

Endorsement TER001 – Terrorism

Asset and Revenue Protection

Definitions

The following definitions apply to this Section in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

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 HM Government in the United Kingdom or any other government de jure or de facto.

Computer System

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

Covered Loss

All losses arising under any of the Heads of Cover as a result of damage to or the destruction of Property in the Territory, the proximate cause of which is an Act of Terrorism.

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.

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.

Excess

The amount(s) specified in this Section and The Schedule which the **Insurer** will deduct from each and every claim at each separate location. The amount(s) to be deducted after the application of any Average condition.

Hacking

Unauthorised access to any Computer System, whether the **Insured's** property or not.

Heads of Cover

Any of the following types of direct insurance cover

- (1) Buildings and completed structures
- (2) Other property
- (3) Business Interruption
- (4) Book Debts

insured under this policy.

Nuclear Installation

Any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State (or any successor relevant authority) from time to time by statutory instrument, being an installation designed 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; 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 made by means of misrepresentation or deception.

Individual

Any person other than

(1) a company, association, public body or partnership unless the partnership is not set up for the purpose of a business

(2) a sole trader, trustee or body of trustees provided that the property insured is not solely occupied as a private residence of the sole trader or of either a trustee or beneficiary of the trust. If however, the property is a private dwelling house or a self-contained unit insured as part of a block of units (i.e. a block of flats), and is occupied as a private residence by any of the trustee(s) or any beneficiary of the trust, or sole trader(s), it will be considered that the property is insured in the name of the individual

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(3) a person insuring property which is the subject of a trust or of an executorship of a will unless some part of it is:

(a) occupied by a beneficiary or a trustee of the trust in question, or by a beneficiary or an executor of the will in question; or

(b) located in premises owned by any such person,

and the commercially occupied proportion of the property does not exceed 20%

(4) an individual insuring property that is of sole commercial use

(5) an individual insuring property where the commercially occupied proportion of the property exceeds 20%.

Where two or more persons have arranged insurance on a private residence or private property in their several names, and/or the name of The Insured includes the name of a bank, building society or other financial institution for the purpose of noting their interest in the property insured, then such persons will be deemed to be an Individual in respect of that private residence or private property.

Property

For the purposes of this Section only, all property whatsoever, but excluding:

(1) any land or building which is occupied as a private residence or any part thereof which is so occupied, unless

(a) insured under the same contract of direct insurance as the remainder of the building which is not a private residence or

(b) not insured in the name of an Individual

(2) 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.

Territory

England and Wales and Scotland (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Channel Islands, the Isle of Man or Northern Ireland).

Treasury

The Lords Commissioners of HM Treasury from time to time or any successor relevant authority.

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.

Cover

The **Insurer** will indemnify the **Insured** in respect a Covered Loss during the Period of Insurance subject to the provisions set out below.

The maximum the **Insurer** will pay in any one Period of Insurance will not exceed the limit of liability or Sum Insured for each of the Heads of Cover specified in the Section of this policy.

In any action, suit or proceedings where the Insurer alleges that any loss is not covered by this Section, The **Insured** must prove that the loss is covered.

This Section is subject to all the Definitions, Conditions and Clauses of the Sections where the Heads of Cover are insured. If there is conflict between this Section and the rest of the policy,

this Section will prevail.

Conditions

The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.

(1) the **Insurer** may cancel the cover provided by this Section by sending the **Insured** 30 days written notice to the **Insured person's** last known address.

The **Insurer** will refund a proportionate part of any premium paid for the unexpired period provided that there has been no

(a) claim(s) made under this Section for which the **Insurer** has made a payment or which are still under consideration

(b) incident(s) which the **Insured** are aware of and are likely to give rise to a claim which has already been or is yet to be reported to the **Insurer** during the current Period of Insurance.

If in relation to any claim the **Insured** has failed to fulfil any of the following conditions, the **Insurer** will not pay that claim.

The **Insured person** must

(2) declare to the **Insurer** all property and/or premises owned by the **Insured**, or for which the **Insured** are responsible, and, if applicable, all Business Interruption and Book Debt exposures, including all property and/or premises, Business Interruption and Book Debts of subsidiary companies

(3) purchase Terrorism cover from a Pool Reinsurance Company Limited member company in respect of all

(a) such property and/or premises and

(b) such Business Interruption and Book Debts

unless the **Insurer** agrees otherwise in writing.

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Exclusions

The following exclusions apply to this Section in addition to the Policy Exclusions contained within this policy.

The **Insurer** will not indemnify the **Insured** in respect of any losses whatsoever

(1) 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

(2) unless and until the Treasury issues a certificate certifying the event or events in question to have been an Act of Terrorism, or, in the event of the Treasury refusing to issue such a certificate, a tribunal formed following reference by Pool Reinsurance Company Limited or the Treasury determines the event or events in question to have been an Act of Terrorism.

(3) directly or indirectly caused by 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 **Insured** property 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

Proviso to Exclusion (3)

(1) Covered Loss otherwise falling within Exclusion (3) will not be treated as excluded by Exclusion (3) solely to the extent that such Covered Loss:

(a) results directly (or, solely as regards (b) (iii) below, indirectly) from

(i) fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system),

(ii) impact of aircraft or any aerial devices or articles dropped from them,

(iii) 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,

(iv) destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System; and

(b) comprises:

(i) the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured under any of the Heads of Cover; or

(ii) the amount of business interruption loss suffered directly by the **Insured** by way of loss of or reduction in profits, revenue or turnover or increased cost of working and not by way of liability to any third party as a direct result of either damage to or

destruction of Property insured under any of the Heads of Cover or as a direct result of denial, prevention or hindrance of access to or use of the Property insured under any of the Heads of Cover by reason of an Act of Terrorism causing damage to other Property within one mile of the Property insured under any of the Heads of Cover to which access is affected; or
(iii) 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
(c) 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.

(2) For the purposes of this Proviso Property shall (additionally to those exclusions in the definition of Property below) exclude

(a) any money, 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, including anything referred to in the definition of "Money" as set out in this policy; and
(b) any Data.

(3) Notwithstanding the exclusion of Data from Property, to the extent that damage to or destruction of Property within the meaning of sub-paragraph (1) (b) 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 (1) (a) 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 (1) (a) and (1)(b) above from being recoverable under this Section.

In no other circumstances, 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 Section