



## ACCIDENTAL DAMAGE (BUSINESS INTERRUPTION) INSURANCE POLICY

**This policy should be read carefully and its terms noted**

The Company agrees (subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder) that if after payment of the first premium any building or other property or any part thereof used by the Insured at the premises for the purpose of the business be accidentally lost destroyed or damaged (such accidental loss destruction or damage being hereinafter termed Damage) other than by an excluded cause at any time before 4 o'clock in the afternoon of the last day of the period of insurance or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of this policy and the business carried on by the Insured at the premises be in consequence thereof interrupted or interfered with The Company will pay to the Insured in respect of each item in the schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions therein contained.

### **Provided that**

- (1) at the time of the happening of the Damage there shall be in force an insurance covering the interest of the Insured in the property at the premises against such Damage and that
  - (i) payment shall have been made or liability admitted thereforor
  - (ii) payment would have been made or liability would have been admitted therefor but for the operation of a provision in such insurance excluding liability for losses below a specified amount
  
- (2) the liability of the Company in any one period of insurance shall in no case exceed
  - (I) in respect of each item the sum expressed in the schedule to be insured thereon or in the whole the total sum insured hereby
  - (ii) any limit liability shown in the scheduleor such other sum or sums as may be substituted therefor by memorandum hereon or attached hereto signed by or on behalf of the Company



## EXCLUDED CAUSES

This policy does not cover loss resulting from

1. Damage caused by:

(a) (i) faulty or defective design materials or workmanship inherent vice latent defect gradual deterioration deformation or distortion or wear and tear.

(ii) interruption of the water supply gas electricity or fuel systems or failure of the effluent disposal systems to and from the Premises.

unless Damage by a cause not excluded in the policy ensues and then Company shall be liable only for such ensuing Damage.

(b) (i) collapse or cracking of buildings

(ii) corrosion rust extremes or changes in temperature dampness dryness wet or dry rot fungus shrinkage evaporation loss of weight pollution contamination change of color flavor texture or finish action of light vermin insects marring or scratching.

unless such Damage is caused directly by Damage to the property insured or to premises containing such property be a cause not excluded in the policy.

(c) (I) theft except from a building and then only if there is violent or forcible entry to or exit from such building.

(ii) acts of fraud or dishonesty

(iii) disappearance unexplained or inventory shortage misfiling or misplacing of information shortage in supply or delivery of materials or shortage due to electrical or accounting error.

(iv) cracking fracturing collapse or overheating of boilers economizers vessels tubes or pipes nipple leakage or the failure of welds of boilers.

(v) mechanical or electrical breakdown or derangement of machinery or equipment.

(vi) bursting overflowing discharging or leaking of water tanks apparatus or pipes when the premises are empty or disused.

unless

(i) Damage by a cause not excluded in the policy ensues and then the Company shall be liable only for such ensuing Damage.

(ii) such Damage is caused directly by Damage to the property insured or to premises containing such property by a cause not excluded in the policy.

(d) (i) coastal or river erosion

(ii) subsidence ground heave or landslide

(iii) normal settlement or bedding down of new structures.

(iv) wind rain hail frost snow flood sand or dust to movable property in the open or in open sided buildings or to fences and gates.

(v) the freezing solidification or inadvertent escape of molten material.

2. Damage to :-

(a) property as a result of its undergoing any process

(b) property in transit other than within the premises specified in the Schedule

3. Damage resulting from erasure or distortion of information on computer systems or other records :-

(a) whilst mounted in or on any machine or data processing apparatus

or

(b) due to the presence of a magnetic flux

unless caused by Damage to the machine or apparatus in which the records are mounted.

4. Damage to :-

(a) fixed glass

(b) glass (other than fixed glass) china earthenware marble or other fragile or brittle objects

(c) electronic installations computers and data processing equipment

(d) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives or rolling stock watercraft or aircraft spacecraft or the like

(e) property or structures in course of demolition construction or erection and materials or supplies in connection therewith

(f) plant machinery or equipment during installation removal or resulting (including dismantling and re-erection) if directly attributable to such operations

(g) property undergoing alteration repair testing installation or servicing including materials and supplies therefor if directly attributable to the operations or work being performed thereon



but this shall not exclude Damage (not otherwise excluded) caused by fire lightning explosion aircraft riot strikers locked-out workers persons taking part in labour disturbance malicious persons impact by any road vehicle or animals earthquake hurricane windstorm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes

5. Damage to:-

- (a) land (including top-soil back-fill drainage or culverts) driveways pavements roads runways railway lines dams reservoirs canals rigs wells pipelines tunnels bridges docks piers jetties excavations wharves mining property underground off-shore property
- (b) livestock growing crops or trees

6. Damage caused by or arising from

- (a) any wilful act or wilful negligence on the part of the Insured or any person acting on his behalf
- (b) cessation of work

7. Damage occasioned directly or indirectly by or through or in consequence of any of the following occurrences namely

- (a) war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war
- (b) mutiny civil commotion assuming the proportions or amounting to a popular rising military rising insurrection rebellion revolution military or usurped power
- (c) acts of terrorism committed by a person or persons acting on behalf of or in connection with any organization. This Exclusion 7(c) shall not apply to Damage by Fire.

For the purpose of this Exclusion 7 (c) above "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

- (d) (i) permanent or temporary dispossession resulting from confiscation nationalization commandeering or requisition by any lawfully constituted authority.
- (ii) permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person



Provided that the Companies are not relieved of any liability to the Insured in respect of physical damage to the Property insured occurring before dispossession or during temporary dispossession which is otherwise insured by this Policy.

(e) the destruction of property by order of any public authority

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of Exclusion 7 (a) (b) and (c) above any accidental loss destruction or damage is not covered by this insurance the burden of proving that such accidental loss destruction or damage is covered shall be upon the Insured.

8. Damage directly or indirectly caused by or arising from or in consequence of or contributed to by :-
  - (a) nuclear weapons material
  - (b) ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exclusion 8 (b) combustion shall include any self-sustaining process of nuclear fission.
  
9. Damage to boilers economizers turbines or other vessels machinery or apparatus in which pressure is used or their contents resulting from their explosion or rupture

#### **DEDUCTIBLES**

This policy does not cover the amounts of the deductibles stated in the schedule in respect of each and every loss as ascertained after the application of all other terms and conditions of the policy

Warranted that during the currency of the policy the Insured shall not effect insurance in respect of the amounts of the deductibles in the schedule.



## **CONDITIONS**

### **1. IDENTIFICATION**

This Policy and the Schedule (which forms an integral part of this Policy) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule shall bear such specific meanings wherever they shall appear.

### **2. MIS-DESCRIPTION**

If there be any material misdescription of the business or premises to which this insurance refers or any misrepresentation as to any fact material to be known for estimating the risk or any omission to state such fact, the Company shall not be liable under this Policy .

### **3. CANCELLATION**

This insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the customary short period rate for the time the Policy has been in force. This insurance may also be terminated at the option of the Company on notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a ratable proportion of the premium for the unexpired term from the date of the cancellation.

### **4. FORFEITURE**

All benefit under this Policy shall be forfeited

(a) if any claim made under this Policy be in any respect fraudulent or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy.

or

(b) if any claim be made and rejected and an action or suit be not commenced within three months after such rejection, or (in case of an arbitration taking place in pursuance of condition No. 7 of this Policy) within three months after the arbitrator or arbitrators or umpire shall have made their award.



## 5. SUBROGATION

Any claimant under this Policy shall, at the expense of the Company do, and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

## 6. CONTRIBUTION

If at the time of any loss or damage happening to any property hereby insured, there be any other subsisting insurance or insurance whether effected by the Insured or by any other person or persons, covering either such loss or any part of it or the same property the Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

## 7. ARBITRATION

If any difference shall arise as to the amount to be paid under this Policy such difference shall independently of all other questions be referred to the decision of an arbitrator, to be appointed in writing by the parties in difference, or, if they cannot agree upon a single arbitrator, to the decision of two disinterested persons as arbitrators, of whom one shall be appointed in writing by each of the parties within two calendar months after having been required to do so in writing by the other party. In case either party shall refuse or fail to appoint an arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator; and in case of disagreement between the arbitrators the decision shall be referred to the decision of an umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the arbitrator, arbitrators or umpire respectively; and in the event of the death of an arbitrator or umpire, another shall in each case be appointed in his stead by the party or arbitrators (as the case may be) by whom the arbitrator or umpire so dying was appointed. The costs of the reference and of the award shall be in the discretion of the arbitrator, arbitrators or umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such arbitrator or umpire of the amount of the loss or damage if disputed shall be first obtained.

## **8. ALTERATIONS**

The Insurance by this Policy shall cease if

- (a) the business be wound up or carried on by a liquidator or Receiver or permanently discontinued, or
- (b) the Insured's interest cease otherwise than by death, or
- (c) any alteration be made either in the business or in the premises or property therein whereby the risk of Damage is increased at any time after the commencement of this Insurance, unless its continuance be admitted by memorandum signed by or on behalf of the Company.

## **9. PROPERTY DAMAGE RATE OF PREMIUM**

Notice shall be given to the Companies and if required an additional premium paid if the rate of premium payable in respect of the insurance covering the interest of the Insured in the property at the premises against Damage shall be increased.

## **10. CLAIMS**

On the happening of any damage in consequence of which a claim is or may be under this Policy, the Insured shall forthwith give notice thereof to the Company and shall with due diligence to and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under this Section shall, not later than thirty days after the expiry of the Indemnity Period or within such further time as the Company may in writing allow, at his own expense deliver to the Company in writing a statement setting forth particulars of his claim, together with details of all other insurances (if any) covering the damage or any part of it or consequential loss of any kind resulting therefrom. The Insured shall at his own expenses produce, procure and give to the Company such books of account and other business books, vouchers, invoices, balance sheets and other document, proofs, information, explanation and other evidence as may be reasonably required by or on behalf of the Company for the purpose of investigating or verifying the claim together with a declared on oath or truth of the claim and of any matters connected therewith. No claims under this Policy shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Company forthwith.



#### **11. TIME LIMIT**

In no case whatever shall the Company be liable in respect of any claim under this Policy after the expiration of

- (a) one year from the end of the Indemnity Period  
or, if later
- (b) three months from the date on which payment shall have been made or liability admitted by the Companies covering the Damage giving rise to the said claim  
unless the claim is the subject of pending action or arbitration.

#### **12. REASONABLE PRECAUTIONS**

The Insured shall maintain the property in a proper state of repair and take all reasonable precautions to prevent Damage thereto.