

The General terms and conditions, the Property definitions and the following terms and conditions all apply to this section.

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### Special definitions for this section

<b>Derangement</b>	Electrical or mechanical malfunction of <b>computers</b> arising from a cause internal to the <b>computer</b> unaccompanied by visible damage to or breaking out of any parts of the <b>computer</b> .
<b>Hazardous substance</b>	Any substance, other than ammonia, that has been declared to be hazardous to health by a governmental agency.

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### What is covered

Equipment and computers	1. <b>We</b> will insure <b>you</b> against <b>failure</b> occurring during the <b>period of insurance</b> to: <ol style="list-style-type: none"> <li><b>equipment</b> at the <b>business premises</b>; and</li> <li><b>computers</b> at the <b>business premises</b>; and</li> <li><b>computers</b> temporarily elsewhere in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or the Republic of Ireland.</li> </ol>
Hazardous substances	2. <b>We</b> will pay for the additional cost to repair, replace, clean-up or dispose of <b>equipment</b> or <b>computers</b> solely due to contamination by a <b>hazardous substance</b> following a <b>failure</b> occurring during the <b>period of insurance</b> .
Reconstitution of electronic data	3. The reasonable costs for <b>reconstitution of data</b> as a direct result of: <ol style="list-style-type: none"> <li><b>failure</b> covered under this section; or</li> <li><b>derangement</b> occurring during the <b>period of insurance</b>.</li> </ol>
Expediting expenses	4. <b>We</b> will pay for the reasonable costs to make temporary repairs and expedite permanent repairs to or permanent replacement of <b>equipment</b> or <b>computers</b> following <b>failure</b> occurring during the <b>period of insurance</b> .
Building repair and reconstruction requirements	5. If <b>failure</b> of insured <b>equipment, computers</b> or oil or water storage tanks covered by this section causes <b>damage</b> to a <b>building</b> covered by this <b>policy</b> , and the loss is increased by enforcement of any regulation or legal requirement that: <ol style="list-style-type: none"> <li>regulates the construction or repair of buildings; or</li> <li>establishes land use requirements,</li> </ol> then <b>we</b> will pay for the necessary and reasonable additional costs incurred by <b>you</b> to: <ol style="list-style-type: none"> <li>demolish and clear the site of undamaged parts; and</li> <li>repair or rebuild the building.</li> </ol> If the building is repaired or rebuilt, it must be intended for similar use or occupancy as the current building, unless otherwise required by any land use regulation or legal requirement.
Oil and water storage tanks	6. <b>We</b> will pay for: <ol style="list-style-type: none"> <li><b>failure</b> occurring during the <b>period of insurance</b> to oil and water storage tanks, including connected pipework, which belong to <b>you</b> or for which <b>you</b> are legally responsible at the <b>business premises</b>; and</li> <li>the reasonable costs to:           <ol style="list-style-type: none"> <li>replace the contents of oil storage tanks at the premises; and</li> <li>clean and decontaminate <b>property</b> at the premises,</li> </ol>           following <b>damage</b> to such tanks covered by this section, if the contents of the tank leak, discharge or overflow from the tank or are contaminated as a direct result of the <b>damage</b>.         </li> </ol>

**What is not covered**

We will not make any payment for:

1. **damage to equipment, computers** or oil or water storage tanks due to **failure** caused by wear and tear, inherent defect, rot, fungus, mould, vermin or infestation, or any gradually operating cause;
2. **failure** caused by:
  - a. a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
  - b. an insulation breakdown test of any type of electrical equipment; or
  - c. a **virus**.
3. the value to **you** of any lost or distorted data or information.
4. **damage to:**
  - a. any structure, foundation, masonry, brickwork, cabinet or compartment which supports **equipment, computers** or oil or water storage tanks;
  - b. any insulating or refractory material;
  - c. sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
  - d. water piping other than boiler feedwater piping, boiler condensate return piping, hot water heating and supply piping or water piping forming a part of a refrigerating or air conditioning system;
  - e. sprinkler system tanks;
  - f. vehicles other than fork-lift trucks, aircraft, floating vessels or any equipment mounted on them;
  - g. dragline, excavation or construction equipment;
  - h. equipment manufactured by **you** for sale;
  - i. tools, dies, cutting edges, crushing surfaces, trailing cables, non-metallic linings, driving belts or bands or any part requiring periodic renewal;
  - j. any electronic equipment, other than **computers**, used for research, diagnostic, treatment, experimental or other medical or scientific purposes;
  - k. **production or process equipment;**
  - l. domestic laundry, kitchen, audio visual and home entertainment equipment whilst such equipment is used in private living quarters.
5. **damage** to any **equipment, computers** or oil or water storage tanks not insured under the other Property sections of this **policy**.
6. loss or damage recoverable under any maintenance agreement, warranty or guarantee, or which would be recoverable but for a breach of **your** obligations under such agreement, warranty or guarantee.
7.
  - a. **damage** directly or indirectly caused by, resulting from or in connection with **terrorism** or any action taken to control, prevent or respond to **terrorism**;
  - b. **damage** in Northern Ireland directly or indirectly caused by civil commotion.

If there is any dispute between **you** and **us** over the application of this exclusion, it will be for **you** to show that the exclusion does not apply.
8. **war, confiscation and nuclear risks**.
9. the amount of any **excess**.

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**How much we will pay**

**We** will pay up to the **amount insured** shown in the schedule unless limited below or in the schedule.

All losses which arise from the same original cause or event or a single source will be regarded as one incident of loss.

## Repair and replacement

At our option **we** will repair, replace or pay for any lost or damaged items on the following basis:

1. for **equipment, computers**, oil or water storage tanks or other insured items owned by **you**, the cost of repair or replacement as new;
2. for **equipment, computers**, oil or water storage tanks or other insured items for which **you** are legally responsible, the lesser of:
  - a. **your** liability in respect of the **equipment or computers** or items; or
  - b. the cost of repair or replacement.

## Debris removal

**We** will pay the necessary and reasonable costs and expenses **you** incur to remove debris of **equipment, computers**, oil or water storage tanks or other insured items from the **business premises** or the area immediately adjacent, following **damage** insured by this section.

## Other interests

Any payment **we** make will take into account the interest of any party having an insurable interest in the **property** insured, provided **you** have advised **us** of the nature and extent of the interest together with the name and address of that interested party.

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**Your obligations**

## If any damage occurs

**We** will not make any payment under this section unless **you** notify **us** promptly of any **failure** which might be covered.

**You** must arrange for urgent repairs to be done immediately. Before any other repair work begins **we** have the right to inspect the damaged **property**. **We** will tell **you** if **we** want to do this.

## Backing up electronic data

**We** will not make any payment for the costs of **reconstitution of data** unless **you** take all reasonable steps to make back-up copies of all such data at least once a week and keep the copies away from the **business premises**.

## Precautions

**We** will not make any payment under this section unless **you** take reasonable steps to:

1. comply with any statute or order applicable to the insured **equipment, computers** or oil or water storage tanks; and
2. ensure that insured **equipment, computers** and oil or water storage tanks are properly maintained and used in accordance with the manufacturer's recommendations.