

Business Interruption

What is covered

If any of the following events occur during the period of insurance shown in the policy schedule:

- **damage** at the **premises**, to property that is used by **you** for the purpose of **your business**
- **damage** to any property in the area near or surrounding the **premises** which prevents or makes it difficult for **you** to use or enter the **premises** for the purpose of **your business**
- **damage** to any property at **your** suppliers' premises that are within the **United Kingdom**
- **damage** by a **specified event** at any
 - generating station or sub-station of **your** electricity supplier
 - land-based premises of **your** gas supplier or any directly linked natural gas producer
 - water works or pumping station of **your** water supplier
 - land-based premises of **your** telecommunications and internet services provider from which **you** obtain telecommunications services

within the **United Kingdom**.

and as a result the **business** carried on by **you** at the **premises** is interrupted or interfered with then **we** will pay **you** the resulting **income shortfall** and/or **increase in cost of working**.

However, **we** will only pay **you**

- if a Sum Insured is specified in the policy schedule and only in respect of the **premises** shown against that sum insured.
- where **your** business has been interrupted or interfered with following **damage** to property at the **premises**, for the **income shortfall** and/or **increase in cost of working** if:
 - **we** have paid **you** (or admitted liability) for the **damage** to the property under the property damage section of cover of this policy or would have done so but for the excess under that section of cover, or
 - **we** would have paid **you** (or admitted liability) if the **premises** had been insured under the property damage section of cover, had **you** owned or been responsible for insuring the **premises**.

How much we will pay

The most **we** will pay under this section of cover in the period of insurance is the Sum Insured specified in the policy schedule.

However,

- with regard to any claim for **increase in cost of working**, **we** will not pay **you** more than the loss of **income** avoided by spending the additional money
- the most **we** will pay in the period of insurance shown in the policy schedule following **damage** by a **specified event** is £25,000.
- the most **we** will pay in the period of insurance shown in the policy schedule following **damage** to any property at **your** suppliers' **premises** is £100,000
- the most **we** will pay in the period of insurance shown in the policy schedule following the breakdown of **your computer equipment** is £5,000

In calculating the amount to be paid all variations or special circumstances affecting the **business** will be taken into account so that the amount paid represents, as closely as possible, the results which would have been expected if the **insured event** had not occurred.

- Savings

If any of the charges or expenses of the **business** cease or reduce in consequence of the **insured event** the amount of the savings during the **cover period** will be deducted from the amount **we pay you**.

- Applying average

If, at the beginning of the **insured event**, the sum insured specified as the Sum Insured in the policy schedule is less than 85% of the **annual income** (or, if the maximum cover period shown in the policy schedule exceeds 12 months, a proportionally increased amount) the amount **we pay you** will be reduced in the same proportion.

- Professional accountant's charges

We will also pay **you** for reasonable professional accountants charges for producing any particulars or details from **your** business books or any other proofs, information or evidence **we** may require under claims condition 3 (business interruption) including that the proofs, information or evidence are in accordance with **your** business books or documents.

- Alternative trading

If, during the **cover period**, the services provided by **your business** are provided from somewhere other than the **premises**, either by **you** or on **your** behalf, the money paid or payable in respect of those services provided will be taken into account in arriving at the **income shortfall** during the **cover period**.

- Restoring the Sum Insured

In the event of a loss covered by this section of cover the sum insured will not be reduced by the amount of that loss provided **you**

- pay any appropriate additional premium **we** may require, and
- comply with any reasonable requirements **we** may require to prevent any further loss.

What is not covered (exclusions)

1 Fines and penalties

We will not pay **you** for any

- fine or penalty
- non-compensatory damages.

2 Radioactive contaminations and sonic bangs etc

We will not pay **you** for a loss that is otherwise covered under this policy if the loss is caused by or arises from

- ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component
- pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

and in Northern Ireland and the Republic of Ireland only

- riot, civil commotion, strikers, labour or political disturbances, vandals or malicious persons.

3 War risks and terrorism

We will not pay **you** for a loss that is otherwise covered under this policy if the loss is caused by or arises from

- **war** and/or **terrorism**
- any action taken in controlling, preventing or suppressing **war** and/or **terrorism**
- any unlawful or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **unlawful association**

regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

- **contamination** due to **terrorism**

If **we** allege that, because of this exclusion, any loss is not covered by this policy the burden of proving otherwise will be upon **you**.

If any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

4 **Confiscation etc**

We will not pay **you** for a loss that is otherwise covered under this policy if the loss is caused by or arises from confiscation, requisition, nationalisation, seizure, detention or destruction by any government, public, local or customs authority.

5 **Electronic data**

We will not pay **you** for any loss destruction, **damage**, distortion, erasure, corruption, failure, interruption, seizure, alteration, error or omission in any way involving a **cyber incident** from any cause (including **computer virus** or ransomware) or any resulting loss of use, reduction in functionality, cost, or expense, of whatever nature, regardless of any other cause or event contributing concurrently or in any other sequence to the loss, destruction, damage, distortion, erasure, corruption failure, interruption, seizure, alteration, error or omission.

This exclusion does not exclude physical loss, destruction, damage, distortion, erasure, corruption or alteration directly caused by fire or explosion

6 **Mould**

We will not pay **you** for a loss that is otherwise covered under this policy if the loss is caused by or arises from **mould** or a **mould event**.

7 **Other insurance**

We will not pay **you** more than **our** proportionate share where **you** are entitled to payment under any other insurance.

8 **Public utilities**

- **We** will not pay **you** for any loss resulting from **damage** caused by the deliberate act of a supplier in withholding the supply of water, gas, electricity, fuel or telecommunication services other than loss resulting from any subsequent **damage** which in itself is not excluded under this section of cover.
- **We** will not pay **you** for any loss
 - which does not involve a lack of supply for at least 24 consecutive hours
 - which is caused by strikes, labour or trade disputes, or drought
 - caused by failure of any satellite
 - caused by atmospheric or weather conditions.

9 **Communicable disease**

We will not pay **you** for any loss, clean-up costs, costs of detoxification, removal, monitoring, testing or **damage** in any way caused by or resulting from

- an **infectious or contagious disease**
- any fear or threat of an **infectious or contagious disease** regardless of whether this is actual or perceived
- any action taken to minimise or prevent an **infectious or contagious disease**

Conditions that apply to this section of cover

1 Value Added Tax clause

To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this policy shall be exclusive of that tax.

2 Current cost accounting

Any adjustment implemented in current cost accounting shall be disregarded.

Words with special meanings (definitions)

The following words or phrases have the same meaning wherever they are highlighted in bold in this section of cover. Plural forms of the words defined in this policy have the same meaning when used in the singular form.

Annual income means the **income** during the 12 months immediately before the start of the **insured event**.

Cover period means the period beginning with the start of the **insured event** and ending no more than 12 months later, during which **your business** is adversely affected as a result of the **insured event**.

Damage means accidental loss, destruction or damage.

Income means the money paid or payable to **you** for work or services provided in the course of **your business** at the **premises**.

Income shortfall means the amount the **income** falls short, during the cover period, of the **standard income** as a result of the **insured event**.

Increase in cost of working means the amount of money, necessarily and reasonably spent, for the sole purpose of avoiding or diminishing the **income shortfall** which would have occurred during the **cover period** as a result of the **insured event** had the money not been spent.

Insured/you/your/yours means the person named as the policyholder in the policy schedule.

Insured event means

- **damage** at the **premises**, to property that is used by **you** for the purpose of **your business**
- **damage** to any property in the area near or surrounding the **premises** which prevents or makes it difficult for **you** to use or enter the **premises** for the purpose of **your business**
- **damage** to any property at **your** suppliers' premises that are within the **United Kingdom**
- accidental failure of **your** supply of electricity, gas, water or telecommunication services.

Premises means the buildings together with its land and outbuildings at the address shown in the policy schedule and which are owned or occupied by **you** (or in part by **you**).

Specified event means:

- fire, lightning, explosion, aircraft or other aerial devices (or articles dropped from them), earthquake, subterranean fire
- riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons (other than thieves)
- storm, flood, escape of water from any tank, apparatus or pipe, impact by road vehicle or animal.

Standard income means the **income** during the corresponding period of the same length as the **cover period** in the 12 months immediately before the start of the **insured event**