



# Contractors All Risks Policy

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We welcome you as a Policyholder of Argus Insurance Company (Europe) Limited a locally incorporated Company associated with the Argus Insurance Group offering you an extensive insurance service.

Please read this Policy Booklet together with your Schedule. These set out the cover you have chosen, plus any limits that apply. If you are not satisfied with the details or the policy does not cover your needs, please return the Schedule to your insurance adviser.

## **THE CONTRACT OF INSURANCE**

This policy is a contract between you and Argus Insurance Company (Europe) Limited and is based on the information you gave us when you applied for this insurance. In return for your premium, we will provide the cover shown in the Schedule during the period of insurance.

## **THE LEGAL DEFINITION**

In return for payment by you, we will provide insurance in accordance with the policy cover shown in the policy schedule in respect of accident, injury, loss or damage occurring within the territorial limits (or in the course of transit between any ports therein including the processes of loading and unloading) during the period of insurance.

## **LAW APPLICABLE TO CONTRACT**

You and the insurer are free to choose the law to this contract but in the absence of agreement to the contrary, the law of the country in which you reside at the date of the contract (or, in case of a business, the law of the country in which the registered office or principle place of business is situated) will apply. If you are not resident (or, in the case of a business, the registered office or principle place of business is not situated) in Gibraltar, the law which will apply is the law of Gibraltar.

## **USE OF LANGUAGE**

Unless otherwise agreed, the contractual terms and conditions and other information relating to this contract will be in English.

## **CHANGES WE NEED TO KNOW ABOUT**

Please tell your insurance adviser immediately if there are any changes which may affect this insurance for example:

- The people to be insured;
- The sums insured are not adequate;
- Change of vehicle;
- Criminal convictions or cautions of the people insured.

Any change in circumstances may result in revised terms and conditions of this policy from the date of the change. If you do not tell us about any change, it may affect any claim you make.

Signed on behalf of the Insurer



**Tyrone Montovio**  
Director

## OUR SERVICE TO YOU, COMPLAINTS PROCEDURE AND OUR PROMISE OF SERVICE

We are committed to delivering a first class quality service to all our customers, we do however realise that occasionally things can go wrong. We take any complaint seriously and aim to resolve any problems as soon as possible.

To ensure that we provide the kind of service you expect, we always welcome your feedback to make sure that we continually improve our service to you.

What will happen if you make a complaint?

- We will acknowledge your complaint within 5 working days of receiving it.
- We will aim to resolve complaints, following assessment and investigation as soon as possible.

Most concerns can be resolved quickly, but sometimes we will need to go into more detail. If this looks likely we will keep you updated about the situation and let you know when you can expect to hear from us.

If you are unhappy with any aspect of the handling of your insurance, your first point of contact should be your insurance advisor or your usual Argus Insurance point of contact. You can write to us or telephone us, whatever suits you best, and ask your contact to review your problem.

If you are unhappy with the decision you receive from us, you should write to, The General Manager, Argus Insurance Company (Europe) Limited, PO Box 45, Regal House, 3 Queensway, Gibraltar.

If you are dissatisfied with our final decision, you can refer the matter to the Department of Consumer Affairs, 10 Governor's Lane, Gibraltar.

### YOUR CANCELLATION RIGHTS

You have a statutory right to cancel your policy within 14 days from the day of purchase of the contract or the day on which you receive your policy documentation, whichever is later.

If you want to cancel, and your insurance cover has not yet started, you'll be entitled to a full refund of the premium paid.

Or if your insurance cover has already started, you'll be entitled to a refund of the premium paid, with a deduction for the time for which you've been covered. This is calculated on a pro-rata basis.  
Minimum charge £35.

To cancel your policy please contact your insurance adviser at the address shown on your Policy.

If you don't cancel the policy it will continue in force and you'll need to pay the premium. For your cancellation rights outside the statutory cooling-off period, please refer to the General Conditions section of this booklet.

### ADMINISTRATION CHARGE

If you make any adjustments to your policy we reserve the right to apply a minimum administration charge of £15.

### ADDITIONAL COVER - REFUND OF PREMIUMS

If you have purchased additional cover options with this policy, a refund may not be available on those additional covers if they are subsequently removed after the statutory cancellation period.

### THE RIGHT LEVEL OF COVER

How much should you insure for?

## POLICY DEFINITIONS

The following definitions apply to this Policy (unless amended by Section Definitions) and are denoted by a capital first letter throughout this Policy.

### **BUSINESS**

The business description stated in the Schedule and which is conducted solely from premises in Gibraltar

1. the ownership maintenance and repair of premises used in connection with such business
2. the provision and management of canteen social sport and welfare organisations for the benefit of Employees and the ambulance first aid fire medical and security services of the Insured
3. the execution of private duties by Employees for any partner director or senior official of the Insured.

### **DAMAGE**

Physical loss, destruction or damage

### **EMPLOYEE(S)**

1. any person under a contract of service or apprenticeship with the Insured
2. any of the following persons whilst working for the Insured in connection with the Business
  - a. any labour master or labour only subcontractor or person supplied by them
  - b. any self-employed person providing labour only
  - c. any person who is borrowed by or hired to the Insured
  - d. any voluntary helper
  - e. any trainee or person undergoing work experience.

### **EXCESS**

First part of each and every claim, for which the Insured is responsible as stated in the Schedule

### **INJURY**

Bodily injury, death, disease, illness, mental injury or nervous shock

### **INSURED**

Insured named and shown in the Schedule

### **INSURER**

Argus Insurance Company (Europe) Limited

### **LIMIT OF INDEMNITY**

Limit of indemnity stated in the Schedule

### **OFFSHORE INSTALLATIONS**

1. any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
2. any installation in the sea or tidal waters which is intended for the storage or recovery of gas
3. any pipe or system of pipes in the sea or tidal waters
4. any installation which is intended to provide accommodation for persons who work on or from the locations specified in paragraphs 1, 2 or 3 of this definition.

**PERIOD OF INSURANCE**

Period from the effective date to the renewal date as shown in the Schedule or any subsequent period for which the Insurers accept payment for renewal of this policy.

**POLICY**

Document as described in the Introduction

**POLLUTION OR CONTAMINATION**

1. all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
2. all Injury or Damage directly or indirectly caused by such pollution or contamination.

All pollution or contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place.

**SCHEDULE**

Part of this Policy that details information forming the basis of this contract and that shows the Sections of this Policy operative

**SECTION/SECTIONS**

Parts of this Policy that detail the insurance cover provided for each individual section of this Policy

**SUM INSURED**

The maximum amount the Insurer will pay for each item insured under any Section

**TOTAL SUM INSURED**

Total amount payable by the Insurer under any Section

## SECTION 1 - MATERIAL DAMAGE

The following definitions apply to this Section in addition to the Policy Definitions

### DEFINITIONS

**CONTRACT VALUE**

The awarded value of the Contract Works including the value of Free Issue Materials and all other costs associated with the completion of the Contract.

**CONTRACT**

The Agreement under which the Contract Works are undertaken.

**EMPLOYER**

The party on whose behalf the Contract Works are undertaken (other than a director partner or Employee of the Contractor).

**EMPLOYEE**

Any person under a contract of service or apprenticeship with the Contractor.

**CONTRACTOR**

The party undertaking the Contract Works on behalf of the Employer.

**TERRITORIAL LIMITS**

Gibraltar.

## **INSURED PERSON**

The Insured or any partner director or permanent Employee of the Insured.

## **MAINTENANCE PERIOD**

Period specified in the contract during which the Insured is responsible for rectifying defects arising from the Contract Works.

## **TESTING**

Testing means the application of power or driving force to an item of machinery prior to the introduction of feedstock or raw materials or the application of a load.

## **COMMISSIONING**

Commissioning means operational testing commencing either with the introduction into the Contract Works of feedstock or other materials for processing or handling or when supply to a system commences.

Commissioning does not include any processes involving chemical action or reaction unless the prior agreement of the Insurers has been obtained.

## **MECHANICALLY PROPELLED CONSTRUCTION PLANT**

Self propelled vehicles designed to be used solely as a tool of trade on a contract site or vehicles which are not licensed for road use and used solely as a tool of trade on a contract site.

## **MONEY**

Cash, bank and currency notes, cheques, crossed bankers drafts, postal orders, luncheon vouchers, current postage stamps, trading stamps, holiday with pay stamps, National Savings stamps, National Savings certificates, Premium Bonds, credit sales vouchers or receipts, VAT purchase invoices, unexpired units in franking machines, gift tokens, deeds, bonds, bills of exchange, promissory notes, treasury notes or securities and consumer redemption vouchers, belonging to the Insured or for which the Insured are responsible.

## **PROPERTY INSURED**

Any property belonging to the Insured or for which they are responsible and for which a Sum Insured is included in the Schedule whilst on or adjacent to the Contract Works and intended for use in connection with the contract including

### **a. Contract Works**

The permanent works undertaken in the performance of any Contract and allocated to or incorporated in the works including:

- i Temporary works and
- ii Free Issue Materials

Contract Works does not include

- i Prototype experimental untried or unproven works or machinery
- ii Contractors Plant
- iii Temporary Buildings
- iv Employees Effects
- v Hired In Plant

### **b. Temporary Works**

Structures and their materials that are necessary for access to or support of the works and will

- i be removed from the contract site on or before the date of completion of the works
- ii not normally be used again in connection with other Contracts.

### **c. Free Issue Materials**

Materials supplied by the Employer or their agents for which the Insured is responsible under the terms of the Contract and for which the value has been declared to the Insurers..

**d. Site Materials**

All unfixed materials and goods delivered to or placed on or adjacent to the Contract Works and intended for incorporation in them but excluding Own Plant and Tools, Hired in Plant and Tools, Temporary Buildings and Hired in Temporary Buildings

**e. Own Plant and Tools**

Tools, contractors plant and equipment belonging to the Insured or hired to them under a hire purchase or lease agreement or on free loan and for use in connection with the Contract Works

**f. Hired in Plant and Tools**

Tools, contractors plant and equipment hired by the Insured and for which they are responsible under the terms of their hiring agreement or otherwise but not plant on hire purchase or subject to a lease agreement or on free loan and for use in connection with the Contract Works

**g. Temporary Buildings**

Site huts and other temporary accommodation and their contents (other than computer or other data processing equipment) belonging to the Insured or hired by them under a hire purchase or lease agreement or on a free loan and for use in connection with the Contract Works

**h. Hired in Temporary Buildings**

Site huts and other temporary accommodation and their contents (other than computer or other data processing equipment or other data processing equipment) hired by the Insured and for which they are responsible under the terms of their hiring agreement but not site huts and other temporary accommodation and their contents on a hire purchase agreement or subject to a lease agreement or on a free loan and for use in connection with the Contract Works

**i. Property Awaiting Sale**

Property built by the Insured including show houses and show flats whilst not under a contract for sale or rental after the date of completion. Completion shall mean completed or complete other than the prospective purchasers or tenants choice of decorations or final fitments

**j. Employees Tools and Personal Effects**

Employees hand tools and personal effects whilst on or adjacent to the Contract Works and intended for use in connection with the contract.

**TERRORISM**

Any 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 to put the public or any section of the public in fear.

**TOOL(S)**

Any hand tool or any hand held portable power tool or their parts (other than any Mechanically Propelled Constructional Plant)

**UNOCCUPIED BUILDING**

Any building or part of any building which is empty or not in use by the Insured or any tenant of the Insured.

## COVER

The Insurer will pay the Insured for Physical Loss of or damage to the Contract Works, Contractor's Plant and Machinery, Tools and Temporary Buildings described in the Schedule anywhere in the Territorial Limits occurring during the Period of Insurance

**a. Transit**

while in transit other than by sea or air to and from the contract site (including incidental storage for a period not exceeding fourteen days) from the commencement of loading on to transport vehicles until the completion of unloading at the destination.



- b. Contract Site
  - at the contract site until
    - i the issue of a certificate of completion or taking over certificate or
    - ii the completion of construction or
    - iii until taken into use
  - whichever is the earlier and for a further fourteen day period where the Contractor is required to insure under the terms of the Contract.
- c. Maintenance
  - during the maintenance or defects liability period
    - i from a defect originating prior to the commencement of this period or
    - ii caused by the Contractor in the course of any operations they carry out at the contract site for the purpose of remedying any defects in the Contract Works or otherwise fulfilling the maintenance obligations under the terms of the Contract.

Provided that c above

- i shall not exceed twelve months from the issue of a certificate of completion or taking over certificate or completion of construction or being taken into use whichever is the earlier
- ii applies to the extent that the Contractor is responsible under the terms of the Contract.

## LIMIT OF INDEMNITY

The liability of the Insurers shall not exceed the lesser of

- a. the contract Value plus the cost of any additions amendments or variations including the value of Free Issue Materials or
- b. the Limit of Liability shown in the Schedule

and in addition

- c. any amounts shown in the Extensions

in respect of any one accident or series of accidents arising from one occurrence of loss or damage.

The amount under b above may be increased by not more than 10% (ten percent) should the Contract Value plus the cost of any additions amendments or variations including the value of any Free Issue Materials exceed the Limit of Liability shown in the Schedule.

## EXTENSIONS (Subject to the terms, limits, conditions and exclusions of this Section and the Policy)

### 1. Joint Names or Multiple Insureds

Indemnity to any party that is required under the terms of the Contract to be a joint named insured to this Policy.

If there is more than one insured party each operating as a separate and distinct entity then cover shall apply in the same manner and to the same extent as if individual policies had been issued to each party.

Provided that

- a. the total liability of the Insurers to all of the insured parties collectively shall not exceed the Limit of Liability
- b. any payment or payments by the Insurers to any one or more insured party shall reduce to the extent of that payment the Insurers liability to all parties arising from any one event giving rise to a claim under this Policy

- c. the insured parties shall at all times preserve any available contractual rights agreements and remedies in the event of loss or damage
- d. the Insurers shall be entitled to avoid liability to or claim damages from any of the insured parties in circumstances of fraud material misrepresentation material non-disclosure or breach of any Condition in this Policy each referred to in this clause as a vitiating act
- e. the Contract is performed in Gibraltar.

It is however agreed that

- i a vitiating act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has an insurable interest and who has not committed a vitiating act
- ii the Insurers agree to waive all rights of subrogation which they may have or acquire against any insured party except where the rights of subrogation arise from a vitiating act.
- iii any lenders to the project shall not be entitled to any indemnity under this Policy for loss or damage in respect of which the Insurers are by reason of a vitiating act no longer liable to indemnify any one or more other insured party

## **2. Professional Fees**

The maximum contract price includes an amount in respect of architects, surveyors, consulting engineers and other fees necessarily incurred in the reinstatement, repair or replacement of the Property Insured following Damage by any cause insured by this Section but not such fees for preparing or contending any claim. The amount payable for such fees shall not exceed that authorised by the appropriate professional body.

## **3. Debris Removal**

The insurance by this Section includes costs and expenses necessarily incurred with the Insurer's consent in:

- a. removing debris
- b. dismantling or demolishing
- c. shoring up or propping
- d. cleaning or repairing drains, service mains, gullies, manholes and the like within the site of the Contract Works

of the portion or portions of the Property Insured damaged in circumstances giving rise to a claim under this Section.

The Insurer will not pay for such costs and expenses

- i arising from Pollution or Contamination of property not insured by this Section
- ii exceeding 10% of the Sum Insured under each item of this Section and provided always the Sum Insured shown in the Schedule remains the Insurer's maximum liability.

## **4. Offsite Storage**

Loss of or damage to Contract Works while in store at any location in the Territorial Limits other than the contract site for a period not exceeding six months.

Provided that

- a. the Contract Works are ready for delivery to the contract site

- b. allocation to an insured Contract can be proved
- c. the value of the Contract Works in store at any one location shall not exceed the lesser of
  - i 25% (twenty five percent) of the Contract Value or
  - ii £250,000

unless the prior consent of the Insurers has been obtained.

## 5. Property in Transit

The insured by this Section extends to include the Property Insured whilst in transit in the Territorial Limits by road, rail or inland waterway including Mechanically Propelled Construction Plant Whilst under its own power.

## 6. Immobilised Plant

The insurance by this Section extends to include any necessary costs incurred in the recovery of Own Plant and Tools or Hired in Plant and Tools which may become immobilised or immovable whilst being used in connection with the contract provided that the cause of such immobilisation or immovability or immovability is the subject of an admissible claim under this Section.

## 7. Breakdown or Explosion

Damage to new and unused machinery forming part of the Contract Works caused by electrical or mechanical breakdown or explosion.

This Extension shall continue for a period of

- a. Seven days from the commencement of Testing of an individual item and
- b. one calendar month from the commencement of Commissioning.

## 8. Free Issue Materials

Property for which the Insured is responsible shall include all materials and goods supplied free of charge for incorporation in contracts insured by this Section provided always the Sum Insured shown in the Schedule remains the Insurer's maximum liability.

## 9. Re-drawing Plans and Documents

The insurance by this Section extends to include Damage to plans, drawings, specifications, documents and records whilst anywhere in the Territorial Limits (except on sites of contracts not insured by this Section) provided that the Insurer's liability is limited to

- a. the value of the materials as stationery together with the cost of clerical labour involved in their reproduction, and not the value to the Insured of the information contained therein
- b. £25,000 in respect of any one claim or any one Period of Insurance.

## 10. Local Authorities

The insurance in respect of the Contract Works extends to include such additional cost of reinstatement following Damage to the Property Insured as may be incurred solely by reason of the necessity to comply with Building or Other Regulations under or framed in pursuance of any Act of Parliament or with Bye-laws of any Public Authority.

The Insurer will not pay for

- a. such additional cost incurred
  - i which can be recovered elsewhere
  - ii where notice has been served upon the Insured prior to Damage
  - iii for which there is an existing requirement which has been implemented within a given period

- iv in respect of any part of such Property Insured which is undamaged other than the foundations or that part which is the subject of Damage
- b. the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable by reason of compliance with any of the aforesaid Regulations or Bye-Laws

Provided that the work of reinstatement shall be commenced and carried out without unreasonable delay.

#### **11. Negligent Breakdown and Continuing Hire Charges**

Subject to a Sum Insured appearing against the Hired in Plant and Tools and Hired in Temporary Buildings items on the Schedule the Insurer will indemnify the Insured in respect of

- a. Damage to Hired in Plant and Tools or Hired in Temporary Buildings hired by the Insured to undertake a contract arising from any breakdown of such property due to the negligence of or misuse or misdirection of the property on the part of the Insured or his employees. Provided always that in respect of each occurrence the Insured shall be responsible for the first £250 of any Damage and the Insurer's liability shall not exceed the sum of £5,000 for any one item.
- b. the Insured's liability under the terms of a hiring agreement or otherwise to pay continuing hire charges consequent upon Damage to or negligent breakdown of hired in Plant and Tools or Hired in Temporary Buildings hired in by the Insured.

The period in respect of which payment is made under this extension in respect of any one occurrence shall be the period beginning 72 hours after the Damage and ending not later than three (3) months after the Damage. The Insurer's liability shall not exceed the sum of £10,000 for any one loss.

#### **12. Speculative Building - Property Awaiting Sale**

The Insurer will indemnify the Insured in respect of Damage to any Property Awaiting Sale occurring during a period of ninety (90) days after the date of practical completion.

Provided that

- a. in respect of each occurrence the Insurer's liability shall not exceed £100,000 in respect of any one claim or series of claims arising out of any one original cause
- b. in respect of each occurrence the Insured shall be responsible for the first £500 of any Damage
- c. whenever any show house or show flat is closed for business all security devices shall be put into full and effective operation and that such devices shall include
  - i British Standard locks on all external doors
  - ii key operated window locks on all ground floor and other accessible windows
  - iii an intruder alarm with an audible signalling device

#### **13. Employees Tools and Personal effects**

The insurance provided under this Section includes Damage to Employees Tools and Personal Effects whilst anywhere within the Territorial Limits. Provided always that the liability for any individual employee shall not exceed £500.

#### **14. Own Plant and Tools**

The insurance provided under this Section extends to include Own Plant and Tools at the Insured's own premises, or elsewhere in a locked building or compound.

#### **15. Consecutive Damage**

Any Damage to the Property Insured at any one contract site during any period of 72 hours caused by or arising from storm, tempest, subsidence collapse, flood or other water damage shall for the purpose of the Excess be deemed to be one occurrence.

## 16. Expediting Costs

The insurance provided under this Section extends to include any additional costs of overtime, weekend and shift working hours, bonus payments, plant hire charges, express delivery and the like necessarily and reasonably incurred by the Insured with the consent of the Insurer to expedite reinstatement or replacement or repair of or Damage to the Contract Works for which an indemnity is being provided by this Section.

Provided that

- a. the Insurer will not be liable for any costs incurred which relate either to expedition or the completion of any construction, erection or installation of Property Insured not Damaged or to the expedition of the completion of the Contract Works at a faster rate than would have been obtained had no Damage occurred
- b. the Insurer's liability for such additional costs is limited to 10% of the Contract Price but not exceeding £25,000.

## 17. Damage to Security Devices

The cost incurred in repairing or replacing any immobiliser locating tracking or other security device permanently fitted to the Insured Property following loss or damage due to theft or attempted theft for which the Insurers have admitted liability

Provided that

- a. the liability of the Insurers shall not exceed £1,000
- b. Exclusion 1 - Excess does not apply to this Extension.

## 18. Loss of keys

The cost incurred in replacing the lock cylinder of any security device permanently fitted to any Insured Property following loss of or damage to the keys operating the security device.

Provided that

- a. The liability of the Insurers shall not exceed £1,000
- b. Exclusion 7 - Excess does not apply to this Extension.

## 19. Repair Cost Investigation

The cost incurred in repair investigations and tests by consulting engineers following loss of or damage to Insured Property for which the Insurers have admitted liability.

Provided that

- a. the prior written agreement of the Insurers has been obtained
- b. the liability of the Insurers does not exceed £25,000 during any one Period of Insurance

the Insurers shall not be liable under this Extension for any cost incurred in preparing a claim under this Policy.

## EXCLUSIONS

The Policy Exclusions apply to this Section and, in addition this Section does not cover:

### 1. Damage to :

- a. any aircraft, aerospace device, tower crane, vessel, craft, or device designed to float in or on or travel through water or plant and equipment mounted on board

- b. any mechanically propelled vehicle (including any attached trailer) for which a certificate of Motor Insurance is required, other than Mechanically Propelled Construction Plant
- c. Money
- d. property forming or which has formed part of any structure prior to the commencement of the Contract Works
- e. property for which the Insured is relieved of responsibility by conditions of contract
- f. property more specifically insured
- g. the Contract Works or any part of them for which a Certificate of Practical Completion has been issued or which have been handed over to the employer or purchaser or occurring after the Contract Works have been completed pending sale other than to the extent stated in respect of the:
  - i Maintenance Period
  - ii Extension 12 Speculative Building - Property Awaiting Sale
  - iii period of 14 days immediately following the issue of a Certificate of Practical Completion during which the Insured shall under the conditions of the contract remain responsible for such permanent work or any part thereof
- h. cutting edges, tools, trailing cables, flexible pipes, driving belts and chains or conveyor belts unless accompanied by Damage to the complete item
- i. rubber tyres be the application of brakes or by punctures, cuts or busts
- j. Hired in Plant and Tools and Hired in temporary Buildings unless such hire is subject to the recommended hire conditions of the Construction Plant Association or conditions no more onerous to the Insured
- k. trees, shrubs and plants caused by frost and failure of seeds to germinate
- l. any amounts in excess of £2,500 in respect of computer and ancillary equipment.

**2. Damage to and the cost necessary to repair, replace or rectify Property Insured**

- a. which is in a defective condition due to a defect in design, plan, specification, materials or workmanship of such Property Insured or any part thereof
- b. Damage to enable the replacement, repair or rectification of Property Insured excluded by 2a above.

Exclusion 2a shall not apply to other Property Insured which is free of such defective condition but is Damaged as a consequence of such defect.

For the purpose of this Section and not merely this Exclusion the Property insured shall not be regarded as damaged solely by virtue of the existence of any defect in design, plan, specification, materials or workmanship in the Property Insured or any part thereof

**3. any Damage by theft or attempted theft to tools**

- a. by any Insured Person or persons employed by the Insured
- b. left unattended on any site or premises where the Insured or any Employee is carrying out work in connection with the Business unless stored in a securely locked building
- c. from within any unattended vehicle unless
  - i all doors and windows and other points of access have been closed and securely locked

ii such vehicle is in a securely locked building overnight. (For the purpose of this Section overnight shall mean from 9.00pm or whenever the vehicle was last occupied, whichever is the earlier to 6.00am or until the vehicle is first used, whichever is the later).

d. elsewhere within the Territorial Limits unless stored in a securely locked building.

#### **4. Damage caused by**

- a. mechanical or electrical breakdown or derangement of machinery, plant or equipment
- b. wear, tear, corrosion, obsolescence, rust, mildew, wet or dry, rot, or other deterioration
- c. directly application of tools or the entry of foreign bodies unless solely due to the acts of malicious persons
- d. Pollution or Contamination other than that of or to the Property Insured
- e. confiscation, commandeering, nationalisation or requisition or destruction by or under the order of any government or public municipal or local authority

#### **5. Damage caused by or arising from disappearance or shortage which is only revealed when an inventory is made or is not traceable to an identifiable event**

#### **6. liquidated damages or penalties for non-completion or delay in completion of the Contract Works or for non-compliance with contract conditions or consequential Damage of any kind or description**

#### **7. the Excess**

#### **8. the site of any Contract Works**

- a. involving work on waterways or motorways
- b. following stoppage of work from any cause for a period of three (3) consecutive months.

#### **9. normal upkeep or normal making good.**

## **CONDITIONS**

The Policy Conditions except number 10 apply to this Section and in addition the following Section Conditions

#### **1. Reasonable Precautions**

The Insured shall take all reasonable precautions in the selection of labour and maintain in efficient condition all plant and appliances used in connection with any contract covered by this Section and the Insurer shall at all times have access to examine any such plant and appliances. The Insured shall ensure that all equipment and plant requiring inspection under any Statute or Order shall be so inspected.

#### **2. Additional Claims Requirement**

The Insured shall if required by the Insurer produce or give access to any property alleged to be damaged and the Insured shall be bound to satisfy the Insurer by such evidence as may be reasonably required that the loss or damage in respect of which a claim is made has actually arisen from one of the risks insured against.

#### **3. Subrogation Waiver**

In the event of a claim arising under this Section following Damage to the Contract Works, the Insurer agrees to waive any rights, remedies, or relief to which they might become entitled by subrogation against any nominated or domestic sub-contractor referred to in any contract under the Joint contracts Tribunal Standard Form of Building Contract.

#### 4. Automatic Reinstatement of Sum Insured

The insurance by this Section shall not be reduced by the amount of any claim paid provided the Insured pays the appropriate additional premium on the amount of any loss from the date of the loss to the expiry of the Period of Insurance.

#### 5. Reinstatement

If any property is to be reinstated or replaced by the Insurer, the Insured shall at their own expense provide all such plans, documents, books and information as many 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 in respect of any one of the items insured more than its Sum Insured.

#### 6. Series Loss

If the development or discovery of a defect in any part of the Contract Works shall indicate that a similar defect exists elsewhere in the Contract Works the Insured shall immediately investigate and if necessary rectify the defects in any Contract Works insured under this Policy at their own expense or alternatively bear the cost of all loss or damage arising out of the defect.

#### 7. Consecutive Damage

For the purpose of interpreting the application of Policy Exclusion 7 Excess loss of or damage to Insured Property at any one location by storm tempest or flood in one continuous period of seventy two hours shall be dealt with as one accident or series of accidents arising from one occurrence.

#### 8. Insured Contracts

This insurance applies to loss or damage occurring during the Period of Insurance to Contracts that are current at the start of the Period of Insurance or are commenced during the Period of Insurance. The liability of the Insurers shall cease

- a. at the end of the Period of Insurance if the insurance is not renewed or
- b. on cancellation of the insurance

whichever is earlier.

## SECTION 2 - PUBLIC LIABILITY

The following definitions apply to this Section in addition to the Policy Definitions

### DEFINITIONS

#### ACT OF TERRORISM

Any 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 to put the public or any section of the public in fear.

#### ASBESTOS

Asbestos or fibres or particles of asbestos or any material containing asbestos

#### INJURY

1. bodily injury, death, disease, illness, mental injury or nervous shock
2. invasion of the right of privacy, false arrest, false imprisonment, false eviction or malicious prosecution of any person other than an Employee.

#### POLLUTION OR CONTAMINATION

1. all pollution or contamination of buildings or other structures or of water or land or the atmosphere and

2. all Injury, loss or damage directly or indirectly caused by such pollution or contamination.

All pollution or contamination which arises out of or in connection with one incident shall be deemed to have occurred at the time such incident takes place.

## **TERRITORIAL LIMITS**

Gibraltar

## **COVER**

The Insurer will indemnify the Insured against legal liability to pay compensation and claimants costs and expenses in respect of accidental

- a. Injury to any person
- b. Damage to material property
- c. nuisance, trespass, obstruction or interference with any right of way, light, air or water resulting in financial loss

occurring within the Territorial Limits during the Period of Insurance in connection with the Business.

## **COSTS AND EXPENSES**

In addition the Insurer will pay costs and expenses incurred by the Insurer or with its written consent

- a. in connection with the defence of any claim
- b. for representation of the Insured
  - i at any coroner's inquest or fatal accident inquiry in respect of death
  - ii at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury or Damage

which may be the subject of indemnity under this Section.

## **LIMIT OF INDEMNITY**

The Insurer's liability for all compensation payable in respect of

1. any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
2. all pollution or Contamination which is deemed to have occurred during any one Period of Insurance

Shall not exceed the Limit of Indemnity.

## **EXTENSIONS (Subject to the terms, limits, conditions and exclusions of this Section and the Policy)**

### **1. Indemnity to Other Parties**

If the Insured so requests the Insurer will indemnify the following parties:

- a. any officer, committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance first aid, fire, medical or security services against liability incurred in such capacity
- b. any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured

as though each such party was individually named as the Insured in this Section

- c. any principal for whom the Insured have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured is legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured.

Provided that

- i each such party shall observe fulfil and be subject to the terms and conditions of this Section and the Policy Conditions in so far as they can apply
- ii the Insurer's liability to the Insured and all parties indemnified shall not exceed in total the Limit of Indemnity.

### **2. Health and Safety at Work - Legal Defence Costs**

The Insurer will indemnify the Insured and if the Insured so requests any partner, director or Employee of the Insured in the Terms of this Section in respect of

- a. costs and expenses incurred with the Insurer's written consent
- b. costs and expenses of the prosecution awarded against any such party

in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under any Health and Safety at Work Legislation 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that

- i the proceedings relate to the health safety or welfare of any person other than an Employee
- ii the Insurer shall have the absolute conduct and control of all the said proceedings and appeals

The Insurer will not pay for

- a. fines or penalties of any kind
- b. proceedings or appeals in respect of any deliberate or intentional criminal act or omission
- c. costs or expenses insured by any other policy.

### 3. Motor Contingent Liability

The Insurer will indemnify the Insured in the terms of this Section against liability arising out of the use in connection with the Business of any vehicle not owned provided or being driven by the Insured but this Section does not cover any such liability

- a. in respect of Damage to the said vehicle or trailer or goods carried in or on the vehicle or trailer.
- b. arising out of any such use in any country outside the European Union
- c. incurred by any party other than the Insured
- d. incurred by any party identified in Extension 1 - Indemnity to Other Parties other than an Employee

### 4. Court Attendance Compensation

If during the Period of Insurance any partner, director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required:

- |                           |             |
|---------------------------|-------------|
| i any director or partner | <b>£500</b> |
| ii any Employee           | <b>£250</b> |

### 5. Joint Insured Cross Liabilities

If more than one party is named as the Insured this Section shall apply as though each were insured separately provided that the Insurer's liability to all parties indemnified shall not exceed in total the Limit of Indemnity.

### 6. Overseas Personal Liability

The Business is extended to include personal activities (not connected with any gainful occupation or profession nor with the ownership or tenure of any land or building) of any partner director or Employee of the Insurer or family member of such partner, director or Employee normally resident within the Territorial Limits as defined in this Section, in the course of any journey or temporary visit to any other country made in connection with the Business.

### 7. Data Protection

The Insurer will indemnify the Insured and at the Insured's request any partner director or Employee of the Insured against the sum which the Insured or any director, partner or Employee of the Insured become(s) legally liable to pay as compensation for damage or distress resulting from failure of the Insured to comply with data protection legislation and caused in connection with the Business during the Period of Insurance.

Provided that the Insured is

- i a registered user in accordance with the terms of any legislation
- ii not in business as a computer bureau

The total amount payable including all costs and expenses under this Extension in respect of all claims occurring during any one Period of Insurance is limited to £250,000

The Insurer will not pay for

- i any damage or distress caused by any deliberate act or omission by the Insured the result of which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission
- ii any damage or distress caused by any deliberate act of fraud or dishonesty

- iii the costs and expenses of rectifying rewriting or erasing data
- iv liability arising from the recording processing or provision of data for reward or to determine the financial status of any person
- v the payment of fines or penalties.

## **8. Defective Premises Legislation**

The Insurer will indemnify the Insured in the terms of this Section against liability incurred by the Insured under Defective Premises Legislation in connection with premises or land disposed of by the Insured.

This extension does not cover

- a. the cost of rectifying any Damage or defect in the premises or land disposed of
- b. liability for which the Insured is entitled to indemnity under any other insurance
- c. liability arising out of the presence of Asbestos

## **9. Contractual liability**

In respect of liability assumed by the Insured by a contract or agreement entered into by the Insured and which would not have attached in the absence of such contract or agreement the indemnity provided by this Section shall only apply if the sole conduct and control of any claim is vested in the Insurer.

The insurer will not pay for liquidated damages of fines or damages imposed by or payable under any penalty clause.

## **10. Consumer Protection and Food Safety Legislation Legal Defence Costs**

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of legal costs and expenses incurred with the written consent of the Insurer in connection with the defence of any criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under any relevant legislation.

Committed or alleged to have been committed during the Period of Insurance in connection with the Business

Provided that the Insurer shall have the conduct and control of all said proceedings and appeals.

The Insurer will not pay for

- i fines or penalties of any kind
- ii proceedings or appeals in respect of any deliberate act or omission
- iii costs or expenses insured by any other policy.

## **11. Corporate Manslaughter and Corporate Homicide Legislation - Legal Defence Costs**

The Insurer will indemnify the Insured in respect of

- a. legal costs and expenses incurred with the prior written consent of the Insurer and
- b. costs of the prosecution awarded against the Insured

in connection with the defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought under Corporate Manslaughter and Corporate Homicide Legislation in respect of any fatal injury occurring during the Period of Insurance in the course of the Business and which may be the subject of indemnity under this Section

Provided that the Insurer agrees details of the specific solicitor or counsel who are to act on behalf of the Insured prior to their appointment

The Insurer will not pay for

- i any fines or penalties imposed on the Insured or the cost of implementing any remedial order or publicity order
- ii legal costs and expenses in connection with an appeal unless a solicitor or counsel advise that there are strong prospects of succeeding in the appeal or recovering costs awarded against the Insured at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed
- iii costs and expenses provided by another source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- iv costs and expenses in connection with the defence of any criminal proceedings resulting from deliberate or intentional criminal act or omission by the Insured or any partner or director of the Insured or any Employee

## **12. Obstructing mechanically Propelled Vehicles**

If a mechanically propelled vehicle which is not the property or responsibility of the Insured causes an obstruction within Gibraltar to the extent of interfering with the carrying out of the Business Activity then notwithstanding Cover five Exclusion 5 Mechanically Propelled Vehicles the Insurer will indemnify the Insured in the terms of this Section in Respect of the Legal liability of the Insured for Injury or Damage to material property arising from the movement of such vehicle by the Insured or by any Employee.

Provided that

- i such movement shall be limited to the minimum necessary to clear the obstruction
- ii the indemnity will not apply to circumstances for which a certificate of insurance or security is required in accordance with road traffic legislation
- iv the vehicle is driven using the obstructing vehicle owners own ignition key.

## **EXCLUSIONS**

The Policy Exclusions apply to this Section and in addition this Section does not cover

### **1. Injury to Employees**

Liability in respect of Injury to any Employee arising out of and in the course of the employment or engagement of such person by the Insured.

### **2. Work on Offshore Installations**

Liability in respect of Injury or Damage arising in connection with work on, or travel to or from Offshore Installations.

### **3. Fines, penalties, liquidated, punitive, exemplary or aggravated damages**

Liability in respect of

- a. fines, penalties or liquidated damages
- b. punitive, exemplary or aggravated damages or any damages resulting from the multiplication of compensatory damages.

### **4. Pollution or Contamination**

Liability in respect of

- a. Pollution or Contamination occurring in the United States of America or Canada or any dependency or trust territory
- b. Pollution or Contamination occurring elsewhere unless caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

## 5. Mechanically Propelled Vehicles

Liability arising out of the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (or trailer attached thereto) which is required by any road traffic legislation to be the subject of compulsory insurance or other security but this Exclusion shall not apply

- a. while such vehicle is being used as a tool of trade (other than in respect of liability which is compulsorily insurable under road traffic legislation)
- b. in respect of the loading or unloading of such vehicle or the delivery or collection of goods to or from such vehicle except where more specifically insured by any other policy.

## 6. Vessels or Craft

Liability arising out of the ownership, possession or use by or on behalf of the Insured of any vessel or craft designed to travel in, on or through water, air or space (other than hand-propelled watercraft).

## 7. Property in the charge or control of the Insured

Liability in respect of Damage to any property belonging to or in the charge or control of the Insured other than

- a. personal effects or vehicles of any partner, director or Employee of or visitor to the Insured
- b. premises (and their contents) not belonging, leased, rented or hired to the Insured but temporarily in the charge of the Insured for the purpose of carrying out work
- c. premises (including their fixtures and fittings) leased, rented or hired to the Insured but this Section does not cover liability attaching to the Insured solely under the terms of any tenancy or other agreement.

## 8. Damage to Goods Supplied

Liability in respect of

- a. Damage to any goods or other property sold, supplied, delivered, installed or erected by or on behalf of the Insured
- b. all costs of or arising from the need for making good, removal, repair, rectification, replacement

or recall of

- i any such goods or property
- ii any defective work executed by or on behalf of the Insured

except that 8a and 8bi above shall not apply to liability in respect of Damage to the said goods or property if such Damage is caused by or arises from

1. any alteration, repair or servicing work executed
2. any other goods or property sold, supplied, delivered, installed or erected

by the Insured under a separate contract.

## 9. Advice and Design

Liability for Injury or Damage arising out of or in connection with advice, design, formula, specification, inspection, certification or testing provided or performed for a fee by or on behalf of the Insured.

## 10. Contract Works and J.C.T. Clause 6.5.1

Liability in respect of Damage to any property

- a. comprising or to be incorporated in the contract works in respect of any contract undertaken by the insured
- b. against which the Insured are required to effect insurance under the terms of clause 6.5.1. of the J.C.T. (R.I.B.A) Conditions of Contract or of any other contract condition requiring insurance of a like kind.

## 11. Excess

The Excess.

## 12. Asbestos

Injury Damage liability loss cost or expense directly or indirectly caused by contributed to by or arising out of any asbestos fibres or any derivatives of asbestos including any product containing any asbestos fibres or derivatives.

## CONDITIONS

The Policy Conditions apply to this Section and in addition the following Section Conditions

### 1. Fire Precautions

It is a condition precedent to any liability that the following precautions shall be complied with by the Insured, their Employees or by their sub-contractors whenever carrying out any work involving the application of heat or use of angle grinders and no liability shall attach to the Insurer unless the precautions shall have been complied with:

- a. when blow torches, blow lamps, electric oxy-acetylene or other welding or flame cutting equipment, hot air guns or angle grinders are to be used
  - i a thorough examination of the immediate vicinity of the work (including the area of work itself and including the area on the other side of any wall or partition) shall be made to see whether any combustible material is in danger of ignition either directly and/or by conduction of heat and a record of inspection kept
  - ii all moveable and combustible materials (including materials to be worked upon or which have been worked upon and to the greatest extent practicable, any materials in the course of being worked upon) shall be removed away from the immediate vicinity of the work (to a distance of not less than fifteen (15) metres from the point of application of heat or use of angle grinders)
  - iii all combustible materials which cannot be moved (including materials to be worked upon or which have been worked upon and to the greatest extent practicable, any materials in the course of being worked upon) shall be covered and fully protected by overlapping sheets or screens of non-combustible material
- b. there shall be available for immediate use at the site of the work either
  - i two (2) portable multi-purpose dry powder fire extinguishers to European Standard BS EN3 or British Standard BS 5423 with a minimum capacity of 4.0 kilograms each and serviced in accordance with BS 5306-3 or
  - ii a hydraulic hose reel provided the situation is one where water would not aggravate a fire or explosion
- c. the lighting of all blow lamps, blow torches, welding and cutting equipment shall be carried out strictly in accordance with the manufacturers instructions and no piece of lighted equipment shall be left unattended
- d. where the equipment involves the use of gas cylinders, those not required for immediate use shall be kept outside the building in which the work is taking place (and in any event at least fifteen (15) metres from the point of application of heat or use of angle grinders)
- e. any tar bitumen or asphalt boiler shall not be left unattended and shall be located at ground level on a non-combustible surface and in the open air whilst lighted
- f. for one (1) hour after completion of each period of work or stage of work involving the application of heat or use of angle grinders or for one (1) hour after the completion of work involving the application of heat or use of angle grinders in any area in all circumstances that the area previously worked upon ceases to be sufficiently visible to ensure that any outbreak

of fire signs of the possible outbreak of fire will be noticed any area or areas in which work has been carried out shall not be left unattended and a thorough inspection of the area surrounding the work (including that described in paragraph a i of this condition) shall be made at frequent intervals up to the end of the period of one (1) hour to ensure that nothing is smouldering and there is no risk of fire (and a record of inspections shall be kept).

## 2. Underground Services

It is a condition precedent to any liability in respect of Damage to pipes, cables, mains or other underground services arising out of or caused by digging, drilling, boring, excavation, or earth moving operations, that

- a. the Insured shall prior to the commencement of such work
  - i have made enquiries with the owner or relevant authority responsible as to the location of existing pipes, cables, mains or other underground services and shall have received written confirmation or have confirmed any conversation in writing
  - ii carry out investigation using remote electrical devices to locate existing pipes, cables, mains or other underground services where practicable
  - iii convey the location of such pipes, cables, mains and underground services to those Employees or contractors carrying out such work on behalf of the Insured
- b. the Insured shall adopt or cause to be adopted a method of work which minimises the risk of Damage to pipes, cables, mains and other underground services
- c. the Insured shall retain a full written record of the enquiries and measures taken to locate and minimise the risk of Damage to such pipes cables mains and other underground services.

## 3. Bona Fide Subcontractors

In respect of work commencing within the Period of Insurance it is a condition precedent to liability of Injury or Damage arising out of or caused by work undertaken on behalf of the Insured by bona fide subcontractors that:

- a. the Insured obtain and retain a written record that such subcontractors have in force throughout the duration of any work undertaken by them on behalf of the Insured Public Liability Insurance with a limit of indemnity not less than £1,000,000 covering legal liability for Damage to property and Injury to any person other than an employee
- b. in the event of a claim related to work undertaken by bona fide subcontractors the Insured shall provide documentary evidence of the Public Liability Insurance held by such subcontractors at the time of their appointment to carry out the work.

## 4. Discharge of Liability

The Insurers may pay to the Insured in the event of any one claim or series of claims arising out of one occurrence the specified Limit of Liability in respect thereof (after deducting therefrom any sums already paid) or any lesser amount for which the claim(s) can be settled and thereafter be under no further liability in respect of such claim arising out of one occurrence except for the amount of any costs and expenses incurred prior to the date of the payment.

## 5. Multiple Insureds

If there is more than one insured party each operating as a separate and distinct entity then this Policy shall apply in the same manner and to the same extent as if individual policies had been issued to each party.

Provided that

- a. the total liability of the Insurers to all of the insured parties collectively shall not exceed the Limit of Liability
- b. any payment or payments by the Insurers to any one or more insured party shall reduce to the extent of that payment the Insurers liability to all parties arising from any one event giving rise to a claim under this Policy
- c. the insured parties shall at all times preserve any available contractual rights agreements and remedies in the event of Damage

- d. the Insurers shall be entitled to avoid liability to or claim damages from any of the insured parties in circumstances of fraud material misrepresentation material non-disclosure or breach of any Condition in the Policy each referred to in this clause as a vitiating act
- e. the Contract is performed in Gibraltar.

It is however agreed that

- i a vitiating act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has an insurable interest and who has not committed a vitiating act
- ii the Insurers agree to waive all rights of subrogation which they may have or acquire against any insured party except where the rights of subrogation arise from a vitiating act in which circumstances the Insurers may enforce such rights notwithstanding the continuing or former status of the vitiating party as an Insured
- iii unless named in the Schedule as an Insured Party any lenders to the project shall not be entitled to any indemnity under this Policy for Damage in respect of which the Insurers are by reason of a vitiating act no longer liable to indemnify any one or more other insured party.

## SECTION 3 - EMPLOYERS LIABILITY

The following definitions apply to this Section in addition to the Policy Definitions

### DEFINITIONS

#### ACT OF TERRORISM

Any 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.

#### TERRITORIAL LIMITS

1. Gibraltar

2. elsewhere in the world in respect of Injury sustained by any Employee resident within Gibraltar and the Iberian Peninsular and caused whilst such Employee is temporarily employed outside these territories provided that any action for compensation in respect of such Injury is brought in a court of law within the said territories or any other member country of the European Union.

### COVER

The Insurer will indemnify the Insured against legal liability to pay compensation and claimants costs and expenses in respect of Injury sustained by any Employee arising out of and in the course of the employment or engagement of such person by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance.

### COSTS AND EXPENSES

The Insurer will also pay costs and expenses incurred by the Insurer or with its written consent

- a. in connection with the defence of any claim
- b. for proceedings of the Insured
  - i at any coroner's inquest or fatal accident inquiry in respect of death

- ii at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury

which may be the subject of indemnity under this Section.

## LIMIT OF INDEMNITY

The Insurer's Limit of Indemnity for all compensation, costs and expenses payable in respect of any one claim or series of claims arising out of one occurrence shall not exceed the Limit of Indemnity.

Provided that

- a. in respect of an Act of Terrorism the Limit of Indemnity shall not exceed £5,000,000. If the Insurer alleges that by reason of this limitation any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the Insured.
- b. in respect of the indemnity provided under this Section for Extension 5 - Corporate Manslaughter and Corporate Homicide legislation - Legal Defence Costs.
  - i the liability of the Insurer shall not exceed £5,000,000 in any one Period of Insurance
  - ii all amounts payable will form part of and not be in addition to the Limit of Indemnity
  - iii where the Insurer has already indemnified the Insured in respect of legal costs or expenses incurred in connection with the defence of any criminal proceedings (including appeals against conviction arising from such proceedings) arising out of the same occurrence which gave rise to said proceedings under another Section of the Policy the amount paid under that Section shall contribute to the maximum amount payable under this Section.

## EXTENSIONS (Subject to the terms, limits, conditions and exclusions of this Section and the Policy)

### 1. Indemnity to Other Parties

If the Insured so requests the Insurer will indemnify the following parties

- a. any officer or committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
- b. any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured

as though each party was individually named as the Insured in this Section

- c. any principal for whom the Insured has agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured is legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured.

Provided that

- i each party shall observe fulfil and be subject to the terms and conditions of this Section and the Policy Conditions in so far as they can apply
- ii the Insurer's liabilities to the Insured and all parties indemnified shall not exceed in the aggregate the Limit of Indemnity.

## 2. Health and Safety at Work - Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so requests any partner, director or Employee of the Insured in the terms of this Section in respect of

- a. costs and expenses incurred with the Insurer's written consent
- b. costs and expenses of the prosecution or an appeal against any such party

in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety legislation committed or alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that

- i the proceedings relate to the health, safety or welfare of any Employee
- ii the Insurer shall have the absolute conduct and control of all the said proceedings and appeals
- iii the Insurer will not pay for
  - a. fines or penalties of any kind
  - b. proceedings or appeals in respect of any deliberate or intentional criminal act or omission
  - c. costs or expenses insured by any other policy.

## 3. Unsatisfied Court Judgements

If a judgement for compensation or costs in respect of Injury sustained by any Employee arising out of and in the course of employment or engagement by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance

- a. is obtained by such Employee in any court situate within Gibraltar against any person or corporate body domiciled or operating from premises within such territories and
- b. remains wholly or partly unsatisfied six (6) months after the date of such judgement

the Insurer will if the Insured so requests pay to the said employee the amount of any such compensation and costs to the extent that they remain unsatisfied.

Provided that

- i there is no appeal outstanding
- ii the Employee shall have assigned the judgement to the Insurer
- iii this Section was shown as operative in the Schedule at the date of the Injury.

## 4. Court Attendance Compensation

If during the Period of Insurance any partner, director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required

- |                           |             |
|---------------------------|-------------|
| i any director or partner | <b>£500</b> |
| ii any Employee           | <b>£250</b> |

## 5. Corporate Manslaughter and Corporate Homicide - Legal Defence Costs

The Insurer will indemnify the Insured in respect of

- a. legal costs and expenses incurred with the prior written consent of the Insurer and
- b. costs of the prosecution awarded against the Insured

in connection with the defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought under any Corporate Manslaughter and Corporate Homicide legislation in respect of any fatal injury sustained and caused during the Period of Insurance in the course of the Business and which may be subject to indemnity under this Section. Provided that the Insurer agrees details of the specific solicitor or counsel who are to act on behalf of the Insured prior to their appointment.

The Insurer will not pay for

- i any fines or penalties imposed on the Insured or the cost of implementing any remedial order or publicity order
- ii legal costs and expenses in connection with an appeal unless a solicitor or counsel advise that there are strong prospects of succeeding in the appeal or recovering costs awarded against the Insured at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed.
- iii costs and expenses provided by another source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- iv costs and expenses in connection with the defence of any criminal proceedings brought in any country other than Gibraltar
- v costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by the Insured or any partner or director of the Insured or any Employee.

## EXCLUSIONS

Policy Exclusions 2 and 6 apply to this Section and in addition this Section does not cover:

### 1. Work on offshore Installations

Injury to any Employee who is working on visiting or travelling to or from Offshore Installations.

### 2. Mechanically Propelled Vehicles

Liability in respect of Injury to any Employee arising out of the ownership possession or use by or on behalf of the Insured of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security.

### 3. Temporary Employees

Liability in respect of Employees engaged on a temporary basis unless a figure in respect of temporary employees is shown on the Schedule.

## SECTION 4 - TERRORISM

The following definitions apply to this Section in addition to the Policy Definitions

## DEFINITIONS

### ACT OF TERRORISM

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 the government in Gibraltar or any other government de jure or de facto.

## **EVENT**

All individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same Act of Terrorism. The date and time that any such period of 72 hours shall commence shall be set by the Insurer.

## **TERRITORIAL LIMITS**

Gibraltar

## **GENERAL COVER POLICY**

a. This Policy

or

b. where the Cover by this Policy is limited to the Terrorism Insurance Section only, the policy or policies specified in the Terrorism Section of the Schedule to this Policy.

## **PROPERTY INSURED**

Property as detailed in the Schedule to any General Cover Policy but excluding

1. property insured under a
  - a. Marine, Aviation or Transit policy
  - b. Motor Insurance policy
  - c. Road Risks Section of a Motor Trade policy
  - d. reinsurance policy or agreement

whether such policy or agreement includes cover for an Act of Terrorism or not

2. any land or building which is insured in the name of an individual and is occupied by that individual and is occupied by that individual for residential purposes, unless
  - a. insured under the same policy as the remainder of the building which is not a private residence
  - b. the building is a block of flats
3. any Nuclear Installation or Nuclear Reactor.

## **DAMAGE**

Loss or destruction of or damage to Property Insured.

## **CONSEQUENTIAL LOSS**

Loss resulting from interruption of or interference with the Business carried on by the Insured at the Premises in consequence of loss or destruction of loss or destruction of or damage to property used by the Insured at the Premises for the purpose of the Business.

## **NUCLEAR INSTALLATION**

Any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed for or adapted for

1. the production or use of atomic energy
2. the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations

3. the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel.

#### **NUCLEAR REACTOR**

Any plant (including any machinery, equipment or appliance, whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

#### **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. The definition of Virus or Similar Mechanism includes but is not limited to Trojan horses, worms and logic bombs.

#### **HACKING**

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

#### **DENIAL OF SERVICE ATTACK**

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of Service Attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system of network weaknesses, and the generation of excess or non-genuine traffic between and amongst networks.

## **COVER**

The Insurer will pay the Insured for

- a. Physical Loss Destruction or Damage, or
- b. Consequential Loss

occasioned by or happening through or in consequence of an Act of Terrorism within the Territorial Limits

Provided always that the insurance by this Section

- a. is subject otherwise to all the terms and conditions of the General Cover Policy except where expressly varied within the Section
- b. is subject to a maximum Period of Insurance of 12 months from the Effective Date or any Subsequent renewal Date of this Policy

Any subsequent period of cover of 12 months, or part thereof, provided by this Section is deemed to constitute a separate Period of Insurance, provided that

- i no subsequent Period of Insurance by this Section shall extend beyond the next renewal Date of this Policy
- ii the renewal premium due in respect of this Section has been received by the Insurer
- c. is not subject to any Long term Undertaking applying to the General Cover Policy
- d. is not subject to any terms in the General Cover Policy which provide for adjustments of premium.

## BASIS OF SETTLEMENT

As described in and subject to the terms, definitions, provisions, exclusions and conditions of any General Cover Policy in respect of Damage or Consequential Loss.

The most the Insurer will pay for any one Event is

- a. the Total Sum Insured, or
- b. for each item its individual Sum Insured, or
- c. any other limit of liability

in the General Cover Policy, whichever is the less, except where the liability of the Insurer exceeds the Total Sum Insured, or for each item its individual Sum Insured, or any other limit of liability in the General Cover Policy, where such excess is solely in respect of any cover Extension as provided for in the General Cover Policy.

## EXCLUSIONS

The Policy Exclusions other than Exclusion 9 apply to this Section and in addition this Section does not cover

### 1. Digital and Cyber risk Exclusion

Any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from

Damage to any computer or other equipment or component or system or item which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the Insured or not, where such Damage is caused by Virus or Similar Mechanism of Hacking or Denial of Service Attack.

or

Consequential Loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking or Denial of Service Attack.

### 2. Riot, Civil Commotion and War

Any losses whatsoever occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power

### 3. Radio Active Contamination, Chemical, Biological, Biochemical and Electromagnetic Weapons

Any losses directly or indirectly caused by or arising from:

- a. Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste 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 device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- d. The radioactive, toxic explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, Medical, scientific, or other similar peaceful purposes.
- e. Any chemical, biological, bio-chemical or electromagnetic weapon.

#### 4. Territorial Limits

Any losses whatsoever arising directly or indirectly from any cover or extension of Premises provided by the General Cover Policy to locations outside the Territorial Limits.

## SECTION CONDITIONS

#### 1. Burden of Proof

In any action suit or other proceedings where the Insurer alleges that any damage or loss resulting from damage is not covered by the General Cover Policy, the burden of proving that such damage or loss is covered shall be upon the Insured.

## SECTION 5 - PERSONAL ACCIDENT

The following definitions apply to this Section in addition to the Policy Definitions

### DEFINITIONS

#### ACCIDENTAL BODILY INJURY/INJURIES

Bodily injury caused by

1. accidental violent external and visible means or
2. exposure to the elements following a mishap to any vehicle, vessel or aircraft in which the Member is travelling.

#### LOSS OF HEARING

Total and permanent loss of hearing which has lasted three (3) consecutive months of the Member's lifetime and is at the end of that period in the opinion of an independently qualified medical referee beyond hope of improvement.

#### LOSS OF LIMB

Total and permanent loss

- a. by physical separation or
- b. of use

of a hand, at or above the wrist or a foot at or above the ankle.

#### LOSS OF SIGHT

Total and permanent loss of sight will be considered as having occurred:

1. both eyes if the Member's name has been added to the Register of Blind persons on the authority of a fully qualified ophthalmic specialist

or

2. in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen Scale

which has lasted three (3) consecutive months of the Member's lifetime and is at the end of that period in the independent optician (acceptable to the Insurer) beyond hope of improvement.

**OPERATIVE TIME OF COVER**

24 hours.

**MEMBER**

Any partner, proprietor or working director of the Insured between the ages of 16 and 65 years.

**PERMANENT TOTAL DISABLEMENT**

Disablement other than Loss of Sight, Loss of Hearing or Loss of Limb which permanently, completely and continuously prevents the Member from performing each and every function of his/her Usual Occupation, and which having lasted 104 weeks of the Member's lifetime is at the end of that period beyond hope of improvement.

**TEMPORARY PARTIAL DISABLEMENT**

Disablement that completely prevents a Member from performing more than 50% of the Functions of their Usual Occupation.

**TEMPORARY TOTAL DISABLEMENT**

A disablement which wholly prevents the Member from performing each and every function of his/her Usual Occupation but is not Permanent Total Disablement.

**USUAL OCCUPATION**

The tasks, duties and other functions which the Insured normally pays the Member to perform in connection with the Business of the Insured.

**WEEKLY COMPENSATION**

Compensation payable as a result of Temporary Total Disablement.

**COVER**

The Insurer will pay the Insured compensation in accordance with the Sum Insured if any Member shall sustain an Accidental Bodily Injury during the Period of Insurance and Operative Time of Cover which within twelve (12) months thereof directly and independently of any other cause results in Permanent Total Disablement or Temporary Total Disablement of a Member.

**BASIS OF SETTLEMENT**

Compensation will be paid in accordance with the following percentages subject to a maximum total of 100% of the Sum Insured in the aggregate.

**Percentage payment**

- |   |      |
|---|------|
| 1. Death                                    | 100% |
| 2. Permanent Total Disablement              | 100% |
| 3. Loss of Limb                             | 100% |
| 4. a. Loss of Sight                         | 100% |
| b. Loss of Hearing                          | 50%  |
| c. Loss of Hearing in one ear               | 10%  |
| 5. Permanent loss by physical separation of |      |
| a. one thumb                                |      |
| i. both phalanges                           | 20%  |
| ii. one phalange                            | 7%   |

b. one index finger	
i three phalanges	9%
ii two phalanges	6%
iii one phalange	3%
c. one other finger	
i three phalanges	7%
ii two phalanges	5%
iii one phalange	2%
d. one great toe	
i two phalanges	6%
ii one phalanges	3%
e. one other toe	
i three phalanges	3%
ii two phalanges	2%
iii one phalange	1%

which the Member has survived for at least one (1) month.

## LIMITATIONS

In respect of each member:

1. this Section shall cease to be in force immediately after the occurrence of any Accidental Bodily Injury qualifying for payment under percentage payment 1,2 or 3 or 4a.
2. Weekly Compensation in respect of one or more Accidental Bodily Injuries occurring in any one Period of Insurance will not be paid for more than 104 weeks in total.
3. Weekly Compensation will be paid at the end of each period of four (4) consecutive week's disablement.
4. Weekly Compensation will not be paid for the first two (2) weeks of each period of Temporary Total Disablement.

## EXCLUSIONS

Policy Exclusion 1 applies to this Section

In addition the Insurer will not be liable to make any payment in respect of injury or disablement of any Member

1. sustained by the Member engaging in
  - a. motor cycling (other than in respect of mopeds or scooters up to 50cc), hunting, winter sports (other than curling or skating), mountaineering or rock climbing (necessitating the use of ropes or guides), pot-holing, caving, any underwater activities involving the use of external breathing apparatus, armed or unarmed combat sports, riding or driving in any kind of race or endurance test (or practice therefore)
  - b. aviation other than as a passenger (not as a member of the crew nor for the purpose of undertaking any trade or technical operation) in a fully licensed passenger-carrying aircraft
  - c. any gainful occupation outside the Business.
2. arising as a consequence of the suicide, intentional self-injury or insanity of or the influence of alcohol or drugs (other than drugs taken in accordance with the treatment prescribed and directed by a qualified medical practitioner but not for the treatment of drug addiction)

3. caused or contributed to directly or indirectly by
  - a. pregnancy or childbirth
  - b. sexually transmitted diseases
  - c. HIV (Human Immunodeficiency Virus) and/or any HIV related illness including AIDS (Acquired Immune Deficiency Syndrome) and/or any mutant derivative or variations thereof however caused
4. arising from travel to or from or work on Offshore Installations
5. arising out of or consequent upon service in the Armed Forces of any Nation or International Authority or other such organisation
6. arising out of or consequent upon or contributed directly or indirectly by any Member(s) committing a criminal act or taking part or whilst engaged in civil commotions or riots of any kind
7. arising out of Accidental Bodily, death or disablement as a result of a contributed to by
  - a. sickness or disease
  - b. any naturally occurring condition or gradually operating cause.
8. for any claim or series of claims arising out of or consequent upon (or contributed to directly or indirectly by) any one originating event in excess of £750,000
9. as a result of any event directly or indirectly arising out of any nuclear, chemical or biological Contamination due to any act of Terrorism regardless or any other cause or any other event contributing at the same time or in any other sequence to such event.

For the purpose of this Exclusion:

**An act of Terrorism** means an 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.

**Contamination** means contamination or poisoning of people by nuclear and/or biological substances which cause illness and/or disablement and/or death.

If the Insurer alleges that by reason of this Exclusion any loss, damage, cost or expenses is not covered, the burden of proving the contrary shall be upon the Insured.

## CONDITIONS

The Policy Conditions 1-6 and 11-15 apply to this Section and in addition the following conditions

### 1. Claims

No claim will be paid unless the Insured and where applicable the Member complies strictly with these conditions:

- a. The Insured or the Member must give notice to the Insurer as soon as possible and in any event within 30 days after the happening of any loss damage or occurrence which may result in a claim under this Policy.
- b. The Insured or the Member must provide the Insurer with all information and evidence which the Insurer may reasonably require at no cost to the Insurer.

- c. The Insured or the Member must at the Insurer's request provide a medical examination report in respect of any Accidental Bodily Injury where the Insured requires the Insurer to consider a claim under this policy for which the Insurer will pay the cost of the medical examination fee.
- d. the Insured must ensure that as soon as possible after the occurrence of any Accidental Bodily Injury the Member obtains and follows the advice of a registered medical practitioner.

The Insurer will not be liable for any bodily injury or medical condition which is worsened or prolonged or any other consequences which arise as a result of the Member's failure to obtain and follow such advice and to use such treatment remedies or appliances as may be prescribed.

- e. In the event of Death of a Member the Insurer will be entitled to have a post-mortem examination carried out as its expense.
- f. For the Insured to claim for Weekly Benefits under this policy the Member must have no other weekly benefits insurance in force except as declared to and accepted by the Insurer during the Period of Insurance.

## 2. Material Facts

The Insured shall give the Insurer notice in writing of any material alteration affecting the risk insured and of any variation in the Business, occupation or activities or the health of any Member. The Section shall continue in force until expiry of the current Period of Insurance notwithstanding any variation in the health of any Member during such period, but in the event of any other alteration or variation in the risk insured the Insurer shall not be liable to make any payment under this Section unless the Insurer has agreed in writing to maintain the Section in force following such alteration or variation.

3. The maximum Sum Insured for Temporary Total Disablement weekly wage. It is the Duty of the Insured and Member(s) to inform the Insurer if any claim payment does exceed these limits and payment will be proportionately reduced until these limits are not exceeded.

4. If a claim or series of claims under this Section arising out of or consequent upon (or contributed to directly or indirectly by) any one originating event exceeds £750,000 the amount of benefit paid will be proportionately reduced to an amount that does not exceed £750,000.

## 5. Age Limitation

Unless otherwise agreed by the Insurer and specifically noted in this Section no person aged 65 or over at commencement of the Period of Insurance will be covered by this Section.

# SECTION 6 - MACHINERY BREAKDOWN

## DEFINITIONS

The following definitions apply to this Section in addition to the Policy Definitions

### TERRITORIAL LIMITS

Gibraltar

### INSURED PROPERTY

All plant and machinery (or as more specifically described in the Schedule) owned by or leased to the Insured at the Location and ready for use in connection with the Business.

Insured Property shall not include

- a. foundations masonry brickwork chimneys or refractory linings
- b. materials being processed by or contained in the Insured Property

- c. office machinery computers or other electronic data processing equipment
- d. plant or machinery which prototype experimental or untried
- e. plant machinery pipes or cables situated underground

unless specifically described in the Schedule.

#### Pressure Plant

- a. boiler plant
- b. plant subject to internal steam pressure
- c. plant used to contain fluids under pressure or vacuum

forming part of the Insured Property.

#### **SCHEDULE**

The policy Schedule and Plant Schedule forming part of the Policy.

#### **BREAKDOWN**

- a. the actual breaking distortion or burning out of any part of the Insured Property while in use arising from mechanical or electrical defects in the Insured property causing sudden stoppage
- b. fracturing of any item of the Insured Property by frost

which necessitates repair or replacement before it can resume normal working.

#### **EXPLOSION**

The sudden and violent rending of the Pressure Plant by force of internal fluid pressure (other than pressure of chemical action or ignition of the contents or of ignited flue gases) causing bodily displacement of any part of the Pressure Plant together with forcible ejection of the contents.

#### **COLLAPSE**

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the Pressure Plant caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action or ignition of the contents or of ignited flue gases).

## **COVER OPTIONS**

The Insurer will pay the Insured for

#### **Cover One**

Sudden and unforeseen damage

Sudden and unforeseen damage (including Breakdown Explosion and Collapse and defined) to the Insured Property occurring during the period of Insurance at any Location specified in the Schedule within the territorial Limits.

#### **Cover Two**

Own Surrounding Property (Pressure Plant)

Damage to property belonging to or held by the Insured in their care custody or control directly consequent upon and solely due to damage to Pressure Plant insured by cover Option One.

## LIMIT OF LIABILITY

The liability of the Insurers under this Policy shall not exceed

- a. Cover One

Limit of Liability shown in the Schedule

- b. Cover Two

Limit of Liability shown in the Schedule

And in addition

- c. any amount shown in the Extensions

in respect of any one accident or series of accidents arising from one occurrence of loss or damage.

## EXTENSIONS (Subject to the terms, limits, conditions and exclusions of this Section and the Policy)

This Policy is extended to cover

### 1. Additional Plant

Additional items of plant and machinery of the same class or type as insured under this Policy following completion of successful testing and commissioning and where required statutory inspection and certification.

Provided that so far as the Insured is aware the plant and machinery is free from any material defect.

### 2. Temporary Removal

Loss of or damage to the Insured Property occurring within the Territorial Limits or while it is

- a. temporarily located at any other premises or
- b. in transit

for the purposes of repair service or maintenance.

Loss or damage arising from fire or fire extinguishing fluid explosion lightning earthquake storm tempest flood inundation water aircraft or other aerial devices or articles dropped therefrom theft or attempted theft shall not be excluded while the Insured Property is in transit.

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 other premises shall not exceed the limit of liability stated in the schedule.

### 3. Debris Removal

The cost necessarily and reasonably incurred by the Insured with the consent of the Insurers in the removal of Insured Property following damage insured by this policy.

Provided that the total liability of the Insurers for the cost of rectification of damage and the removal of Insured Property shall not exceed the Limit of Liability stated in the Schedule.

### 4. Additional Cost

Necessary and reasonable cost incurred by the Insured following damage insured by this Policy

- a. in effecting a temporary repair or expediting a permanent repair.

Provided that the liability of the Insured shall not exceed 50% of the normal repair cost.

- b. in respect of increased cost of working incurred to prevent or minimise interruption to the business in consequence of the damage excluding the cost incurred in the 48 hours immediately following the occurrence of the damage

Provided that the liability of the Insurers shall not exceed 10% of the sum insured.

## **5. Claims Preparation Cost**

Necessary and reasonable cost incurred in producing and certifying any particulars of details required by the Insurers in connection with an event for which liability has been accepted but limited to

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

Provided that the liability of the Insurers shall not exceed 10% of the sum insured.

## **6. Avoidance of Impending Damage**

The cost incurred by the Insured in taking exceptional measures that are reasonable to avoid or reduce impending loss or damage which would have resulted in a claim under this Policy.

Provided that

- a. the impending damage did not arise from any defect in the Insured Property
- b. the impending damage did not arise from a reasonably foreseeable cause
- c. the damage would have been the natural outcome to be expected in the absence of the measures taken
- d. the insurers are satisfied that damage which would have been insured under this Policy has been avoided or reduced in consequence of the measures taken
- e. the liability of the Insurers shall not exceed the cost which would have been incurred had the measures not been taken and damage insured by this Policy has occurred.

## **7. Payments on Account**

Payment 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.

## **8. Hired in Plant**

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 Plant while at or while in transit (other than by sea or air) to and from any Location specified in the Schedule and
- b. continuing hire charges as a result of loss or damage to Hired in Plant for which indemnity is provided by a above.

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

Hired in Plant means plant or machinery with a replacement value not more than hired by the Insured by not plant on the hire purchase or subject to a lease agreement or on free loan.

Provided that

- a. the terms of any hiring agreement shall be no more onerous than the Model Conditions for the hiring of plant approved by the construction Plant-hire Association
- b. where the hire charges paid during the Period of Insurance exceed £2,000 the Insured shall declare the hire charges paid and shall pay the additional premium requested by the Insurers
- c. the liability of the Insurers under this Extension shall not exceed 10% of the sum insured.

Exclusion 2 of this Section does not apply to this extension of cover.

#### **9. Fuel Storage Tanks Loss of Contents**

- a. loss of the contents of and
- b. the cost incurred by the Insured in cleaning up the spilled or leaked contents from

Fuel Storage Tanks insured by this Policy directly and solely due to sudden and unforeseen damage for which indemnity is provided by this policy.

Provided that

- a. the liability of the Insurers under this extension shall not exceed 10% of the sum insured in connection with any one occurrence regardless of the number or amount of claims resulting from the occurrence
- b. the value of the contents does not exceed 10% of the sum insured.

This Extension does not cover

- a. loss of contents by evaporation seepage contamination or any form of trade loss
- b. the cost of releveling Fuel Storage Tanks unless resulting from sudden and unforeseen damage insured by this Policy
- c. the cost of cleaning up any spillage or leakage in area outside the boundaries of the Insured's premises or to other property not belonging to the Insured
- d. damage by or in consequence of the process of cleaning up the Fuel Storage Tanks
- e. liability for cleaning up or making good any pollution or contamination of the water table Fuel or any water course or property of any party other than the Insured.

Definition

For the purposes of this Extension Fuel Storage Tanks shall mean tanks (or similar containers) designed and used to store oil and other fossil fuels or liquid propane gas.

#### **10. Claims Investigation Cost**

Necessary and reasonable cost (including the cost of consultants fees) incurred in conducting investigations and tests in respect of possible repair or replacement options following damage insured by this Policy

Provided that

- a. the liability of the Insurers under this Extension shall not exceed 10% of the sum insured in connection with any one occurrence regardless of the number or amount of claims resulting from the occurrence
- b. the prior consent of the Insurers has been obtained.

## REINSTATEMENT AND PUBLIC AUTHORITIES

In the event of damage to:

Insured Property and/or

Other Property damaged by Explosion of Pressure Plant

for which liability is accepted the basis on which the amount payable is to be calculated shall be the reinstatement of the Insured Property or Other Property.

Reinstatement shall mean

- a. where the Insured Property or Other Property is destroyed
  - i if a building the rebuilding of the property
  - ii if not a building its replacement by similar plant or property

in either case to a condition equal to but not better or more extensive than its condition when new

- b. where the Insured Property or Other Property is damaged the repair of the damaged portion to a condition substantially the same as but not better or more extensive than its condition when new
- c. additional work solely necessary to comply with European Union legislation or building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any municipal or local authority.

Provided that

1. the liability of the Insurers shall not exceed the Limits of Liability under this Policy
2. where the Insured Property or Other Property is damaged or destroyed in part only the liability of the Insurers shall not exceed the amount which would have been payable had the Insured Property or Other Property been totally destroyed.
3. where the parts necessary for repair of Insured Property or Other property are not available at manufacturers listed prices the Insurers shall be liable to pay for the cost of an equivalent repair to similar property for which parts are available at manufacturers listed prices
4. no payment beyond that which would have been payable if this clause had not been included shall be made
  - i unless the work of reinstatement is commenced carried out without unnecessary delay or
  - ii if at the time of any loss or damage the Insured Property or Other Property shall be covered by any other insurance effected by or on behalf of the Insured which is not on a reinstatement basis
5. the Insurers shall not be liable for the cost incurred in complying with any of the legislation or regulations under c
  - i in respect of damage occurring prior to the introduction of this clause
  - ii under which notice has been served on the insured Prior to the happening of the damage
  - iii in respect of undamaged property
  - iv in respect of any tax duty development of other charge which may be payable for compliance with any regulations

6. where the Insured Property is

- i used for the generation of electricity (other than standby reciprocating engine and generator sets up to one mega watt per set)
- ii glass lined vessels (other than spray lined boilers)
- iii mainly used or installed outdoors (other than Insured Property used in connection with supplying utilities and other similar services)

the basis of settlement will be indemnity and no payment beyond that which would have been payable if this clause had not been included shall be made.

Where by reason of the above provisions no payment is to be made beyond the amount which would have been payable if this clause had not been incorporated the rights and liabilities of the Insurers and the Insured in respect of the destruction or damage shall be subject to the terms of this Policy as if this clause had not been incorporated.

Definition

Other Property means property belonging to the Insured or for which they are responsible but not Insured Property or anything sold supplied processed serviced or manufactured or stored in the course of the trade or business of the insured.

## EXCLUSIONS

The Policy Exclusions apply to this Section and in addition this Section 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. Perils

Loss or damage by

- a. fire however caused
- b. fire extinguishing fluid
- c. explosion other than specifically insured by this Policy
- d. lightning earthquake storm tempest flood inundation water aircraft or other aerial devices or articles dropped therefrom
- e. subsidence or other ground movement or displacement
- f. theft or attempted theft
- g. riot strike lockout and civil commotion.

### 3. Maintenance faulty Workmanship or Application of Tools

The cost of

- a. maintenance
- b. rectification of faulty workmanship occurring during the execution of repairs

but not damage resulting from a or b unless otherwise excluded

- c. damage by direct application of tools.

#### **4. Wear And Tear or Gradual Deterioration**

The cost of rectification of

- a. inevitable wear and tear erosion corrosion or other deterioration caused by or naturally resulting from ordinary work use or exposure
- b. gradually developing flaws or fractures which do not necessitate immediate stoppage

but not damage insured by this Policy resulting from a or b unless otherwise excluded.

#### **5. Excluded Parts and Components**

Cutters bits tools moulds dies heating elements driving belts and chains and similar items that require periodic replacement.

If as a result of other damage insured by this policy these items are damaged beyond repair then the Insurers shall indemnify the Insured for any remaining residual value.

#### **6. Safety or Protective Devices**

Damage to safety or protective devices by their functioning.

#### **7. Installation or Removal**

Damage to any item of Insured property arising during

- a. its initial installation erection its final removal
- b. its final testing or commissioning.

#### **8. Overloading or Abnormal conditions**

Damage to any item of Insured property caused by or arising from the imposition of abnormal conditions deliberate overloading or overload testing.

#### **9. Scratching**

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

## **SPECIAL CONDITIONS**

The Policy Conditions apply to this Section and in addition the following Section Conditions

### **1. Maintenance**

- a. The insured machines shall be maintained in good working order.
- b. The insured machines shall not be overloaded.
- c. All Government or other regulations relating to the condition or inspection of such machines shall be observed.
- d. The Insured shall at their own expense arrange for a contract to be in place providing for approved and competent specialists to thoroughly examine the insured machines at intervals of not more than six months and shall forward to the company copies of the reports on request.

## SECTION 7 - COMPUTERS

The following definitions apply to this Section in addition to the Policy Definitions

### DEFINITIONS

#### TERRITORIAL LIMITS

Gibraltar

#### 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

Insured Property is limited to property belonging to the Insured or leased hired rented or licensed to the Insured.

#### COMPUTER EQUIPMENT

Equipment used for the electronic processing communication and storage of data consisting of

##### 1. Installed Computer Equipment

mainframes servers personal computers and other installed equipment including

- a. fixed discs interconnecting wiring and telecommunications equipment
- b. printers scanners and other peripheral computer equipment

solely for use with other insured Installed Computer Equipment

excluding equipment controlling any manufacturing process.

##### 2. Portable Computer Equipment

equipment that is designed to be carried on or by a person consisting of

- a. laptops palmtops notebooks and tablet personal computers
- b. personal digital assistants and smartphones
- c. removable vehicle satellite navigation systems and digital cameras
- d. printers projectors broadband modems and other devices which connect to other Portable computer Equipment

but excluding mobile devices where the sole or primary function of the item is to make/send and receive telephone calls and SMS messages.

#### AUXILIARY EQUIPMENT

Auxiliary equipment solely for use with Computer Equipment comprising temperature and environmental control equipment power supply voltage regulation and protective devices.

## COMPUTER MEDIA

- a. data carrying materials of all types
- b. software programs or data.

other than paper records or paper licences.

## INDEMNITY PERIOD

The period during which the additional expenditure is incurred beginning immediately following an Accident and continuing for a period on longer than the Indemnity Period shown in the Schedule.

## ACCIDENT

- a. Loss of or damage to Insured Property under Cover One or Two a of this Policy
- b. The failure of any telecommunications system used in connection with the Insured Property caused by accidental physical damage occurring within the Territorial Limits.
- c. The accidental failure or fluctuation of the supply of electricity to the Insured Property.
- d. 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 the Location shown in the Schedule or
  - ii the exercise by any public or Police authority of its powers for the sole purpose of safeguarding life or property.
- e. Corruption.

## CORRUPTION

Loss distortion corruption or erasure of software programs or data forming part of Computer 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 viruses 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.

## 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.

## COVER OPTIONS

The Insurer will pay the Insured for

### Cover One

#### Material Damage

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

## Cover Two

### Computer 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 software

following Corruption

## Cover Three

### 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 Computer Equipment in consequence of an Accident which occurs during the Period of Insurance.

## LIMIT OF LIABILITY

The liability of the Insurers under this Policy shall not exceed

- a. the Limit of Liability shown in the Schedule

and in addition

- b. any amounts shown in the extensions

in respect of any one Accident or series of Accidents arising from one occurrence of loss or damage.

## EXTENSIONS (Subject to the terms, limits, conditions and exclusions of this Section and the Policy)

### 1. Transit

- a. Computer Equipment
- b. Auxiliary Equipment

insured under Cover One anywhere in Gibraltar.

Provided that the liability of the Insurers shall not exceed the limit stated on the Schedule.

### 2. 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

- i this extension excludes any cost associated with complying with Waste Electrical and Electronic Equipment (WEEE) Regulations
- ii the liability of the Insured shall not exceed 10% of the sum insured.

### **3. Expediting Cost**

The cost necessarily and reasonably incurred by the Insured with the consent of the Insurers in making temporary repairs to and/or the expediting of the repair reinstatement or replacement of the Insured Property following loss or damage insured by this Policy.

Provided that the liability of the Insurers shall not exceed 50% of the normal repair costs.

### **4. Investigation Cost**

The cost (including the cost of consultants fees) incurred with the prior consent of the Insurers in conducting investigations and tests in respect of possible repair or replacement options following loss or damage insured by Cover One.

Provided that the liability of the Insurers shall not exceed 10% of the sum insured.

### **5. Additional Equipment**

Additional items of Computer Equipment or Auxiliary Equipment

- a. belonging to the Insured or leased hired rented or licensed to the Insured
- b. on loan or trial for a continuous period not exceeding three 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 shown in the Schedule under Cover One.
- 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 Special Condition 2.

### **6. Damage to Security Devices**

The cost incurred in repairing or replacing

- a. security devices for the physical protection of the Computer Equipment
- b. any table desk or trolley or other working surface to which entrapment devices and lockdown plates have been secured lost or damage by theft or attempted theft insured under Cover One of this Policy

Provided that

- i the liability of the Insurers shall not exceed 10% of the Cover One Limit of Liability

This Policy is extended to cover

- ii the security devices were installed as a measure taken to directly protect the Insured Property.

### **7. Security Guard Cost**

The additional cost incurred in employing temporary professional security guards following an insured loss at a Location by theft or malicious damage (including arson) under Cover One of this Policy.

Provided that

- a. the agreement of the Insurers has been obtained for employment of security guards for more than four days
- b. the Insurers are satisfied that the employment of guards is necessary solely for the protection of Insured Property
- c. the liability of the Insurers shall not exceed 10% of the sum insured.

#### **8. Additional Lease or Rental Cost**

The cost of additional lease or rental charges arising out of the replacement of a lease or rental agreement in respect of the Computer Equipment by a new agreement for similar equipment in consequence of loss or damage insured under Cover One.

Provided that

- a. the period in respect of which additional charges shall be paid shall commence immediately after the occurrence of loss or damage and shall end not more than two years later or on expiry of the original agreement whichever is earlier and
- b. the liability of the Insurers shall not exceed 10% of the sum insured.

#### **9. Avoidance of Impending Damage**

The cost incurred by the Insured in taking exceptional measures that are reasonable to avoid or reduce impending loss or damage which would have resulted in a claim under this Policy.

Provided that

- a. the impending loss or damage did not arise from any defect in the Insured Property
- b. the impending loss or damage did not arise from a reasonably foreseeable cause
- c. the loss or damage would have been the natural outcome to be expected in the absence of the measures taken
- d. the liability of the Insurers shall not exceed the cost which would have been incurred had the measures not been taken and loss or damage insured by this Policy had occurred.

#### **10. Accountants Fees**

Professional accountants fees necessarily and reasonably incurred by the Insured for producing particulars and any other proofs information or evidence required by the Insurers in connection with additional expenditure for which indemnity is provided under Cover Three and certifying that the particulars and details are in accordance with the Insured's books of accounts or other business books.

Provided that the liability of the Insurers shall not exceed 10% of the sum insured.

#### **11. Incompatibility of Computer Media**

The cost of

- a. modification of Computer Equipment or
- b. the replacement restoration or recompilation of Computer Media

whichever is the lesser cost to achieve compatibility in the event that the indemnifiable loss of or damage to computer Equipment has resulted in undamaged Computer Media being unavoidably incompatible with replacement equipment.

Provided that the liability of the Insurers shall not exceed 10% of the sum insured.

## 12. Research and Development Cost

The cost of re-writing any data processing research or development project (including the cost of recollection of data and digital images that do not exist in other records) following an Accident insured under Cover Two to the stage reached immediately prior to the Occurrence of the Accident but excluding any benefit to the Insured which would have been obtained from the completion of the project had the Accident not occurred.

Provided that

This Policy is extended to cover

- a. the liability of the Insurers shall not exceed 20% (twenty percent) of the Cover Two Limit of Liability or £25,000 whichever is less
- b. Special Condition 1 of this Policy is complied with in full.

## 13. Payments on Account

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

## 14. Recharging of Gas Reservoirs

The cost of recharging gas reservoirs installed solely for the protection of the Insured Property following accidental discharge.

Provided that the liability of the Insurers shall not exceed 10% of the sum insured.

## 15. Waste Disposal Cost

The cost necessarily and reasonably incurred with the consent of the Insurers in complying with The Waste Electrical and Electronic Equipment (WEEE) Regulations following loss or damage insured under Cover One.

Provided that

- a. the Insurers are satisfied that the Insured is liable for the cost of disposal
- b. the Insured provided a copy of the certificate evidencing disposal
- c. the Insurers consent has been gained to dispose of the Computer Equipment or Auxiliary Equipment
- d. the liability of the Insurers for the cost of disposal shall not exceed 10% of the sum insured.

## REINSTATEMENT

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

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 or if this is not possible its replacement by new property having the nearest higher performance and/or capacity to the item lost or damaged or
  - ii repair of any item otherwise damaged
- 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.

## EXCLUSIONS

The Policy Exclusions apply to this Section and in addition this Section 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

Loss of or damage to any item of Installed Computer Equipment (other than desk top personal computers) and Auxiliary Equipment caused by its own breakdown or derangement unless is in force a Maintenance Agreement.

### 3. Exclusion Period If No Maintenance or Other Agreement

Additional expenditure incurred during the first 48 hours following the occurrence of an Accident to any item of Insured Property for which a Maintenance Agreement is not in force.

### 4. Guarantee or Maintenance Agreement

Loss or damage recoverable under any guarantee or Maintenance Agreement.

### 5. Electricity Supply

Additional expenditure in consequence of a 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.

### 6. Telecommunications Systems

Additional expenditure in consequence of a 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.

### 7. Unproven Software

Any cost incurred in consequence of the use by the Insured of software programs on which development has not been finalised or which has not passed all testing procedures and has not been successfully proven.

### 8. Incorrect Storage of Computer Media

Cost incurred in consequence of the failure of the Insured to comply with the manufacturers' recommendations relating to the storage of Computer Media.

## 9. Time Limitation

Additional expenditure commencing more than 12 months after the date on which the Accident occurred.

## 10. Wear and Tear or gradual Deterioration

The cost of rectification of wear and tear gradual deterioration due to atmospheric conditions or otherwise rust corrosion or oxidation.

## 11. Value of Data

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

## 12. Property in Unattended Vehicle

Loss damage cost or additional expenditure due to theft or attempted theft while the 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

This Policy does not cover

- ii in an enclosed luggage area of a van or lorry
- d. any alarm system fitted to the vehicle is activated.

## 13. Programming Errors or Design Defects

The cost of rectifying programming errors or design defects in software and any additional expenditure in consequence of such errors or defects.

This Exclusion shall not apply to additional expenditure consequent on corruption of other software caused by programming errors or design defects in any proprietary software.

## 14. Inventory Losses or Unidentifiable Occurrence

Loss of the Insured Property cost or any additional expenditure in consequence of

- a. disappearance or shortage only revealed when an inventory is made or
- b. the 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.

## 15. Other Consequential Loss

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

## 16. Scratching

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

## SPECIAL CONDITIONS

The Policy Conditions apply to this Section and in addition the following Section Conditions

### 1. Duplicate Records

The Insured shall

- a. back up data records and update the records no less frequently than once every seven 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 supplier's recommendations for the storage verification and security of Computer Media.

### 2. Declaration

At expiry of each Period of Insurance the Insured shall supply details of

- a. the new replacement value of
  - i Installed Computer Equipment
  - ii Portable Computer Equipment
  - iii Auxiliary Equipment
- b. the total cost of replacement of recompilation of Computer Media
- c. Locations where Insured Property will be situated.

## POLICY CONDITIONS

All the Policy Conditions apply to all the Sections unless otherwise stated and in addition to the Conditions stated in each Section

### 1. Survey and Risk Improvement Subjectivity Conditions

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) 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. Observation of Policy Terms**

The liability of the Insurers will be subject to 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. Policy Voidable**

This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure in any material particular.

## **4. Alteration In Risk**

The insurance provided by this Policy shall be avoided where there is any alteration to the Property Insured, The Premises or The Business after the commencement of this insurance which increases the risk of injury loss or damage unless continued cover is agreed by the Insurers in writing.

## **5. Reasonable Precautions**

The Insured shall take all reasonable precautions to safeguard the Insured Property against loss or damage and prevent accident or injury to any person or loss or damage of their property.

The Insured shall maintain the Insured Property in an efficient condition and ensure that all Government and other regulations relating to the construction installation testing Commissioning protection operation and use of all Insured Property are observed.

## **6. Suspension of Cover**

If work on a contract site shall cease for a period in excess of ninety consecutive days the indemnity provided by the Insurers for loss of or damage to Insured Property on that contract site shall be suspended at the end of the ninetieth day unless specifically agreed by the Insurers and stated in this Policy.

## **7. Cancellation**

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 has not been paid the Insurers will cancel this Policy from the inception date.

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

## **8. Declarations**

Where the premium is a deposit and has been calculated on estimates supplied by the Insured they keep an accurate record of information on matters for which estimates have been given.

This record shall be supplied to the Insurers within three months following expiry of the Period of Insurance to enable the adjustment of premium to be calculated.

## **9. Adjustment of Premium**

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 subject to the minimum premium retention shown in the schedule or if no amount is shown in the Schedule 75% (seventy five percent) of the deposit premium.

## **10. Joint Code of Practice**

The Insured undertakes to comply with The Joint Code of Practice for the Protection from Fire of Construction Sites and Buildings

Undergoing Renovation Seventh Edition dated May 2009 or a Subsequent edition or version (referred to as The Joint Code).

The Insurers shall have the right at all reasonable times to enter and inspect the contract site for the purpose of checking whether the conditions comply with The Joint Code.

In the event of a breach of the Joint Code the Insurers will inform the site management of the Contractor specifying the nature of the breach the remedial measures required by the Insurers and the period within which these must be completed.

Where the Insurers consider a breach is of sufficient importance written notice shall be sent to the Employer and the Contractor at their respective addresses by registered post recorded postal delivery facsimile transmission or by hand.

The notice may suspend or cancel cover thirty days from the date of the notice.

It being understood that following suspension cover shall be reinstated when the Insurers are satisfied that remedial measures have been completed.

In the event of cancellation the Insurers agree to return to the Insured a pro-rata proportion for the relevant part of the Policy premium.

## **11. 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 Gibraltar law and the decisions of Gibraltar courts.

## **CLAIMS CONDITIONS**

All the Policy Conditions apply to all the Sections unless otherwise stated and in addition to the Conditions stated in each Section

### **1. Claims Procedures**

In the event of any occurrence giving rise or likely to give rise to a claim under this Policy the Insured shall

- a. notify the Insurers as soon as practicably possible by telephone and in writing
- b. preserve any damage or defective parts of Insured Property for inspection by the representatives of the Insured
- 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 or cost
- e. in the case of any claim made on the Insured by any third party forward every claim in 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 within 30 (thirty) days of the Insured becoming aware of any event or occurrence or such further time as the Insurers may allow

- h. Provide all the information and help the Insurers may require in respect of the claim
- i. 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 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.

## 2. Options for Claims Settlement

- a. The Insurers may at their option repair reinstate or replace that which 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 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 Insurer 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 the Insured Property the Insurers shall be liable for the value of that part plus the cost of any necessary removal and installation for which the Insured is responsible.
- d. the Insured shall not be entitled to abandon any property to the Insurers whether taken into the possession of the Insurers or not

## 3. Fraud or Wilful Act

If a claim is fraudulent in any respect or if fraudulent means are used by the Insured or by anyone acting on their behalf to obtain any benefit under this Policy or if any loss or damage is caused by the wilful act or wilful neglect of the Insured all benefit under this Policy shall be forfeited.

## 4. Other Insurances

- a. Applicable to Employers' Liability Section and Public Liability Section  
If the insurance provided by these Sections is also covered by other insurance (or would be but for the existence of these sections) the Insurers will only indemnify the Insured in respect of any excess beyond the amount which would be payable under such other insurance had these Sections not been effected.
- b. Applicable to other Sections insured by this Policy  
The Insurers will not indemnify the Insured in respect of loss of or damage to Insured Property 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 the other policy or which would have been payable under the 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 a 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 paid under this Policy such 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. Repairable Damage

The Insurers will not make a deduction for wear and tear against the cost of repairable damage to Contractors Plant or Temporary Buildings less than 12 months old provided that the cost of repair does not exceed the market value of the item at the time of the loss or damage.

## POLICY EXCLUSIONS

All the Policy Exclusions apply to all the Sections unless otherwise stated and in addition to the Exclusions stated in each Section

This policy does not cover:

### 1. War

Loss, destruction, damage, death, Injury, disablement or liability or any consequential loss occasioned by war invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power,

### 2. Radioactive Contamination

Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to 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 utilizing radioactive material and/or matter and/or ionising radiation and/or atomic or nuclear fission and/or fusion or other like reaction
- d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter

Exclusions a and b do not apply to Section 3 - Employers Liability other than in respect of

- i the liability of any principal
- ii liability assumed by the Insured under a contract or agreement which would not have attached in the absence of such contract or agreement.

### 3. Sonic Bangs

Damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

### 4. Computer Date Exclusion

Damage or liability 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

- a. correctly to recognise any date as its true calendar date
- b. 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
- c. 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 insurance shall not exclude any subsequent Damage which is not otherwise excluded

## 5. Trade Exclusion

Liability in respect of

- a. any work of demolition except
  - i of buildings or part of a building when such work forms part of a contract for reconstruction alteration or repair by the Insured
  - ii of other structures not exceeding four (4) metres in height and not comprising or forming part of any building
- b. work in or on
  - i aircraft and/or aerospace devices runways and/or ancillary areas to which aircraft and/or aerospace devices have access
  - ii any vessel or craft or device designed to float on or in or travel through water and/or harbours and ancillary areas to which such vessels or craft or devices have access
- c. work on
  - i bulk oil, petrol, gas or chemical storage tanks or chambers
  - ii railways, tunnels or motorways
  - iii blast furnaces, bridges, chimney shafts, collieries, docks, gas works, mines, oil refineries, power stations, pylons, reservoirs, steeples, towers or viaducts
- d. quarrying, blasting or diving operations, water diversion, dam construction or work behind dams
- e. the use of explosives, tunnelling or piling work
- f. the making of excavations exceeding in any part a depth of two (2) metres from the surface
- g. the construction of public roads or the laying of main sewers unless incidental to any building contract undertaken by the Insured.
- h. The construction, maintenance and demolition of dams, towers, steeples and bridges

## 6. Excess

Any Excess

## 7. E-Risks

- a. Loss or destruction of or damage to any Computer Equipment (as defined below) consisting of or caused directly or indirectly by:
  - i programming or operator error whether by the Insured or any other person
  - ii Virus or Similar Mechanism (as defined below)
  - iii Hacking (as defined below)
  - iv. malicious persons
  - v. failure of external networks

unless, in respect of i, ii and iii above, such Damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

- b. any financial loss or expense of whatsoever nature, including but not limited to business interruption, resulting directly or indirectly from the type of Damage described in paragraph a of this Exclusion unless, in respect of a i, ii or iii above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion
- c. Loss or destruction of or damage to any property other than Computer Equipment where it arises directly or indirectly out of Damage to any Computer Equipment of the type described in paragraph a of this Exclusion unless, in respect of Damage to other property arising from a i, ii and iii above, resulting from a concurrent or subsequent cause not excluded by this or any other policy exclusion
- d. Loss of destruction of or damage either to Computer Equipment or any other property where it consists of or arises directly or indirectly out of:
  - i the erasure, loss distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotions, or malicious persons
  - ii the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software due to any cause not included in d i above
  - iii any misinterpretation, use or misuse of information on computer systems or other records, programs or software

unless, in respect of d ii and iii above, such Damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

- e. any financial loss or expense of whatsoever nature, including but not limited to business interruption, where it arises directly or indirectly from the type of Damage described in paragraphs c and d of this Exclusion unless, in respect of c, d ii and iii above, the financial loss or expense result from a concurrent or subsequent cause not excluded by this or any other policy exclusion

For the purpose of this Exclusion:

**Computer Equipment** - means computer equipment, system or item which processes, stores, transmits or retrieves data, or any part thereof, whether the property of the Insured or not, whether tangible or intangible and including without limitation any information, programs or software.

**Virus or Similar Mechanism** - means any program code, programming instruction or other 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), including but not limited to 'Trojan Horses', 'Worms' or 'Logic Bombs'.

**Hacking** - means unauthorised access to any computer or computer equipment, component, system to item, whether the property of the Insured or not, which processes, stores, transmits or retrieves data.

## 8. Terrorism

- a. in respect of Gibraltar as defined:

Loss or destruction or damage or consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with

- i any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such Act of Terrorism
- ii any action taken in controlling, preventing or suppressing any Act of Terrorism, or in any other way related to such Act of Terrorism

In respect of a above an Act of Terrorism (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

Loss or destruction or damage or any consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with

- i any act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such act of Terrorism
- ii any action taken in controlling, preventing or suppressing any act of Terrorism, or in any way related to such act of Terrorism

In respect of b above an act of Terrorism (Terrorism) means:

An 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 put the public or any section of the public in fear

In any action suit or other proceedings where the insurer alleges that by reason of this Exclusion any Loss or destruction or damage or any consequential loss is not covered (or is covered only up to a specified limit of liability), the burden of proving to the contrary shall be upon the Insured.

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

## **9. Inventory Loss or Unidentifiable Occurrence**

Loss of Insured Property

- a. by its disappearance or by shortage if the disappearance or shortage is only revealed when an inventory is made
- b. due to it being stolen or otherwise missing unless the loss is identifiable by the Insured with a specific occurrence which has been the subject of notification under the terms of the Claims Conditions and which has been reported to the Police.

## **10. Multiple Lifting Operations**

Damage to Insured Property arising out of any lifting or lowering operation in which a load is shared between two or more machines unless the prior consent of the Insurers has been obtained.

## **11. Other Consequential Losses**

Liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency or loss of use or any other form of consequential loss not specifically provided for by this Policy.

## **12. Money Legal or Promissory Documents**

Loss of or damage to Deeds Bonds Bills of Exchange Promissory Notes Cash Bank Notes Treasury Notes Cheques Postal Orders Stamps or Securities.

## **13. Motor Vehicles**

Loss of or damage to any mechanically propelled vehicle or an attached trailer.

This Exclusion does not apply to any vehicle that is

- a. not licensed for road use and used in circumstances which do not require insurance under any road traffic legislation or
- b. designed or adapted primarily for use as a tool of trade

#### 14. Vessels Craft Vehicles Devices Rigs or Platforms

Loss of or damage to any

- a. vessel craft vehicle or device designed to float on in or travel under or through water air or space
- b. marine rig or marine platform
- c. equipment mounted on and fixed to such vessel craft vehicle device rig or platform.

#### 15. Pollution or Contamination

Loss or damage 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.

#### 16. Fungus, Mildew and mould Exclusion

- i a. any loss or damage consisting of or caused directly or indirectly, in whole or in part, by any 'Fungi' or 'Spores'.  
Notwithstanding the foregoing, this exclusion will not apply if such loss, damage, claim, cost, expense or other sum related to i insured property results directly from or is directly caused by fire, lightning, explosion, impact by aircraft, spacecraft or land vehicle, riot, vandalism or malicious acts, smoke, windstorm or hail leakage from fire protective equipment, earthquake, tsunami, flood, freeze or weight of snow and not otherwise excluded; and
- b. the cost of expense for testing, monitoring, evaluating or assessing of 'Fungi' or 'Spores'

Losses arising from 'Fungi' or 'Spores' shall not in and of themselves constitute an event for the purpose of this Agreement.

For the purpose of this exclusion, the following definitions are added:

'Fungi' includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising therefrom or from any 'Fungi' or 'Spores' including resultant mycotoxins, allergens, or pathogens.

'Spores' includes, but is not limited to one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any 'fungi'.

- ii a. any liability, loss, cost or expense arising out of, resulting from, caused by, contributed to, or in any way related to the existence, inhalation or exposure to any 'fungus/fungi' and/or 'spores', or
- b. any cost or expenses associated in any way, or arising out of the abatement, mitigation, remediation, containment, detoxification, neutralisation: on, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of any 'fungus/fungi' and/or 'spores': or
- c. any obligation to share with or repay any person, organisation or entity, related in any way to items 1 and 2 above, regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to the injury or damage.

For purposes of this exclusion, the following definitions apply:

'Fungus/fungi' includes but is not limited to, any form or type of mould, mildew, mushroom, yeast or biocontaminant.

'Spore(s)' includes, but is not limited to, any substance produced by, emanating from or arising out of any 'fungus/fungi'.

#### 17. Electromagnetic Fields ('EMF') Exclusion

Any liability, loss, cost or expense directly or indirectly arising out of, resulting from, caused or contributed to by exposure to magnetic electric or electromagnetic fields or radiation however caused or generated

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the loss, damage, cost or expense.



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