

## **TERRORISM INSURANCE**

### **Property Damage Wording**

#### **Insuring Clause**

Subject to the exclusions, limits and conditions hereinafter contained, this Insurance insures buildings and contents against physical loss or physical damage by an Act of Terrorism, as herein defined, occurring during the period of this Policy as stated in the Schedule attaching to and forming part hereof, (hereinafter referred to as the "Schedule").

For the purpose of this Insurance, an act of terrorism means an act, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

#### **LOSSES EXCLUDED**

This Policy DOES NOT INSURE AGAINST:-

1. Loss or damage arising directly or indirectly from nuclear detonation, reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, reaction, nuclear radiation or radioactive contamination may have been caused.
2. Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or martial law or confiscation by order of any Government or public authority.
3. Loss by seizure or illegal occupation.
4. Loss or damage caused by confiscation, requisition, detention, legal or illegal occupation, embargo, quarantine, or any result of any order of public or government authority which deprives the Assured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
5. Loss or damage directly or indirectly arising from or in consequence of the discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant of toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.
6. Loss or damage by chemical or biological release or exposure of any kind.
7. Loss or damage by attacks by electronic means including computer hacking or the introduction of any form of computer virus.
8. Loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, riots or civil commotion unless physical loss or damage is caused directly by an Act of Terrorism.

**OTHER INSURANCE**

This Policy does not cover any loss or damage, which at the time of the happening of such loss or damage is insured by, or would, but for the existence of this Policy, be insured by any other insurance policy or policies either primary or excess.

**TERRITORIAL LIMITS**

This Policy insures property owned by the Assured and located as described in the Schedule.

**SUM INSURED**

The Underwriters hereon shall not be liable for more than the sum insured stated in the Schedule in respect of each occurrence and in the annual aggregate.

**DEDUCTIBLE**

Each occurrence shall be adjusted separately and from the amount of each such adjusted loss; the sum stated in the Schedule shall be deducted.

**OCCURRENCE**

The term "Occurrence" shall mean any one loss and/or series of losses arising out of and directly occasioned by one Act or series of Acts of Terrorism for the same purpose or cause. The duration and extent of any one "Occurrence" shall be limited to all losses sustained by the Assured at the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this policy unless the Assured shall first sustain direct physical damage by an Act of Terrorism prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this Policy.

**DEBRIS REMOVAL**

This Policy also covers, within the sum insured, expenses incurred in the removal of debris of property covered hereunder which may be directly destroyed or damaged by an Act of Terrorism.

The cost of removal of debris shall not be considered in determination of the valuation of the property covered.

5. NOTIFICATION OF CLAIMS

The Assured, upon knowledge of any occurrence likely to give rise to a claim hereunder, shall give immediate written advice thereof to the Underwriters and or the Broker, named for that purpose in the Schedule, who is to advise Underwriters within 72 hours of such knowledge of any occurrence.

6. PROOF OF LOSS

The Assured shall render a signed and sworn proof of loss within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement of Underwriters) stating the time, place and cause of loss, the interest of the Assured and all others in the property, the sound value thereof and the amount of loss or damage thereto.

If Underwriters have not received such proof of loss within two years of the expiry date of this policy, they shall be discharged from all liability hereunder.

7. SUBROGATION

If the Underwriters become liable for any payment under this Policy in respect of loss or damage the Underwriters shall be subrogated, to the extent of such payment, to all the rights and remedies of the Assured against any party in respect of such loss or damage and shall be entitled at their own expense to sue in the name of the Assured. The Assured shall give to the Underwriters all such assistance in his power as the Underwriters may require to secure their rights and remedies and, at Underwriters' request shall execute all documents necessary to enable Underwriters effectively to bring suit in the name of the Assured including the execution and delivery of the customary form of loan receipt.

8. SALVAGE AND RECOVERIES

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

9. FALSE OR FRAUDULENT CLAIMS

If the Assured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claim hereunder shall be forfeited.

10. ABANDONMENT

There shall be no abandonment to the Underwriters of any property.

11. INSPECTION AND AUDIT

The Underwriters shall be permitted but not obligated to inspect the Assured's property at any time. Neither the Underwriters' right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Assured or others, to determine or warrant that such property is safe.

The Underwriters may examine and audit the Assured's books and records at any time during the Policy period and extensions thereof and within two years after the final termination of this Policy, as far as they relate to the subject matter of this Insurance.

17 SERVICE OF SUIT (USA)

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Assured will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States district Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon Mendes & Mount and/or nominees as stated in the Schedule and, that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorised and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Assured to give a written undertaking to the Assured that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision thereof, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this contract of insurance and hereby designate the above-named as the person to whom the said officer is authorised to mail such process or a true copy thereof.

18 SEVERAL LIABILITY

The Underwriters' obligations under this Policy are several and not joint and are limited solely to their individual subscriptions. The Underwriters are not responsible for the subscription of any co-subscribing Underwriter who for any reason does not satisfy all or part of its obligations.

## TERRORISM INSURANCE

### Business Interruption Extension Wording

In consideration of the premium paid, and subject to the EXCLUSIONS, CONDITIONS AND LIMITATIONS of the Policy to which this Extension is attached, and also to the FOLLOWING ADDITIONAL CONDITIONS, EXCLUSIONS AND LIMITATIONS, this Policy is extended to cover loss resulting from necessary Interruption of Business, relating only to the premises affected by the Act of Terrorism, caused by Direct Physical Loss or Damage by an Act of Terrorism, as covered by the Policy to which this Extension is attached, to property insured by this Policy.

In the event of such Direct Physical Loss or Damage, Underwriters shall be liable for the Actual Loss Sustained by the Assured resulting directly from such necessary Interruption of Business, but not exceeding the reduction in Gross Earnings, as defined hereafter, less charges and expenses which are not necessary during the Interruption of Business, for a period not to exceed the lesser of:-

- a) such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged,
- or
- b) TWELVE (12) calendar months,

commencing with the date of such Direct Physical Loss or Damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Assured with the same operational capability as existed immediately before the loss.

### CONDITIONS

#### 1. DIRECT DAMAGE

No claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of Direct Physical Loss or Damage by an Act of Terrorism to property insured under the Policy to which this Extension is attached and which gave rise to Interruption of Business.

This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a deductible in said Policy which excludes liability for losses below a specified amount.

#### 2. RESUMPTION OF OPERATIONS

If the Assured could reduce the loss resulting from the Interruption of Business,

- a) by complete or partial resumption of operation of the property,
- and/or

- b) The Sum Insured stated in the Schedule, where such includes Business Interruption, if such is a combined limit,

in respect of such loss, regardless of the number of locations suffering an interruption of business as a result of any one occurrence.

2. With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment, including data thereon, by the perils insured against, the length of time for which underwriters shall be liable hereunder shall not exceed:-

- a) 30 consecutive calendar days or the time required with exercise of due diligence and dispatch to reproduce the data thereon from duplicates or from originals of the previous generation, whichever is less; or,
- b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed, but not exceeding twelve (12) calendar months,

whichever is the greater length of time.

#### DEFINITIONS

1. GROSS EARNINGS are for the assessment of premium and for adjustment in the event of loss defined as,

The sum of:-

- a) Total net sales value of production or sales of merchandise,  
and
- b) Other earnings derived from the operations of the business.

LESS THE COST OF

- c) Raw stock from which production is derived,
- d) Supplies consisting of materials consumed directly in the conversion of such raw stock into finished stock, or in supplying the services sold by the Assured,
- e) Merchandise sold including packaging materials therefor,
- f) Materials and supplies consumed directly in supplying the service(s) sold by the Assured,
- g) Service(s) purchased from outsiders (not employees of the Assured) for resale which do not continue under contract,
- h) The difference between the cost of production and the net selling price of finished stock which has been sold but not delivered,

No other costs shall be deducted in determining Gross Earnings.