

# Lloyd's Insurance

Effected through Beech Underwriting Agencies Ltd.

**This is to certify** that in accordance with the authorisation granted under the Contract (the number which is specified in the Schedule) to the undersigned by certain Underwriters at Lloyd's, whose definitive numbers and the proportions underwritten by them, which will be supplied on application, can be ascertained by reference to the said Contract which bears the Seal of Lloyd's Policy Signing Office, and in consideration of the payment of the premium specified herein, the said Underwriters are hereby bound, severally and not jointly, their Executors and Administrators, to insure in accordance with the terms and conditions contained herein or endorsed hereon.

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

**In Witness** whereof this certificate has been signed at the place stated and on the date specified in the Schedule by



Managing Director

The certificate schedule which specifies the operative sections is your evidence of insurance and may be required in the event of a claim. Please read the schedule and the certificate and return it immediately if it is not in accordance with your requirements. If you decide within 14 days of receipt that you do not wish to accept the certificate, return it and provided no claims have been made, we will refund the premium. The certificate is designed for easy amendment, therefore should you request any change in cover, an updated schedule will be issued.

In the event of a claim please contact:

Beech Underwriting Agencies Ltd

KENT HOUSE, ROMNEY PLACE, MAIDSTONE, KENT ME15 6LH

TEL 01622 755218 FAX 01622 764735

Email [info@Beechagencies.com](mailto:info@Beechagencies.com) Website [www.Beechagencies.com](http://www.Beechagencies.com)

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 Certificate as stated in the Schedule attaching to and forming part hereof, (herein after 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.

This Certificate 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 due to or arising out of the actual or alleged presence or discharge of chemical or biological agents in any form or 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 that endangers the health, safety or welfare of persons or the environment, including the costs of remedial investigations or feasibility studies, or to the costs of testing, monitoring, cleaning or removal of any property or substance.

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.
9. Loss or increased cost occasioned by any Public or Civil Authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder.
10. Any consequential loss or damage caused by any other ensuing cause.
11. Loss of use, delay or loss of markets, however caused or arising, and despite any preceding loss insured hereunder.
12. Loss or damage caused by cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service.
13. Loss or increased cost as a result of threat or hoax, in the absence of physical damage due to an act of terrorism.
14. Loss or damage caused by or arising out of burglary, house - breaking, theft or larceny or caused by any person taking part therein.

**THIS CERTIFICATE DOES NOT COVER: -**

1. Land or Land Values.
2. Power Transmission or feeder lines not on the Assured's premises.
3. Any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days.
4. Aircraft or any other Aerial device, or watercraft.
5. Any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance is declared hereon and solely whilst located at the property insured herein at the time of its damage.
6. Animals, plants and living things of all types.
7. Property in Transit not on the Assured's premises.

In any claim and/or action, suit or proceeding to enforce a claim for loss under this certificate, the burden of proving that the loss is recoverable under this Certificate and that no limitation or exclusion of this certificate applies and the quantum of loss shall fall upon the Assured.

This certificate shall not cover to the extent of any other collectible insurance, whether directly or indirectly covering the same property against the same cause of loss. Underwriters shall be liable for loss or damage only to the extent of that amount in excess of the amount recoverable from such other collectible insurance. As used herein, "other collectible insurance" does not include self-insurance, deductibles or self-insured retentions. Should the amount of loss collectible under such other insurance exceed the deductible under this certificate, then no deductible shall apply hereunder. However, if the amount collectible under such other insurance certificate(s) is less than the deductible under this certificate, then the amount to be deducted hereunder shall not exceed the difference between the amount to be paid under the assured's other insurance certificate(s) and the deductible under this certificate.

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

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.

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

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 24 consecutive hours arising out of the same purpose or cause. However no such period of 24 consecutive hours may extend beyond the expiration of this certificate unless the Assured shall first sustain direct physical damage by an Act of Terrorism prior to expiration and within said period of 24 consecutive hours nor shall any period of 24 consecutive hours commence prior to the attachment of this Certificate.

This Certificate 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.

The Assured (or any agent, sub or co-contractor of the Assured) shall at all times and at his own expense use due diligence and do (and concur in doing and permit to be done) all things reasonably practicable (including but not limited to precautions to protect or remove the property and interests insured herein) to avoid or diminish any loss herein insured.

It is agreed that any protection provided for the safety of the insured property shall be maintained in good order throughout the currency of this Certificate and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Underwriters without their consent.

It is understood that, in the event of damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:-

- (a) The repairs, replacement or reinstatement (all hereinafter referred to as "replacement") must be executed with due diligence and dispatch;
- (b) Until replacement has been effected the amount of liability under this certificate in respect of loss shall be limited to the actual cash value at the time of loss;
- (c) If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this Certificate.

The Underwriters' liability for loss under this Certificate including this endorsement shall not exceed the smallest of the following amounts:-

- (i) The amount of the Certificate applicable to the destroyed or damaged property,
- (ii) The replacement cost of the property or any part thereof identical with such property and intended for the same occupancy and use,
- (iii) The amount actually and necessarily expended in replacing said property or any part thereof.

If the values declared as stated in the Schedule are less than the correct insured values as determined above, then any recovery otherwise due hereunder shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and the Assured shall co-insure for the balance.

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.

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 certificate, they shall be discharged from all liability hereunder.

If the Underwriters become liable for any payment under this Certificate 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.

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

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

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

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 Certificate period and extensions thereof and within two years after the final termination of this Certificate, as far as they relate to the subject matter of this Insurance.

Assignment or transfer of this Certificate shall not be valid except with the written consent of Underwriters.

This Certificate is effected solely between the Assured and Underwriters.

This Certificate shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Certificate. The Contract (Rights of Third Parties) Act 1999 is expressly excluded from this Certificate.

This clause shall not affect the rights of the Assured.

This Certificate may be cancelled by or on behalf of the Underwriters by delivery to the Assured or by mailing to the Assured or the Broker by registered, certified, or other first class mail, at the Assured's address as shown in this Certificate, written notice stating when, not less than 30 days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this Certificate shall terminate at the date and hour specified in such notice.

If this Certificate is cancelled by or on behalf of the Underwriters, the Underwriters shall retain the pro-rata proportion of the premium hereon.

Payment or tender of any unearned premium by the Underwriters shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

The construction, validity and performance of this certificate shall be governed by the law of England and all disputes which may arise under, out of, in connection with or in relation to this Certificate or to the determination of the amount of loss hereunder shall be submitted to arbitration at the London Court of International Arbitration in accordance with its rules at the date of such submission. The award rendered by the Arbitrator(s) shall be final and binding upon all parties and judgment thereon may be entered in any court having jurisdiction.

The Underwriters' obligations under this Certificate 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.

In consideration of the premium paid, and subject to the EXCLUSIONS, CONDITIONS AND LIMITATIONS of the Certificate to which this Extension is attached, and also to the FOLLOWING ADDITIONAL CONDITIONS, EXCLUSIONS AND LIMITATIONS, this Certificate is extended to cover loss resulting from necessary Interruption of Business or rent receivable, 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 Certificate to which this Extension is attached, to property insured by this Certificate.

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 Certificate.

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.

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 Certificate 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 Certificate which excludes liability for losses below a specified amount.

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) by making use of merchandise, stock (raw, in process or finished), or any other property at the Assured's locations or elsewhere, and/or
  - c) by using or increasing operations elsewhere,
- then such possible reduction shall be taken into account in arriving at the amount of loss hereunder.

This Extension also covers such expenses as are necessarily incurred for the purpose of reducing loss under this Extension (except expenses incurred to extinguish a fire), and, in respect of Manufacturing Risks, such expense, in excess of normal, as would necessarily be incurred in replacing any finished stock used by the Assured to reduce loss under this Extension; but in no event to exceed the amount by which loss under this Extension is thereby reduced. Such expenses shall not be subject to the application of any contribution clause.

All amounts and accounting details to be calculated using the Assured's usual Generally Accepted Accounting Standards.

1. Increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation.

2. Increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured Interruption of Business, and then Underwriters shall be liable for only such loss as affects the Assured's earnings during, and limited to, the period of indemnity covered under this Certificate.

3. Increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder.

4. Loss of Market or any other consequential loss except as specifically insured herein.

5. Loss as a result of physical or mental or bodily injury to any person.

1. Underwriters shall not be liable for more than the smaller of either:

- a) Any Specific Business Interruption Sum Insured stated in the Schedule, 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.

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.

In determining Gross Earnings due consideration shall be given to the experience of the business before the date of loss or damage and the probable experience thereafter had loss not occurred.

The amount of money paid or payable to the Assured for accommodation provided in the course of the business at the premises.

LESS THE COST OF

- a) all costs and expenses incurred with the operation of the business; and
  - b) services purchased from outside (not employees of the Assured) which do not continue under contract
- In determining RENT RECEIVABLE due consideration shall be given to the experience of the business before the date of loss and the probable experience thereafter had the loss not occurred.

Material in the state in which the Assured receives it for conversion into finished stock.

Raw stock which has undergone any ageing, seasoning, mechanical or other process of manufacture at the Assured's premises but which has not become finished stock.

Stock manufactured by the Assured which in the ordinary course of the Assured's business is ready for packing, shipment or sale.

Goods kept for sale by the Assured which are not the product of manufacturing operations conducted by the Assured.

The condition that would have existed had no loss occurred.