



# Section 7 Equipment breakdown

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Your schedule will show if this section is covered.

The **policy** has been amended to include Section 7 Equipment breakdown on the following terms and conditions.

## Basis of claims settlement

As described under Section 1 – Buildings and Section 2 – Rental income of this policy.

## Meanings of defined terms

**You** can find the meanings for words in bold blue on page 5. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

### Accident(s)

- 1 **Electrical or mechanical breakdown** including rupture or bursting caused by centrifugal force.
- 2 Artificially generated electrical current including electric arcing that disturbs electrical devices, appliances or wires.
- 3 **Explosion or collapse of covered equipment** operating under steam or other fluid pressure.
- 4 **Damage to covered equipment** operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment.
- 5 **Damage** to hot water boilers, other water heating equipment, oil or water storage tanks caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment.
- 6 **Damage** caused by operator error that results in overloading of **covered equipment**.

## Section 7 Equipment breakdown *continued*

- 7 **Damage** caused by materials being processed.

All accidents that are the result of the same event will be considered to be one **accident**.

### Breakdown

- 1 The actual breaking, failure, distortion or burning out of any part of the **covered equipment** whilst in ordinary use arising from defects in the **covered equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work.
- 2 Fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative.
- 3 The actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary.

### Collapse

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the **covered equipment** caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents).

### Computer equipment

- 1 Electronic, computer or other data processing equipment, including building management control systems.
- 2 Projectors, printers, scanners and other peripheral devices used in conjunction with 1.
- 3 Software and programs licensed to you and installed on 1.
- 4 **Portable computer equipment.**

### Covered equipment

- 1 **Computer equipment.**
- 2 Equipment at the **premises** owned by **you** or for which **you** are responsible
  - a which is built to operate under vacuum or pressure (other than the weight of its contents)

or

- b that generates, transmits, stores or converts energy.

### Damage/damaged

Direct physical loss or damage.

### Derangement

Electrical or mechanical malfunction of the machinery arising from a cause internal to **computer equipment** unaccompanied by visible **damage** to or breaking of any parts of the equipment.

### Explosion

The sudden and violent rending of **covered equipment** by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the **covered equipment** together with forcible ejection of the contents.

### Hazardous substance

Any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.

### Hired in plant

Mechanical, electrical or manually powered implements, materials, containment preparation and handling equipment, scaffolding, staging ladders and similar equipment, site huts, cabins or similar contractors plant and equipment hired in by **you**.

### Manufacturing production or process equipment

Any machine or apparatus (other than boilers, lifts, fork lift trucks, dock levelers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by **you** and any equipment which exclusively serves such machinery or apparatus.

## Section 7 Equipment breakdown *continued*

### Media

All forms of electronic, magnetic and optical tapes and discs for use in any **computer equipment**.

### Portable computer equipment

- 1 Laptops, palmtops and notebooks
- 2 personal digital assistants (PDAs)
- 3 projectors, printers, scanners and other peripheral devices which are designed to be carried and used in conjunction with other portable computer equipment
- 4 removable satellite navigation systems
- 5 digital cameras

unless otherwise specified in the schedule.

### Verified

Checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration.

### ✓ What is covered

Provided that Section 1 – Buildings and Section 2 – Rental income of this **policy** are operative **we** will cover **you** for **damage** caused by or resulting from an **accident** to **covered equipment** owned by **you** or for which **you** are responsible.

### Limit of cover

The most **we** will pay under this section is £5,000,000 any one **accident**.

### Extensions of cover

#### Additional access costs cover

Provided that Section 2 – Rental income of this **policy** is operative **we** will pay for any necessary additional costs incurred in order to gain access to repair or replace the **covered equipment** following an **accident**.

The most **we** will pay under this extension is £20,000 any one **accident**.

### Computer equipment, reinstatement of data and increased costs of working cover

**We** will cover **you** for **damage** caused by or resulting from an **accident** to **computer equipment**.

The most **we** will pay for this cover is £500,000 for any one **accident** to **computer equipment** whilst at the **premises**, but this will not exceed £5,000 for any one **accident** to **portable computer equipment** within the **policy territories**.

In addition **we** will pay for the costs incurred in reinstating data or lost or damaged as a result of an **accident** to or **derangement** of **computer equipment**.

The most **we** will pay for this cover is £50,000 any one **accident**.

Provided that

- 1 liability is limited solely to the cost of reinstating data onto **media**
- 2 **we** will not be responsible for **damage** to software.

In addition **we** will pay the reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to **your** computer operations.

The most **we** will pay for this cover is £50,000 any one **accident**.

### Damage to own surrounding property cover

**We** will pay for **damage** to property at **your premises**, or **damage** to property which is in **your** custody and control and for which **you** are responsible, directly resulting from the **explosion** or **collapse** of any **covered equipment** operating under steam pressure.

The most **we** will pay under this extension is £1,000,000 any one **accident**.

### Debris removal cover

**We** will cover **you** for the costs incurred in the removal of debris and protection of **covered equipment** following an **accident**.

The most **we** will pay under this extension is £25,000 any one **accident** or 20% of the **damage** whichever is the lower.

## Section 7 Equipment breakdown *continued*

### Expediting expenses cover

With respect to damaged **covered equipment** **we** will pay for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement.

The most **we** will pay under this extension is £20,000 any one **accident**.

### Hazardous substances cover

**We** will cover **you** for the additional cost to repair or replace **covered equipment** because of contamination by a **hazardous substance** including any additional expenses incurred to clean up or dispose of such property.

The most **we** will pay for this cover is £10,000 any one **accident**.

### Hired in plant cover

For plant hired in by **you** **we** will cover **you** for **your** legal liability under the terms of the hiring agreement to pay

- 1 for **damage** to the plant
- 2 continuing hiring charges for the plant following **damage** insured under 1

whilst the plant is at any **premises** specified in the **policy** schedule and whilst in transit (other than by sea or air) from one **premises** to another.

The most **we** will pay for this cover is £20,000 during any one **period of insurance**.

Where legal proceedings have been initiated against **you** with respect to a covered incident under this extension **we** will with **our** written consent pay all legal expenses incurred by **you**.

Special conditions applicable to Hired in plant cover

- 1 **We** will only cover **you** to the extent required by
  - a the Model Conditions for the Hiring of Plant recommended by the Construction Plant-hire Association or the Scottish Plant Owners Association or conditionsor
  - b specific conditions agreed by **us** in writing.

- 2 During any operation in which a load is shared between any items of lifting equipment (whether covered under this extension or not) the lifting operation must be conducted in accordance with BS7121.

**We** will not cover **you** under this extension for

- 1 **damage** to any property on free loan or hire purchase to **you**
- 2 **damage** to
  - a licensed cars, lorries, vans, trucks or other road vehicles which are used in circumstances requiring insurance under any road traffic legislation (other than contractors plant as a tool of trade)
  - b quad bikes or motorcycles
- 3 unaccountable losses or losses discovered on the occasion of checks or inventories unless **you** can produce reasonable proof that such losses are as a result of an identifiable incident
- 4 loss of use of the plant insured by this extension or financial loss of any kind.

### Hire of substitute item cover

If **covered equipment** is damaged as a result of an **accident** **we** will pay for the cost of hire charges actually incurred by **you** during the **period of insurance** for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged.

The most **we** will pay under this extension is £10,000 any one **accident**.

### Rental income cover

Provided that Section 2 – Rental income of this **policy** is operative **we** will cover **you** for loss of **rental income** caused by or resulting from an **accident** to **covered equipment**.

The most **we** will pay for this cover is £100,000 during any one **period of insurance**.

Under this extension **we** will not pay for any loss resulting from Damage to own surrounding property.

### Repair costs investigation cover

With **our** prior written agreement **we** will pay costs relating to repair investigations and tests by consulting engineers for **damage** to **covered equipment** following an **accident** for an amount not exceeding £25,000 during any one **period of insurance**.

**We** will not cover **you** under this extension for fees incurred in preparing a claim under this **policy**.

### Storage tanks and loss of contents cover

**We** will pay for **damage** caused by an **accident** to oil storage tanks or water tanks including connected pipework belonging to **you** or for which **you** are responsible at the **premises**.

In addition, this extension covers loss of the contents of oil storage tanks caused by

- 1 escape of contents – leakage, discharge or overflow from the oil storage tanks caused by or resulting from an **accident**
- 2 contamination – contamination of the contents of oil storage tanks caused by or resulting from an **accident** including cleaning costs incurred as a result of such loss.

The most **we** will pay under this extension is £10,000 any one **accident**.

## x What is not covered

### Covered equipment exclusion

**We** will not cover **you** for **damage** to

- 1 any supporting structure, foundation, masonry, brickwork or cabinet, including the pipe work buried in the ground or in concrete, masonry or brickwork
- 2 any insulating or refractory material
- 3 any sewer, piping, underground vessels or piping or piping forming a part of a sprinkler system
- 4 any 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

- 5 any vehicle, aircraft, floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment which are included but not the actual vehicle)
- 6 self propelled plant and equipment (other than fork lift trucks and pallet trucks used by **you** at **your premises**), dragline excavation or construction equipment
- 7 equipment manufactured by **you** for sale
- 8 tools, dies, cutting edges, crushing surfaces, trailing cables, flexible hoses, non-metallic linings, electric elements or filaments, cathode ray tubes or x-ray tubes, driving belts or bands or any part requiring periodic renewal
- 9 any electronic equipment (other than **computer equipment**) used for research, diagnostic treatment, experimental or other medical or scientific purposes
- 10 any **manufacturing production or process equipment** including linked **computer equipment**
- 11 any bespoke software or individually tailored packages unless **you** have in force a support agreement with the supplier or a third party maintainer approved by the supplier
- 12 any electricity-generating equipment other than emergency back-up power equipment or wind turbines (less than 10kw) or photovoltaic equipment less than 50kw
- 13 any kitchen and food preparation equipment, laundry and cleaning equipment, audio-visual equipment and **computer equipment** whilst in a private dwelling or private dwelling quarters (unless such equipment is **your** property or for which **you** are responsible)
- 14 equipment owned by **your** tenant(s)
- 15 fuel installations
- 16 any safety or protective device caused by its operation.

### Excess exclusion

**We** will not cover **you** for the amount shown as the **excess** for all other **damage** under Section 1 – Buildings subject to a minimum amount of £350 for each and every loss.

### Guarantee or maintenance agreement exclusion

**We** will not cover **you** for damage recoverable under the maintenance agreement or any warranty or guarantee or which would be recoverable but for breach of **your** obligations under the agreement.

### Gradually operating causes exclusion

**We** will not cover **you** for damage caused by depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions (but any such **damage** resulting from an **accident** will be covered).

### Loss or damage to data or media exclusion

**We** will not cover **you** for damage to data or **media** of any kind caused by

- 1 programming error or programming limitation
- 2 computer virus
- 3 introduction of malicious code
- 4 loss of data (other than as specifically provided for under the Extension of cover for the reinstatement of data)
- 5 loss of access
- 6 loss of use
- 7 loss of functionality.

### Resetting exclusion

**We** will not cover **you** for damage caused by any condition which can be corrected by resetting, calibrating, realigning, tightening, adjusting or cleaning or by the performance of maintenance (but any such **damage** resulting from an **accident** will be covered).

### Solidification exclusion

**We** will not cover **you** for damage due to the solidification or biological activity or spontaneous chemical reaction in the contents of tanks or materials being processed.

### Testing exclusion

**We** will not cover **you** for damage caused by or resulting from a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment.

## Section conditions

### Back-up records condition

**You** will maintain a minimum of 2 generations of verified back-up computer records taken at intervals no less frequently than 48 hours and take all reasonable precautions to store and maintain records in accordance with the maker's recommendations.

### Precautions condition

**You** will exercise due diligence in

- 1 complying with any statute or order
- 2 ensuring that insured items are properly maintained and used in accordance with manufacturer's recommendations and in taking reasonable precautions to prevent damage.

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