

JUBILEE ALLIANZ GENERAL INSURANCE (K) LIMITED

Head Office:

Jubilee Allianz General Insurance (K) Limited,
Sanlam Tower Off Waiyaki Way
P.O.BOX 66257 00800, Nairobi, Kenya.
Call Centre number - +254 709 566 000
Email: talk2us@allianz.com
www.jubilee-allianz.com

CONSEQUENTIAL LOSS POLICY

WHEREAS the Insured named in the Schedule hereto have delivered to JUBILEE ALLIANZ GENERAL INSURANCE (K) LTD (hereinafter called the Company) a Proposal which it is agreed shall be the basis of this Contract of Insurance NOW IN CONSIDERATION of the Insured paying or agreeing to pay to the Company the first premium.

THE COMPANY AGREES (Subject to the conditions expressed in, endorsed upon or attached to this Policy and which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder) that if after payment of the required premium any building or other property or any part thereof used by the Insured at the Premises for the purpose of the Business be destroyed or damaged by:-

1. FIRE including FIRE OCCASIONED BY EXPLOSION when this Policy has been so endorsed.
2. LIGHTNING
3. EXPLOSION: -
 - i. of any boiler or economizer on the Premises or
 - ii. of the gas used for domestic purpose or used for lighting or heating the building in a building not being part of any gas works.

(Destruction or damaged so caused being hereinafter termed) Damage at any time before four O'clock in the afternoon of the last day of the period of insurance or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of this Policy and the Business be in consequence thereof interrupted or interfered with.

THEN THE COMPANY WILL PAY TO THE INSURED in respect of each Item of Insurance in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions therein. PROVIDED THAT the Company will not be liable for

Authorized Officer

Date

any loss under this Policy unless the Insured's interest in the property so destroyed or damaged is insured against Damage (Damage by boiler and /or economizer explosion excepted) and the Company or companies by which such interest is so insured shall have paid for or admitted liability in respect of such Damage.

AND THAT the liability of the Company shall in no case exceed in respect of each item of Insurance the Sum expressed in the said Schedule to be Insured thereon or in the Whole the Total Sum Insured hereby.

IN WITNESS WHEREOF the undersigned being duly authorized by the Directors of the Company has for and on behalf of the Company hereunto set his hand at

THE SPECIFICATION

Specification referred to in Policy No. _____
of Jubilee General Insurance Limited.

Item No.	Sum Insured
1. On Gross Profit	
2. On Wages	
3. On Auditor's Fees	

ITEM NO. 1

The insurance under Item No. 1 is limited to Loss of Gross Profit due to (a) REDUCTION IN TURNOVER, and (b) INCREASE IN COST OF WORKING and the amount payable as indemnity thereunder shall be:

a. IN RESPECT OF REDUCTION IN TURNOVER: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover;

b. IN RESPECT OF INCREASE IN COST OF WORKING: the additional expenditure (subject to the provisions of Memorandum 2) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for the expenditure would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided;

Less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the Damage.

Provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover, the amount payable shall be proportionately reduced.

ITEM No. 2

The Insurance under Item No. 2 is limited to loss in respect of wages and the amount payable as indemnity

thereunder shall be:

a. IN RESPECT OF REDUCTION IN TURNOVER

i. during the portion of the Indemnity Period beginning with the occurrence of the Damage and ending not later than six weeks thereafter; the sum produced by applying the Rate of Wages to the Shortage in Turnover during the said portion of the Indemnity Period, less any saving during the said portion of the Indemnity Period through reduction in consequence of the Damage in the amount of Wages paid.

ii. during the remaining portion of the Indemnity Period the sum produced by applying the Rate of Wages to the Shortage in Turnover during the said remaining portion of the Indemnity Period, less any saving during the said remaining portion of the Indemnity Period through reduction in consequence of the Damage in the amount of Wages paid, but not exceeding the sum produced by applying 25 percent of the Rate of Wages to the Shortage in Turnover during the said remaining portion of the Indemnity Period increased by such amount as is deducted for savings under the terms of Clause (i);

b. IN RESPECT OF INCREASE IN COST OF WORKING

so much of the additional expenditure described in Clause (b) of Item No. 1 as exceeds the amount payable thereunder but not more than the additional amount which would have been payable in respect of Reduction in Turnover under the provisions of Clause (a) (i) and (ii) of this Item had such expenditure not been incurred;

provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Wages to the Annual Turnover the amount payable under this Item shall be proportionately reduced.

ITEM NO. 3

The insurance under Item No. 3 is limited to the reasonable fees payable by the Insured to their Auditors for producing and certifying any particulars or details contained in the Insured's books of account or other business books or documents or such other proofs, information or evidence as may be required by the Company under the terms of Condition 7 of this Policy.

DEFINITIONS

GROSS PROFIT: The sum produced by adding to the Net Profit the amount of the Insured Standing Charges, or if there be no Net Profit the amount of the Insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the Standing Charges of the Business.

NET PROFIT: The net trading profit (exclusive of all capital receipts and accretions and all outlay property chargeable to capital) resulting from the Business of the Insured at the Premises after due provision has been made for all Standing and other Charges including

depreciation but before the deduction of any taxation chargeable on profits. **TURNOVER:** The money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the Business at the Premises.

INDEMNITY PERIOD: The period beginning with the occurrence of the damage and ending not later than the maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence of the Damage.

WAGES: The remuneration of all employees other than those whose remuneration is treated as Salaries in the Insured's books of account.

MEMORANDUM 1

If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

MEMORANDUM 2

If any Standing Charges of the Business be not insured by this Policy then in computing the amount recoverable under Item No. 1(b) hereof as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the sum of the Net Profit and the Insured Standing Charges bears to the sum of the Net Profit and all the Standing Charges.

MEMORANDUM 3 (ADJUSTMENT OF PREMIUM CLAUSE)

In the event of the Gross Profit earned or the Wages paid during the financial year most nearly concurrent with any Period of Insurance (as certified by the Insured's Auditors) being less than the respective Sum Insured thereon a pro rata return of premium not exceeding 50 percent of the premium paid on such Sum Insured for such Period of Insurance will be made in respect of the difference. If any Damage shall have occurred giving rise to a claim under this Policy such return shall be made in respect of so much of the difference as is not due to such Damage.

RATE OF GROSS PROFIT: The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage.

RATE OF WAGES: The rate of Wages to Turnover during the financial year immediately before the date of Damage.

ANNUAL TURNOVER: The turnover during the twelve months immediately before the date of the Damage.

MEMORANDUM 4 (PAYMENT ON ACCOUNT CLAUSE)

It is understood and agreed that in the event of the

occurrence of a loss under this insurance the Company will make payment on account in respect of such loss as required by the Insured.

MEMORANDUM 5 (LONG TERM AGREEMENT ENDORSEMENT)

A discount of 5 percent off the net premium for this Policy is allowed in consideration of the Insured having undertaken to continue the insurance for a period of five years from.....and to pay the premium annually in advance, it being understood that the Sum Insured may be reduced to correspond with any reduction in value.

Condition 9 of the Policy is replaced by the following:

This insurance may at any time be terminated at the option of the Company on notice to that effect being given to the Insured in which case the Company shall be liable to repay on demand a rateable proportion

STANDARD TURNOVER: The turnover during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.

SHORTAGE IN TURNOVER: The amount by which the Turnover during a period shall in consequence of the Damage fall short of the part of the Standard Turnover which relates to that Period.

INSURED STANDING CHARGES: Rent, Rates, Taxes, Interest on Debentures, Mortgages, Loans, Bank Overdrafts, Salaries to Permanent Staffs; Wages to Skilled Employees; Director's Fees; Legal and Auditor's fees; Travelling Expenses; Insurance Premiums Advertising; Depreciation of Buildings; Plant and Machinery unless insured under a separate item.

MEMORANDUM 6 (Explosion Endorsement)

It is hereby declared and agreed that the insurance under this Policy shall, subject to the Special Conditions hereinafter contained, extend to include:

Any claim submitted under Items of Insurance 1, 2 & 3 specified herein directly caused by explosion.

PROVIDED always that all conditions of this Policy (except insofar as Condition No.5 (d) is hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss by explosion as aforesaid shall be deemed to be loss by fire within the meaning of the Policy.

SPECIAL CONDITIONS:

1. The Company shall not be liable, under this extension, for loss occasioned by or through or in consequence, directly or indirectly of any act of any person acting on behalf of, or in connection with, any organisation with activities directed towards the overthrow by force of the Government de jure or de facto or to the influencing of it by terrorism or violence.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this Condition any loss is not covered by this insurance the burden of proving that such loss is covered shall be upon the Insured.

2. If there shall be any other similar insurance on the property insured under this Policy, the Company shall be liable only pro rata with such other insurance for any loss by explosion whether or not such other insurance be extended to cover loss by explosion.
2. The Company shall not be liable under this extension for loss which at the time of the happening of such loss is insured by or would, but for the existence of this extension, be insured by any other existing Policy or Policies except in respect of any excess beyond the amount which would have been payable under such other Policy or Policies had this insurance not been effected.

MEMORANDUM 7 (Riot and Strike Endorsement)

It is hereby agreed and declared that notwithstanding anything in the within written Policy contained to the contrary the insurance under this Policy shall extend to cover Riot and Strike damage which for the purpose of this endorsement shall mean (subject always to the Special Conditions hereinafter contained).

Any claim submitted under Items of Insurance 1,2 & 3 specified in the Schedule herein directly caused by:

1. The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in condition 6 of the Special Conditions hereof.
2. The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimising the consequences of any such disturbance.
3. The wilful act of any strikers or locked-out workers done in furtherance of a strike or in resistance to a lock-out.
4. The action of any lawfully constituted authority in prevention or attempting to prevent any such act or in minimising the consequences of any such act.

SPECIAL CONDITIONS:

For the purposes of this Endorsement but not otherwise there shall be substituted for the respectively numbered conditions of the Policy the following:

Condition No.5

This insurance does not cover:

- a. Loss occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully

constituted authority.

- b. Loss occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building.

Condition No.6

This insurance does not cover any loss occasioned by or in consequence, directly or indirectly, of any of the following occurrences, namely:

- a. War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
- b. Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, or any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrow by force of the Government de jure or de facto or to the influencing of it by terrorism or violence.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this Condition any loss is not covered by this insurance, the burden of proving that such loss is covered shall be upon the Insured.

PROVIDED that it is hereby further expressly agreed and declared that:

1. All the conditions of this Policy shall apply in all respects to the insurance granted by this extension save in so far as the same are expressly varied by the above Special Conditions and any reference to fire in the Conditions of the Policy shall be deemed to include the perils hereby insured against.
2. The special conditions herein shall apply only to the insurance granted by this extension and the Conditions of the Policy shall apply in all respects to the insurance granted by the Policy as if this Endorsement had not been made thereon.

MEMORANDUM 8 (Malicious Damage Endorsement)

It is hereby agreed and declared that the insurance under the said Riot and Strike Endorsement shall extend to include MALICIOUS DAMAGE which for the purpose of this extension mean any claim submitted under Items of Insurance 1,2 & 3 specified herein directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Special

Condition No. 6 of the said Riot and Strike Endorsement.

Provided always that all the conditions and provisos of the said Riot and Strike Endorsement shall apply to this extension as if they had been incorporated herein.

MEMORANDUM 9 (SPECIAL PERILS EXTENSION)

It is hereby declared and agreed that notwithstanding anything herein contained to the contrary the insurance by this Policy shall, subject to the Special conditions hereinafter contained, extend to include:

LOSS under Items 1,2 & 3 specified under Items of Insurance herein directly caused by:

- a. Hail, snow, wind, hurricane, cyclone, tornado or typhoon.
- b. Rain.
- c. Flood, which shall mean:
 1. The overflowing or deviation from their normal channels of either natural or artificial water courses, and
 2. Any flow or accumulation of water on the ground except when such flow or accumulation be of water emitted from any water supply main, tap, pipe, valve or the like, save as referred to in (d) and (e) hereof.
- d. Overflowing of guttering and down pipes in connection therewith or bursting or overflowing of municipal or other public water supply mains.
- e. Bursting or overflowing of water tanks, apparatus or pipes.
- f. Aircraft and other Aerial Devices and/or articles dropped therefrom.
- g. Impact with any of the said buildings insured under this Policy and/or any walls, gates and fences around and pertaining thereto by any road vehicles, horses or cattle belonging to or under the control of the Insured, his agent or servants.
- h. Earthquake, subterranean fire and thunderbolt. Provided that:
 - i. all the conditions of the Policy (except as expressly varied herein) shall apply as if they had been incorporated herein.
 - ii. for the purpose any loss as aforesaid shall be deemed to be destruction or damage by fire.

It is hereby declared and agreed that:

1. In every case of loss the Insured must, if required, prove that no portion of the loss claimed for was caused otherwise than by perils above specified.
2. It is a condition of this insurance that the Insured undertakes to exercise all ordinary and reasonable precautions for the maintenance and safety of the property.

The Company shall not be liable for claims arising from:

- i. Water damage occasioned by or through the leaking of any roof(s) unless such roof(s) is damaged by the perils referred to in a supra or as a result of doors, or roof lights being left open.
- ii. Loss due to ordinary wear and tear, gradual deterioration or normal exposure to the weather.
- iii. Loss caused by subsidence or landslide.
- iv. Loss occasioned by or through or in consequence of the action or order of any Government or Public Authority.
- v. Loss caused by any aircraft to which permission to land has been extended by the Insured.

CONDITIONS REFERRED TO IN THE POLICY

1. This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure in any material particular.
2. This Policy shall be voided if:
 - a. The Business be wound up or carried on by a liquidator or receiver or permanently discontinued, or
 - b. The Insured's interest in the Business cease otherwise than by death or,
 - c. Any alteration be made either in the Business or in the Premises or property therein whereby the risk of Damage is increased, at any time after the commencement of this Insurance, unless its continuance be admitted by memorandum signed by or on behalf of the Company.
3. If any claim hereunder be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy or if any Damage be occasioned by the wilful act or with the connivance of the Insured, all benefit under this Policy shall be forfeited.
4. Immediately upon any fall or displacement-
 - a. Of any building damage to which might give rise to a claim under this Policy.
 - b. Of any part of such building.
 - c. Of the whole or part of any range of building or of any structure of which such building forms part, the insurance under this Policy shall cease in respect of loss from Damage to such building or property therein.

If any claim whatsoever be made under this Policy arising from Damage whether occurring before, during or after such fall or displacement the Insured shall produce such proof as may reasonably be required that the loss neither in origin nor extent, directly or indirectly, proximately or remotely is occasioned by or contributed

to by any fall or displacement as aforesaid, and, neither in origin nor extent, directly or indirectly proximately or remotely, arises out of or in connection with any such fall or displacement

PROVIDED THAT:

- a. The fall or displacement as aforesaid is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof or leaves such building or any part thereof or any property contained therein subject to increased risk of fire or is otherwise material.
- b. The fall or displacement is not caused by fire, loss resulting from destruction or damage which is covered by this Policy or would be covered if such building range of buildings or structure were included in the Premises.

In any action, suit or other proceedings, the burden of proving that any fall or displacement is caused by fire as aforesaid shall be upon the Insured.

5. This insurance does not cover loss resulting from interruption of or interference with the Business which interruption or interference is occasioned by or through or in consequence of:
 - a. Destruction of or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion or by its undergoing any heating or drying process.
 - b. The burning of property by order of any Public Authority.
 - c. Subterranean fire.
 - d. Explosion, whether the explosion be occasioned by fire or otherwise, except as expressly stated in this Policy to the contrary.
6. This insurance does not cover loss resulting from interruption of or interference with the Business in consequence of Damage which either in origin or extent is directly or indirectly, proximately, or remotely occasioned by or contributed to by any of the following occurrences or which, either in origin or extent directly or indirectly proximately or remotely arises out of or in connection with any of such occurrences, namely:
 - a. Earthquake, volcanic eruption, typhoon, hurricane, tornado, cyclone or other convulsion of nature or atmospheric disturbance.
 - b. War, invasion, act of foreign enemy, hostilities or war like operations (whether war be declared or not), mutiny, riot, civil commotion, insurrection, rebellion, revolution, conspiracy, military or usurped power, martial law or state of siege, or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.

Any interruption of or interference with the Business in consequence of Damage happening during any of the said occurrences shall be deemed to be not covered by this insurance except to the extent that the Insured shall prove that such Damage happened independently of the existence of such occurrence.

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of this condition any loss is not covered by the insurance the burden of proving that such loss is covered shall be upon the Insured.

7. On the happening of any Damage in consequence of which a claim is or may be made under this Policy the Insured shall forthwith give notice thereof in writing to the Company and shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss, and in the event of a claim being made under this Policy shall, not later than thirty days after the expiry of the Indemnity Period or within such further time as the

Company may in writing allow, at his own expense deliver to the Company in writing a statement setting forth particulars of his claim, together with details of all other insurances covering the Damage of any part of it or consequential loss of any kind resulting therefrom. The Insured shall at his own expense also produce and furnish to the Company such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Company for the purpose of investigating or verifying the claim together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith. No claim under this Policy shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Company forthwith.

8. The Insured shall give notice to the Company of any insurance or insurances, already effected or which may subsequently be effected, covering the subject matter of this Insurance or any part thereof, and, unless such notice be given and the particulars of such insurance or insurances be stated in or endorsed on this Policy by or on behalf of the Company before the occurrence of any Damage, all benefit under this Policy shall be forfeited.
9. This Insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the customary short period rate for the time the Policy has been in force. This Insurance may also at any time be terminated at the option of the Company on notice to that effect being given to the Insured in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancelment.

10. Any Claimant under this Policy shall at the request and at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon its paying for or making good any loss under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.
11. If at the time of any Damage resulting in a loss under this Policy there be any other insurance or insurances effected by or on behalf of the Insured covering such loss or any part or any part of it, the liability of the Company hereunder shall be limited to its rateable proportion of such loss.
12. If any difference arises as to the amount of any loss such difference shall independently of all other questions be referred to the decision of an arbitrator to be appointed in writing by the parties in difference, or, if they cannot agree upon a single arbitrator, to the decision of two disinterested persons as arbitrators of whom one shall be appointed in writing by each of the parties within two calendar months after having been required to do so in writing by the other party. In case either party shall refuse or fail to appoint an arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator and in case of disagreement between the arbitrators, the difference shall be referred to the decision of an umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the arbitrator, arbitrators or umpire respectively, and in the event of the death of an arbitrator or umpire another shall in each case be appointed in his stead by the party or arbitrators (as the case may be) by whom the arbitrator or umpire so dying was appointed. The costs of the reference and of the award shall be in the discretion of the arbitrator, arbitrators or umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such arbitrator, arbitrators, or umpire of the amount of the loss if disputed shall be first obtained.
13. The Company shall not be liable in respect of any claim under this Policy after expiration of:
 - a. One year from the end of the Indemnity Period, or if later.
 - b. Three months from the date of which payment shall have been made or liability admitted by the insurance covering the damage giving rise to the said claim, unless such claim has in the meantime been referred to arbitration or is the

subject of pending action.

14. Every notice and other communication to the Company required by these conditions must be written or printed.

JURISDICTION CLAUSE

Notwithstanding anything contained herein to the contrary it is agreed that the indemnity provided shall not apply to:

1. Compensation for damage in respect of Judgements delivered or obtained in the first instance otherwise than by a Court of competent jurisdiction within Kenya.
2. Costs and expenses and litigation recovered by any claimant from the Insured which are not incurred in and recovered in Kenya.

Subject otherwise to the terms conditions and exceptions of this Policy.

ADDITIONAL CLAUSES APPLICABLE TO THIS POLICY

ELECTRONIC DATA EXCLUSION

- 1.1. Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

1.1.1. This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

1.1.2. ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

1.1.3. COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

2. Electronic Data Processing Media Valuation

- 2.1. Notwithstanding any provision to the contrary

within the Policy or any endorsement thereto, it is understood and agreed as follows:

- 2.1.1. Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

COMMUNICABLE DISEASE EXCLUSION

1. This Policy excludes any loss ,damage, liability ,claim cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease (e.g. any action taken in controlling ,preventing or suppressing a Communicable Disease) regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where
 - 2.1. the substance or agent includes, but it is not limited to a virus, bacterium, parasites or other organism or any variation thereof, whether deemed living or not, and
 - 2.2. the method of transmission ,whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid. Liquid or gas or between organisms, and
 - 2.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
3. Notwithstanding the foregoing, losses directly caused by any otherwise covered peril under subject Policies and not otherwise excluded under this insurance agreement shall be covered

TERRORISM EXCLUSION

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by,

resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement 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 organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to pull the public, or any section of the public, in fear.

This exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way related to any act of terrorism.

If the Insurers allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

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

POLLUTION AND CONTAMINATION EXCLUSION

Any loss arising from pollution and contamination except (unless otherwise excluded) destruction of or damage to the property insured caused by:

- Pollution or contamination which itself results from a peril insured against (1)
- Any peril insured against which itself results from a pollution or contamination
- Any liability in connection with disposed or dumped waste materials or substances may not be covered.

SANCTIONS CLAUSE

Sanctions / Embargoes

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United States of America and/or any other applicable national economic or trade sanction law or regulations.

•