

The Rules of Terrorism Liability

Definitions

Territorial Limits

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 Her Majesty's government in the United Kingdom or any other government de jure or de facto.

General Cover Policy

The Policy or Policies specified in the Equipment Schedule to this Policy.

Schedule

The Equipment and Policy Schedules.

Event

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

Property/Insured Property

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 reinsurance policy or agreement
 - d Bankers Blanket Bond

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 as a private residence or any part thereof which is so occupied, unless the building is used for both commercial and residential purposes and:
 - a both commercial and residential portions are insured under the same policy, and
 - b the square footage of the commercially occupied portion of the building exceeds 20% of the total square footage of the building.

Note:

Trustees that hold blocks of flats and/or private dwelling houses under a trust or a person who owns blocks of flats and/or private dwelling houses in the business of a sole trader are not deemed to be individuals, except that where the property is a private dwelling house or a self-contained unit insured as part of a block of units and is occupied as a private residence by any of the trustees or any beneficiary of the trust or by the sole trader, it will be deemed to be insured in the name of an individual

- 3 any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor.

Damage

Loss of or damage to Insured Property as defined and insured by the General Cover Policy specified in the Schedule.

Consequential Loss

Additional Expenditure and / or Business Interruption Cover Options as defined and insured by the General Cover Policy specified in the Schedule.

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, Computer Systems, Data or operations, whether involving self-replication or not. The definition of Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

Definitions *continued*

Hacking

Unauthorised access to any Computer System, 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 or performance of networks, network services, network connectivity or Computer Systems. Denial of Service Attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other Computer Systems.

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 or adapted for

- 1 the production or use of atomic energy, or
- 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, or
- 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.

Phishing

Any access or attempted access to Data or information made by means of misrepresentation or deception.

Policy

The contract of insurance formed of the Policy wording Schedule and any proposal made by the Insured or on its behalf to the Insurers (whether or not such proposal is recorded in writing).

Computer System

A computer or other equipment or component or system or item which processes, stores, transmits or receives Data.

Data

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

Cover

The Insurers will indemnify the Insured for

- a** Damage
- b** Consequential Loss

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

Provided always that the insurance by this Policy:

- a** is subject otherwise to all the terms and conditions of the General Cover Policy except:

- i** the following Exclusions or General Exclusions of the General Cover Policy

War and Kindred Risks

E Risks

Radioactive Contamination

Terrorism

- ii** where expressly varied within this Policy

- b** is subject to a maximum Period of Insurance of twelve (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 Policy is deemed to constitute a separate Period of Insurance, provided that

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

Limit of Liability

The liability of the Insurers under this Policy in respect of any one Event and in the aggregate in any one Period of Insurance shall not exceed:

- a** the amount shown as the Limit of Liability in the Policy Schedule
- or

- b** the amount shown as the Limit of Liability in the General Cover Policy

whichever is less.

Any provision for the automatic reinstatement of Limits of Liability sums insured or any one accident limit in the General Cover Policy shall not apply to this Policy.

Exclusions

This Policy does not cover

1 Digital and Cyber Risks

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

- a** damage to or the destruction of any Computer System or
- b** any alteration, modification, distortion, erasure or corruption of Data

in each case whether the property of the Insured or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack.

Provided that this **Exclusion 1** will not apply to Damage or Consequential Loss solely to the extent that such Damage or Consequential Loss:

- i** results directly (or, solely as regards **ii c** below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System; and
- ii** comprises;
 - a** the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured by the Insured; or
 - b** the amount of business interruption loss suffered directly by the Insured itself by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of Property insured by the Insured or as a direct result of denial, prevention or hindrance of access to or use of the Property insured by the Insured by reason of an Act of Terrorism causing damage to other Property within one mile of the Property insured by the Insured to which access is affected; or
 - c** the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of Property and any additional costs or charges reasonably and necessarily paid by the Insured to avoid or diminish such loss; and
- iii** is not proximately caused by an Act of Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.
- iv** The meaning of Property for the purposes of this proviso shall (additionally to those exclusions in the definition of Insured Property) exclude:
 - a** any money (including Money as defined elsewhere in the General Cover Policy), currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever: and
 - b** any Data.
- v** Notwithstanding the exclusion of Data from Property, to the extent that damage to or destruction of Property within the meaning of sub-paragraph **ii** above indirectly results from any alteration, modification, distortion, erasure or corruption of Data, because the occurrence of one or more of the matters referred to in sub-paragraph **i** above results directly or indirectly from any alteration, modification, distortion, erasure or corruption of Data, that shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such Property and otherwise falling within sub-paragraphs **i** and **ii** above from being recoverable under this Policy. In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under this Policy.
- vi** For the avoidance of doubt, the burden of proof shall be on the Insured to prove or establish all the matters referred to in sub-paragraphs **i** to **ii** above.

Exclusions *continued*

This Policy does not cover

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 Private Residences

any loss whatsoever or any expenditure resulting or arising therefrom or any Consequential Loss directly or indirectly relating to a private residence property when insured in the name of a private individual caused by or contributed to by or arising from:

- a** the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- b** ionising radiation or contamination by radioactivity or from the combustion of any radioactive material;
- c** chemical and/or biological and/or radiological irritants contaminants or pollutants.

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.

Special Conditions

1 Burden of Proof

In any action suit or other proceedings where the Insurers allege that any Damage or Consequential Loss resulting from Damage is not covered by this Policy the burden of proving that such damage or loss is covered shall be upon the Insured.

2 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 English law and the decisions of English courts.