

Section 1R

Computers

(Operative only if so stated in the schedule)

Definitions

Item

Property Insured

Sum Insured

The Premises

Total Sum Insured



As stated in the schedule

Computer

Computer means all parts of the electronic data processing installation (including all fixed discs) situated within offices or private dwellings at the premises excluding

- a) **data carrying media**
- b) any air conditioning plant.

Contingency Insured

Contingency insured means any of the contingencies described below

- a) loss or damage to the **computer** from any event insured under Sub-Section 1
- b) loss of or damage to property in the vicinity of or within or being part of the premises, other than the **computer** and/or **data carrying media**, preventing or hindering access to **the premises** or otherwise hindering use of the **computer**
- c) total or partial failure of the public electricity supply at the terminal point of the supply undertaking's feed to the premises from any cause not excluded from this section.

Data Carrying Media

Data carrying media means tapes, cards, discs and disc packs or any other media on which data and/or programmes are or can be recorded other than fixed discs.

Event Insured

Event insured means an event defined in appendix A (iv) and stated in the specification to this section to be an event insured.

Geographical Limits

Geographical limits means

- a) **the premises**
- b) in respect only of **data carrying media**, anywhere in the world.

Indemnity Period

In respect of contingencies (a) and (b) indemnity means

the period, beginning 48 hours after the occurrence of the **contingency insured** and not extending beyond the maximum indemnity period during which the results of the business are affected in consequence of any contingency insured.

In respect of contingency (c) indemnity period means the period, beginning with the occurrence of the **contingency insured** and not extending beyond the maximum indemnity period, during which the results of the business are affected in consequence of the **contingency insured** provided that the failure of the public electricity supply exceeds 30 consecutive minutes.

Maximum Indemnity Period

3 Months

NFU Mutual will not be liable for loss resulting from interruption or interference caused by

- 1) a deliberate act of the supply undertaking not performed for the sole purposes of safeguarding life or protecting any part of the supply undertaking's system
- 2) a scheme of rationing not necessitated solely by accidental damage to the public supply undertaking's generating or supply equipment
- 3) intentional overloading or experiments involving the imposition of abnormal conditions.

Sub Section 1 - Material Damage

(Operative only if so stated in the specification to this section)

Cover

If the **property insured** by any item, or any part of such property, sustains loss, destruction or damage during the **period of insurance** by an **event insured** in respect of such item within the **geographical limits NFU Mutual** will either

- a) pay to the Insured the value of such property at the time of its loss or destruction, or the amount of the damage, or
- b) at its option, reinstate or replace such property or any part of it.

Provided that **NFU Mutual's** liability for loss, destruction or damage occurring during the **period of insurance** (excluding any liability under cover extension 3-Additional Expenses - but including any liability under other cover extensions) will not exceed in respect of each item, the sum insured on that item.

Exclusions Applying to Sub-Section 1

NFU Mutual will not be liable for

- 1) amounts recoverable under the terms of any maintenance, rental, hire or lease agreement
- 2) the cost of reinstating data.

Cover Extensions Applying to Sub-Section 1

1. Professional Fees

Each item includes consulting engineers', legal and other fees necessarily incurred in the reinstatement or repair of the property consequent upon its destruction or damage but not for preparing any claim.

NFU Mutual's liability for such fees will not exceed those authorised under the scales of the various institutions or bodies regulating such charges.

2. Debris Removal

Each item includes expenses necessarily incurred in

- a) removing debris and/or the dismantling of the portion or portions of the **property insured** destroyed or damaged by an **event insured** and
- b) protecting any part of an item of property whether damaged or not provided that this is necessitated by loss or damage insured under this sub-section and
- c) extinguishing or attempting to extinguish a fire involving insured property.

This extension does not include expenses

- 1) incurred in removing debris except from the site of the property destroyed or damaged and the area immediately adjacent to such site
- 2) arising from pollution or contamination of property not insured by this sub-section.

3. Additional Expenses

When approved by **NFU Mutual**, reasonable additional expenses will be met including those incurred in making a temporary repair of any insured damage, overtime working or expediting the permanent repair of such damage provided that

- a) amounts payable under this extension will not be payable under Sub-Section 2 of this section
- b) **NFU Mutual's** liability under this extension will not exceed £1,500 any one occurrence.

Special Condition applying to Sub-Section 1

Underinsurance

In respect of any loss, destruction or damage insured by event W, if the sum insured on any item, at the commencement of the loss, destruction or damage, is less than the value of the property insured by such item, then **NFU Mutual** will be liable for only that proportion of the amount of the loss, destruction or damage to such property which the sum insured bears to the value.

Sub-section 2 - Consequential Loss

(Operative only if so stated in the specification to this section)

Cover

If the business is interrupted or interfered with in consequence of any contingency insured happening during the **period of insurance**, **NFU Mutual** will indemnify the Insured in respect of the consequences of such interruption or interference, by payment in accordance with the terms applying to each of the **items**.

Provided that

- 1) there is an insurance in force covering the Insured's interest in the **computer** against loss, destruction or damage
- 2) **NFU Mutual's** liability for insured losses occurring during the **period of insurance** (including any liability for cover extensions) will not exceed
 - a) in respect of each **item**, the **sum insured** on that **item**
 - b) in all, the **total sum insured**.

Terms Applicable to Items Insured

The insurance under this Sub-Section is limited to

- a) **Increased Cost of Working item** - the increase in cost of working in respect of which the amounts payable as indemnity will be the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing interruption or interference with the business during the **indemnity period** in consequence of any **contingency insured**
- b) **Reinstatement of Data item** - the cost of reinstating the data and/or programmes contained in the **data carrying media** used with the **computer** described in the specification and lost as a result of any **contingency insured**.

Cover Extensions applying to Sub-Section 2

1. Professional Accountants Charges

NFU Mutual will pay to the Insured the reasonable charges payable by the Insured to their professional accountants for producing any particulars which may be required by **NFU Mutual** under the terms of General Condition 5 of this policy and reporting that such particulars are in accordance with the Insured's books of account or other business books or documents.

2. Loss of Data

The insurance in respect of Reinstatement of Data is extended to include the following:

- 1) the cost of reinstating data and/or programmes onto the **data carrying media** and/or fixed discs following

accidental or malicious erasure, destruction, distortion or corruption of data and/or programmes from identifiable causes

2) cost of reinstating or replacing data and/or programmes resulting from theft of **data carrying media**.

The extension excludes any costs of reinstatement or replacement described above which result from any of the following causes

- a) pre-existing faults in or unsuitability of programmes, **computers** or **data carrying media**
- b) interference with the Insured's **computer** operating systems or data or the intended functions of the Insured's programmes resulting from the introduction of additional programmes or modifications to the Insured's programmes which, in each case, were not authorised by the Insured and which were not accidental errors or omissions made by the Insured or the Insured's employees
- c) theft by, or in collusion with, any member of the Insured's family, business staff or domestic servants.

3. Additional Rental Charges

The insurance in respect of Increased Cost of Working is extended to include additional rental charges incurred by the Insured following the cancellation as a direct result of a **contingency insured** of the existing lease/hire contract in force at the time of the occurrence of the contingency in respect of the lost or damaged **computer** and its replacement by a new lease/hire contract in respect of similar equipment to that lost or damaged at a rental charge above that payable under the cancelled contract. The indemnity for this extension of cover is limited to additional charges payable during the 24 months period commencing from the time the business is no longer affected by the **contingency insured**.

Special Conditions Applicable to Sub-Section 2

1. Value Added Tax

To the extent that the Insured is accountable to the tax authorities for Value Added Tax, all terms in this sub-section are exclusive of such tax.

2. Cessation of the Business

NFU Mutual will have no liability under this sub-section if the business is wound up, or carried on by a liquidator or receiver, or permanently discontinued, unless it agrees in writing to the insurance being continued.

Appendix A iv

Event U: Breakdown (Computers)

Event U means breakdown the actual breaking, distortion or electrical burning out of any part while in normal use at the premises arising from defects in the item of property causing sudden stoppage of its function and requiring its repair or replacement.

Exclusion

Excess - excluded from event U is the first £50 of the cost of each and every occurrence giving rise to a claim.

Event W

Event W means any occurrence of loss, destruction or damage excluding that caused by or resulting from:

- a) wear and tear, inherent vice or defect or faulty design, materials or workmanship or gradual deterioration
- b) vermin or insects
- c) confiscation, destruction or requisition by order of the government or other authorities or official
- d) riot, strike or civil commotion occurring outside Great Britain, the Isle of Man or the Channel Islands
- e) theft or attempted theft by, or in collusion with, any member of the Insured's family, business staff or domestic servants
- f) any process of cleaning, repairing or restoring
- g) damp, mildew, rust or frost
- h) delay or consequential loss of any kind
- i) electrical or mechanical breakdown or derangement
- j) the failure of the supply of water, fuel or power or withholding or restriction of supply.

Appendix D Reinstatement (Computers Section 1 R)

(Operative only if so stated in the schedule)

Appendix D

In respect of loss or destruction of or damage to property the basis of settlement under Sub-Section 1 will be reinstatement of the property.

Reinstatement means

- 1) where the property is lost or destroyed, its replacement by similar property in a condition equal to but not better or more extensive than its condition when new
- 2) where the property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

Provided that

- a) the work of reinstatement is commenced and carried out with reasonable despatch
- b) if the **sum insured** on any item to which this Appendix applies, at the commencement of loss, destruction or damage is less than 85% of the cost of reinstatement which would have been incurred at the time of reinstatement if the whole of the **property insured** by such item had been lost or destroyed, then **NFU Mutual** will be liable for only that proportion of the cost of reinstatement of the property lost, destroyed or damaged which the **sum insured** bears to such cost of reinstatement of the whole of the **property insured**
- c) where the property or parts to repair the property are not available from the original manufacturer, their agents or factors at listed prices then reinstatement means
 - i) where the property is lost or destroyed, the cost of replacement by similar property of modern manufacture obtainable at listed prices

- ii) where the property is damaged, the cost of an equivalent repair to similar property of modern manufacture in respect of which all spare parts are obtainable from the original manufacturer, their agents or factors at listed prices.

subject to provisos (a) and (b).