claim covered by this section to achieve equivalent compatibility to that existing immediately prior to the loss, due to undamaged **data-carrying materials** being incompatible with the replacement **computer equipment**.

Provided that the replacement **computer equipment** is the nearest equivalent to that lost or damaged.

**Our** liability will not exceed 50% of the sum insured under Part 2 or £100,000, whichever is the less.

### Loss avoidance measures cover

**We** will cover **you** for the reasonable costs incurred in taking exceptional measures to prevent or mitigate impending **damage** for which cover is provided by Parts 1 and 2.

Provided that

- 1 **damage** would be reasonably expected if these measures were not implemented
- 2 **we** are satisfied that **damage** has been avoided or mitigated by implementing the exceptional measures
- 3 the amount payable will be limited to the cost of **damage** which would have otherwise occurred
- 4 the terms and conditions of this **policy** apply as if **damage** had occurred.

**Our** liability will not exceed 10% of the sum insured for Part 1 and 2 or £50,000, whichever is the less.

### Recovery of hardware cover

**We** will cover **you** for the cost incurred with **our** prior written consent of investigating and recovering lost or stolen **hardware** which contains **data** that may result in **you** being prosecuted, **your** reputation being damaged, or **you** suffering a financial loss as the result of loss of or publication of that **data**.

**Our** liability will not exceed £10,000 in any one **period of insurance**.

### Security guard costs cover

**We** will cover **you** for the cost of employing temporary security guards at **your premises**

Provided that:

- 1 **we** are satisfied that security guards are needed to protect **hardware**; and
- 2 the security guards are members of the National Security Inspectorate (NSI) or Security Systems and Alarm Inspectorate Board (SSAIB)

If security guards are needed for more than seven days, **we** must agree to this in writing.

**Our** liability will not exceed £25,000 in any one **period of insurance**.

### Trace and access cover

**We** will cover **you** for the cost of finding the point where any substances which have caused, or would cause, **damage** to **hardware** have escaped from. **We** will also pay the cost of repairing floors, walls and ceilings **damaged** in the course of the investigation.

**Our** liability will not exceed £25,000 for any one claim.

### Virus seek and destroy costs cover

**We** will cover **you** for the costs necessarily and reasonably incurred with **our** prior consent in locating and removing a detected computer virus infecting any insured host program or disk.

**Our** liability will not exceed £10,000 for any one claim.

### Waste Electrical and Electronic Equipment Directive cover

**We** will cover **you** for the additional costs that **you** incur in order to comply with the Waste Electrical and Electronic Equipment Directive for the disposal of electronic equipment following insured loss or **damage** to **hardware**.

Provided that **our** liability will not exceed £100,000 for any one claim. This amount is in addition to the limit for Debris removal costs cover.

## Part 3 – Increased cost of working

### Additional costs cover

**We** will cover **you** for **your** additional costs, including **loss of interest**, necessarily and reasonably incurred by **you** during the **indemnity period** as a result of an interruption or interference of the computer operations of the **business** as a result of an **insured event** during the **period of insurance**.

Provided that

the amount payable in any one **period of insurance** shall not exceed

- 1 the sum insured shown in **your** schedule and
- 2 10% of the increased cost of working sum insured as shown in **your** schedule for any **loss of interest**.



### Additional rental cover

In addition to the limit of **our** liability under Part 3, **we** will pay for additional lease or rental charges up to an amount not exceeding £15,000 arising from the replacement of a lease or hire agreement for the **computer equipment** by a new contract for similar **computer equipment** as a consequence of **damage** insured under Part 1.

## x What is not covered

### What is not covered under Part 1

Please also refer to 'What is not covered under Part 1, Part 2 and Part 3'.

### Defined perils exclusion

**We** will not cover **you** for damage (other than whilst in transit) caused by a **defined peril**.

This exclusion is not applicable to any **portable computer equipment** items shown in **your** schedule.

### Maintenance agreement exclusion

**We** will not cover **you** for

- 1 damage to the property described in paragraphs 1 and 2 of the meaning for **computer equipment** due to its own breakdown or derangement unless **you** have in force a maintenance agreement, warranty or guarantee with the manufacturers or other approved company for the **computer equipment** providing for
  - a free repairs to or replacement of the **computer equipment** following breakdown or stoppage from any internal cause other than caused by a breach of **your** obligations under the maintenance agreement, warranty or guarantee
  - b preventative maintenance or adjustment of mechanical moving parts
- 2 damage recoverable under a maintenance agreement or any warranty or guarantee.

### What is not covered under Part 1 and Part 2

Please also refer to 'What is not covered under Part 1, Part 2 and Part 3'.

### Lease, hire, rent, loan or sale exclusion

**We** will not cover **you** for damage to any **computer equipment** which is

- 1 offered or to be offered for lease, hire, rent or loan by **you**
- 2 leased, hired, rented or lent by **you** to others
- 3 offered, or to be offered for sale or sold by **you**, where the sale of the **computer equipment** is in the course of **your business**.

### Property of others exclusion

**We** will not cover **you** for damage to any **computer equipment** which is not owned, leased, rented, hired or loaned to **you** whilst in **your** custody or control for programming, repair, service, adjustment, alteration, storage or transit purposes.

### What is not covered under Part 3

Please also refer to 'What is not covered under Part 1, Part 2 and Part 3'.

### Costs of reinstatement of information exclusion

**We** will not cover **you** for the costs of reinstatement of programs and/or information onto computer records and/or fixed disks.

### Period exclusions

**We** will not cover **you** for any increase in cost of working incurred

- 1 for **insured event** paragraph 3 during the first 24 hours following breakdown or derangement of any item detailed in paragraph 1 of the **computer equipment** meaning, if a maintenance, rental, hire or lease agreement is not in force for the item

- 2 for **insured event** paragraph 5  
during the first 30 minutes for failure of the supply of electricity
- 3 for **insured event** paragraph 6  
during the first 4 hours for failure of telecommunications equipment.

## What is not covered under Part 1, Part 2 and Part 3

### Bespoke software exclusion

**We** will not cover **you** for damage arising from loss, corruption or damage to bespoke software or individually tailored packages unless **you** have in force a software support agreement with the supplier or a third party maintainer approved by the supplier and the software has been approved by **us** prior to its use.

### Business interruption exclusion

**We** will not cover **you** for financial loss, loss of profits, loss due to delay and/or any kind of **business interruption** not specifically covered by this section.

### Cyber exclusion

**We** will not cover **you** for any loss, damage, cost or expense directly or indirectly caused by, contributed to by, arising from occasioned by, or resulting from

- 1 any **cyber act** including but not limited to **hacking, phishing, denial of service attack** or the transmission of any **virus or similar mechanism**
- 2 any **cyber incident**

This exclusion shall not apply to claims for **damage** under Part(s) 2 and 3 resulting from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them covered by these sections.

### Date recognition exclusion

**We** will not cover **you** for any loss, **damage**, cost or expense directly or indirectly caused by, contributed to or arising from the failure of equipment (including any **computer systems**) to correctly recognise any given date or to process

data or to operate properly due to failure to recognise any given date.

This exclusion shall not apply to claims for **damage** under Part(s) 2 and 3 resulting from a **defined peril** covered by these sections.

### Disease exclusion

- 1 Notwithstanding any provision to the contrary within this section, this section excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- 2 Subject to the other terms, conditions and exclusions contained in this section, this section will cover physical damage to property insured and any **time element loss** directly resulting therefrom where such physical damage or **time element loss** is covered by this section and is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, or impact by any road vehicle or animal, **storm**, earthquake, **flood**, subsidence, landslip, landslide, theft, escape of water from any tank apparatus or pipe, leakage of oil from any fixed heating installation.
- 3 The exception under 2 above shall not apply to any damage including physical damage and any **time element loss** caused by or arising from riot, riot attending a strike, civil commotion, vandalism or malicious persons, which shall be subject to 1 above.

### External network failure exclusion

**We** will not cover **you** for any losses caused by or resulting from the failure or interruption of any electrical power supply network or **telecommunication networks** not owned and operated by **you**. This exclusion shall not apply to losses caused by or resulting from

physical damage, if otherwise insured by this section, to the electrical power supply network, **telecommunication networks** or other property.

#### Excess exclusion

**We** will not cover **you** for the **excess** shown in **your** schedule for each and every claim.

#### Excluded parts exclusion

**We** will not cover **you** for damage to safety or protective devices as a result of their operation.

#### Guarantees of performance exclusion

**We** will not cover **you** for penalties for delay or detention or in connection with guarantees of performance or efficiency.

#### Intentional acts exclusion

**We** will not cover **you** for damage caused by

- 1 **your** intentional act or wilful neglect
- 2 intentional overloading
- 3 testing or experiments involving the imposition of any abnormal conditions.

#### Pollution or contamination exclusion

**We** will not cover **you** for any loss caused by pollution or contamination unless the **damage** is caused by

- 1 pollution or contamination which itself results from a **defined peril**, provided that peril is covered by this section
- 2 any **defined peril**, provided that peril is covered by this section, which itself results from pollution or contamination.

#### Radioactive contamination exclusion

**We** will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss, directly or indirectly caused by or contributed to by or arising from

- 1 ionising radiations or contamination by radioactivity from any nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material

- 2 buildings, plant or equipment for the generation of nuclear power, or production, use or storage of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- 3 transportation of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- 4 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly
- 5 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

#### Sonic bangs exclusion

**We** will not cover **you** for any loss directly caused by the pressure waves of aircraft or other aerial devices travelling at sonic or supersonic speeds.

#### Terrorism and Northern Ireland exclusion

**We** will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1 in England, Scotland, Wales, the Channel Islands, Isle of Man and the Rest of the World other than Northern Ireland
  - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
  - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
- 2 in Northern Ireland
  - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
  - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**

- c** riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect.

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

### War risks exclusion

- 1** This insurance does not cover any loss, damage, liability, cost or expense of any kind (together "**loss**") directly or indirectly occasioned by, happening through or in consequence of **war**, a **cyber operation** or a **cyber action**
- 2** **We** shall have the burden of proving that this exclusion applies
- 3** The primary but not exclusive factor in determining attribution of a **cyber operation** shall be whether the government of the **state** (including its intelligence and security services) in which the **technology system** affected by the **cyber operation** is physically located attributes the cyber operation to another **state** or those acting on its behalf
- 4** Pending attribution by the government of the **state** (including its intelligence and security services) in which the **technology system** affected by the **cyber operation** is physically located, **we** may rely upon an inference which is objectively reasonable as to attribution of the **cyber operation** to another **state** or those acting on its behalf. It is agreed that during this period no **loss** shall be paid
- 5** In the event that the government of the **state** (including its intelligence and security services) in which the **technology system** affected by the **cyber operation** is physically located either:

- a** takes an unreasonable length of time to, or
- b** does not, or
- c** declares it is unable to attribute the **cyber operation** to another **state** or those acting on its behalf, it shall be for us to prove attribution by reference to such other evidence as is available.

- 6** The primary but not exclusive factor in determining attribution of a **cyber action** shall be statements by widely recognised international bodies (such as the United Nations) or alliances (such as the North Atlantic Treaty Organisation)
- 7** Pending attribution by a widely recognised international body or alliance, **we** may rely upon an inference which is objectively reasonable as to attribution of the **cyber action** to a **state** or those acting on its behalf. It is agreed that during this period no **loss** shall be paid
- 8** In the event that the widely recognised international body or alliances:
  - a** takes an unreasonable length of time to, or
  - b** does not, or
  - c** declares it is unable to attribute the **cyber action** to a **state** or those acting on its behalf, it shall be for **us** to prove attribution by reference to such other evidence as is available, such as consensus opinion within relevant expert communities, such as the cyber security industry.

### Wear and tear, deterioration exclusion

**We** will not cover **you** for damage solely due to

- 1** wear and tear, gradual deterioration or rust
- 2** gradually developing defects
- 3** scratching or chipping of painted or polished surfaces
- 4** erosion or corrosion

but **we** will cover subsequent **damage** which itself results from a cause which is covered by this section.

### Section conditions

These conditions of cover apply only to this section.

**You** must comply with the following conditions to have the full protection of **your policy**.

Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However, **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

### Access condition – Conditions applicable to Part 1

**We** or **our** representatives shall have right of access to the property insured at reasonable times.

### Alterations in risk condition – Conditions applicable to Part 2

**We** will not cover **you** if after the start of the **period of insurance** the **business** is wound up or carried on by a liquidator or receiver or permanently discontinued.

### Automatic reinstatement condition – Condition applicable to Part 3

The sums insured or limits of indemnity will be reinstated from the date when the **insured event** occurred and an additional premium will be charged. **We** will waive the additional premium if the cost of the claim does not exceed £25,000.

### Average condition – Conditions applicable to Parts 1, 2 and 3

If at any time of repair or replacement, the sum insured is less than the cost which would have been incurred in repair or replacement if there had been a total loss, exceeds the sum insured or any further increase allowed under the provisions of the Automatic cover condition at the time of **damage** to the **computer equipment**, the amount **we** will pay will be reduced proportionately.

### Claims procedure condition – Applicable to Parts 1, 2 and 3

In event of a claim being made under this section, **you** will at **your** own expense

- 1 no later than 30 days after the end of the **indemnity period** or within such time as agreed by **us** deliver to **us** in writing the details of the claim with details of any other insurances covering the property used by **you** at the **premises** for the purpose of the **business** or any part of it or any consequential loss
- 2 deliver to **us** any books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, and any other information required by **us** for the purpose of investigating or verifying the claim together with, if required, a statutory declaration of truth of the claim and any matters connected with it.

If **you** do not comply with this condition

- 1 **we** have the right to refuse to pay **your** claim
- 2 **you** must repay **us** any amount **we** have already paid.

### Claims requirements condition – Applicable to Parts 1, 2 and 3

If **you** make a claim for **damage** under these Parts, **you** must retain any damaged property for inspection.

### Current cost accounting condition – Applicable to Part 3

Any adjustment implemented in current cost accounting will be disregarded.

### Declaration of values condition – Applicable to Part 1

Prior to each renewal, **you** must supply **us** with declarations of the new replacement value of each of the categories of **computer equipment** insured.



### Limit of liability condition – Applicable to Parts 1 and 2

**Our** liability will not exceed

- 1 the total sum insured or for any item its sum insured at the time of the **damage**
- 2 the sum insured remaining after deduction for any other interruption or interference as a consequence of **damage** occurring during the same **period of insurance**, unless **we** have agreed to reinstate any sum insured.

### Payments on account condition – Applicable to Parts 1, 2 and 3

If required, payments on account may be made to **you** monthly during the **indemnity period**.

### Precautions condition – Applicable to Parts 1, 2 and 3

**You** must

- 1 exercise due diligence in complying with any statute or order relating to the use of the **computer equipment**, software programs, data, records and software
- 2 maintain the **computer equipment** in good order and efficient operating condition
- 3 observe the manufacturers' and/or suppliers' instructions for use, operation, storage, transit and inspection of the **computer equipment**
- 4 back up information (other than software programs) at least once every 48 hours, **verify** and store, taking all reasonable precautions for their safe storage, and separately maintain one **verified** back up copy in a location away from the **premises**
- 5 where legally permissible **you** shall maintain a regularly updated and **verified** back up copy of all insured software and programs
- 6 obtain and keep in force and effect a proper and valid licence for any software programs in **your** possession.

If **you** do not comply with this condition, **you** will not be covered and **we** will not pay **your** claim.

### Professional accountants charges condition – Applicable to Part 3

Any particulars or details contained in **your** books of accounts or other **business** books or documents which may be required under the Claims procedures condition for this section, for the purpose of investigating or verifying any claim, may be produced by professional accountants if at the time they are regularly acting for **you**. Their report will be prima facie evidence of the particulars and details to which the report relates.

**We** will pay the reasonable costs incurred by **you** for professional accountants in producing these particulars or details of any other proofs, information or evidence as may be required by **us** under the Claims procedures condition for this section. Reporting these particulars or details are in accordance with **your** books of accounts or other **business** books or documents.

Provided that the sum payable under this cover together with **your** claim under Part 3 will not exceed the sum insured shown in **your** schedule.

### Theft from unattended vehicles condition – Applicable to Parts 1 and 2

The amount **we** will pay will not exceed the sum insured shown in **your** schedule for any one loss for theft from unattended vehicles.

### Unattended vehicle security condition – Applicable to Parts 1 and 2

Under Parts 1 and 2 **you** must ensure that whilst any item of **computer equipment** is being carried in a vehicle which is left unattended

- 1 the doors of the vehicle must be locked and all its windows and other openings fully closed and properly fastened
- 2 the vehicle must be in a locked garage or a walled or fenced compound that is either securely locked or has a watchman in constant attendance
- 3 the **computer equipment** must be concealed from view in a glove box or locked boot or covered hatchback area.

For the purposes of this condition, 'unattended' will mean when the vehicle is left without **you** or a responsible adult employee in the vehicle or immediately next to the vehicle.

If **you** do not comply with this condition, **you** will not be covered and **we** will not pay **your** claim.

### **Unattended premises security condition – Applicable to Parts 1 and 2**

Under Parts 1 and 2 **you** must ensure that whilst the **premises** are left unattended, any item of **portable computer equipment** is stored out of sight in a lockable cupboard, drawer or other secure storage.

All keys for cupboards, drawers or other secure storage must be removed from the **premises** or placed in a locked safe or strongroom. All keys to safes and strongrooms must be removed from the **premises**.

If **you** do not comply with this condition, **you** will not be covered and **we** will not pay **your** claim.

### **Value Added Tax condition – Applicable to Part 3**

To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in Part 3 are exclusive of tax.

### **Waiver of subrogation rights condition – Applicable to Parts 1, 2 and 3**

The cover provided by this section is extended to cover the categories of users shown below and **we** waive rights of recovery or subrogation against

- 1** any parent company of **yours**
- 2** any subsidiary company of **yours**
- 3** any subsidiary company of a parent company of whom **you** are a subsidiary
- 4** any user of the **computer equipment** explicitly authorised by **you** provided that
  - a** any users so included observe and fulfil the terms and conditions of this **policy** as if they were **you**
  - b** **you** do not receive any form of indemnity or damages from these users.

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