

Allianz Insurance plc

Hotel

Policy Wording



Allianz 

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Thank you for choosing
Allianz Engineering.

Our technical expertise built over many years of providing engineering insurance and inspection products and services means you can trust us to be there when you need us.

If you need further details or have any questions, your broker or local Allianz Engineering branch will be delighted to help.

Important

The insurance cover and Inspection Service provided by this Policy may be varied by clauses printed in the Schedule.

Please read both the Policy and Schedule to make sure that you have the insurance cover required.



Hotel Policy

Allianz Insurance plc (referred to as 'the Insurers') will indemnify or otherwise compensate the Insured named in the Schedule (referred to as 'the Insured Hotel') in accordance with and subject to the terms of the insurance.

The Insurer has arranged for an associated company Allianz Engineering Inspection Services Ltd (referred to as 'the Inspection Company') to provide an Inspection Service for the Insured Hotel in accordance with and subject to the terms of the Inspection Service.

The proposal made to the Insurers by or on behalf of the Insured Hotel whether in writing or otherwise shall form the basis of this Policy.

The Schedule Exclusions Extensions and Conditions are all part of this Policy and shall be read together as one document.

Any word or expression to which a specific meaning has been given shall have the same meaning wherever it may appear in the Insurance or Inspection sections of this Policy.

Please read all the pages of this Policy and Schedule carefully to ensure that your requirements are met.

For Allianz Insurance plc

A handwritten signature in blue ink that reads "Andrew Torrance". The signature is written in a cursive style and is underlined with a single horizontal line.

Andrew Torrance
Chief Executive

Allianz Engineering is a trade name used
by both Allianz Insurance plc and
Allianz Engineering Inspection Services Ltd

Inspection Service

An Inspection Service will be provided during the Period of Insurance by Allianz Engineering Inspection Services Ltd for Inspected Plant within Normal Working Hours at the Locations shown in the Schedule within the Territorial limits.

The Inspection Service is subject to the Inspection Service Conditions which appear on pages 18-19 of this Policy.

For the avoidance of doubt the Insured Hotel acknowledges that:

- a) the Insurers have and accept no responsibility for the care custody and control of the Inspected Plant
- b) unless agreed in writing between the Inspection Company and the Insured Hotel the Inspection Company will not undertake the approval or the verification of the fitness for purpose of any design or design features of the Inspected Plant or any part of the Inspected Plant and shall not carry out any witnessing of ultrasonic radiographic or other tests of a non routine nature or any proof load stability anchorage or similar tests
- c) the Inspection Company have and accept no responsibility for damage sustained by the Inspected Plant as a result of the failure of the Inspected Plant to withstand a test applied as part of the Inspection Service
- d) the Inspection Service does not extend to an assessment of whether the Inspected Plant or part of it is Year 2000 compliant within the meaning of BSI definition DISC PD 2000-1.

Insurance Cover Options

Cover One

Sudden and Unforeseen Damage

Sudden and unforeseen damage (including Breakdown Explosion and Collapse as defined) to Insured Plant occurring during the Period of Insurance at any Location shown in the Schedule within the Territorial Limits.

Cover Two

Maintenance of Domestic Services

Additional expenditure necessarily and reasonably incurred by the Insured Hotel to maintain Essential Domestic Services at the Insured Hotel following Sudden and Unforeseen Damage to Insured Plant which occurs during the Period of Insurance.

Essential Domestic Services means

- Accommodation
- Conference facilities
- Security
- Heating ventilation or air conditioning
- Lighting
- Toilet facilities
- Laundry
- Kitchen and food preparation

Provided that

- a) the additional expenditure is incurred for a maximum period of one month after the occurrence of Sudden and Unforeseen damage
- b) the Insurer's liability under Cover Two shall not exceed £50,000
- c) Cover One is insured and shown on the Schedule.

Cover Three

Own Surrounding Property (Pressure Plant)

Damage to property belonging to or held by the Insured Hotel in their care custody or control directly consequent upon and solely due to Explosion of Insured Plant insured by Cover One.

Provided that

- a) the Insurers liability under Cover Three shall not exceed £1,000,000
- b) Cover One is insured and shown on the Schedule

Cover Three does not include property belonging to guests at the Insured Hotel whether handed to hotel staff for safekeeping or not.

Cover Four

Legal Liability for Hired In Plant

The legal liability of the Insured Hotel under the terms of their hiring agreement or otherwise to pay compensation for loss of or damage

- a) to Hired In Plant whilst at or whilst in transit (other than by sea or air) to or from any Location in the Territorial Limits and
- b) continuing hire charges as a result of loss of or damage to Hired in Plant for which indemnity is provided by a) above.

In addition the Insurers will pay all expenses for which the Insured Hotel may be liable where legal proceedings have been defended with the written consent of the Insurers.

Provided that

- a) the terms of any hiring agreement shall be no more onerous than the Model Conditions for the hiring of plant approved by The Construction Plant-hire Association
- b) the Insurers liability under Cover Four shall not exceed £15,000
- c) Cover One is insured and shown on the Schedule.

Insurance Cover Options *continued*

Cover Five

Contract Works

Loss of or damage to Contract Works occurring during the Period of Insurance at any Location specified in the Schedule from completion of unloading of materials for incorporation in the Contract Works at the Location until

- 1 the issue of a certificate of completion or taking over certificate or
- 2 the completion of construction or
- 3 until taken into use.

Provided that

- a) the awarded value of the Contract Works and all other costs associated with the completion of the contract does not exceed £25,000
- b) Cover One is insured and shown on the Schedule.

Cover Six

Damage to Computer Equipment or Auxiliary Equipment

Damage to Computer Equipment or Auxiliary Equipment while at any Location shown in the Schedule within the Territorial Limits caused by

- a) Breakdown
- b) accidental damage.

Cover Seven

Computer Media

- a) Loss of or damage to Computer Media anywhere in the World caused by Breakdown or accidental damage
- b) the costs necessarily and reasonably incurred by the Insured Hotel in

- 1 recompilation of data or software from other records
- 2 the cost of repurchase of proprietary software

following loss distortion corruption or erasure caused by Breakdown or accidental damage within the Territorial Limits.

The liability of the Insurers for loss or damage under Cover Seven is conditional upon the Computer Equipment being insured under Cover Six.

Cover Eight

Additional Expenditure

Additional expenditure necessarily and reasonably incurred by the Insured Hotel during the Indemnity Period to prevent or minimise interruption of or interference with the operations of the business carried out by the Computer Equipment in consequence of an Accident which occurs during the Period of Insurance.

The liability of the Insurers for additional expenditure under Cover Eight is conditional upon the Computer Equipment being insured under Cover Six.

Limit of Liability

The liability of Insurers in connection with insurance cover requested by the Insured Hotel under this Policy shall not exceed

a) **Cover One**

£500,000

Cover Two

£50,000

Cover Three

£1,000,000

Cover Four

£15,000

Cover Five

£25,000

Cover Six

£100,000

Cover Seven

£25,000

Cover Eight

£50,000

- b) any Limit of Liability shown in the Schedule in substitution for the above

and in addition

- c) any amount shown in the Extensions

in respect of any one accident or series of accidents arising from one occurrence of loss or damage.

Definitions

Schedule

The Policy Schedule and Plant Schedule forming part of this Policy.

Insured Property

Pressure Plant

- 1 boiler plant
- 2 plant subject to internal steam pressure
- 3 plant used to contain fluids under pressure or vacuum forming part of the Insured Property.

Hired In Plant

Plant and machinery hired by the Insured Hotel but not on hire purchase or subject to a lease agreement or on free loan.

Hired In Plant shall not include

- 1 items for which the new replacement value exceeds £10,000
- 2 items excluded from the definition of Insured Property.

Contract Works

Contracts for

- repair of existing Insured Property
- installation of new Insured Property
- repair or extension of existing structures
- construction of new structures

for which the total cost of design planning supervision labour and materials is not more than £25,000.

Insured Plant

All plant and machinery (including Pressure Plant) owned by or leased to the Insured Hotel at the Location and ready for use.

Insured Plant includes

- heating system including oil tank boiler burners pumps heat exchangers control equipment piping and radiators
- electrical distribution boards switch gear and control panels
- lifts and lifting equipment
- telephone switchboard and control panel
- security system
- public address system
- kitchen appliances and fume extraction
- laundry equipment
- swimming pool machinery
- groundsman's machinery

Insured Plant shall not include

- foundations masonry brickwork chimneys or refractory linings
- materials being processed by or contained in the Insured Property
- office machinery or other electronic data processing equipment not specifically mentioned above
- any games machines or equipment provided for entertainment
- Hired In Plant
- plant or machinery which is prototype experimental or untried
- electrical wiring that is not subject to a periodical inspection by the Insurers
- plant machinery pipes or cables situated underground
- pipes or cables buried in walls or under solid floors

unless specifically described in the Schedule.

Computer Equipment

All computer equipment belonging to the Insured Hotel or leased hired rented or licensed to the Insured Hotel (including fixed discs interconnecting wiring and telecommunications equipment) used for the electronic processing communication and storage of data but excluding computer equipment controlling any manufacturing process.

Computer Equipment shall not include any form of games machine or other electronic machine designed or used to provide entertainment or personal digital assistants which incorporate or operate as a telephone.

Auxiliary Equipment

Auxiliary equipment belonging to the Insured Hotel or leased hired rented or licensed to the Insured Hotel solely for use with Computer Equipment comprising temperature and environmental control equipment power supply voltage regulation and protective devices.

Computer Media

Data carrying materials of all types belonging to the Insured Hotel or leased hired rented or licensed to the Insured Hotel (other than paper records) both current and back up incorporating stored programs and/or data.

Territorial Limits

Great Britain Northern Ireland the Isle of Man and the Channel Islands.

Breakdown

a) Actual breaking distortion or burning out of any part of the Insured Property while in use arising from mechanical or electrical defects in the Insured Property causing sudden stoppage

b) Fracturing of any item of the Insured Property by frost

which necessitates repair or replacement before it can resume normal working.

Explosion

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

Collapse

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

Indemnity Period

The period during which the additional expenditure is incurred beginning immediately following an Accident and continuing for a period no longer than the Indemnity Period shown in the Schedule.

Accident

- a) Breakdown of or accidental damage to Computer Equipment Auxiliary Equipment or Computer Media
- b) The failure of any telecommunications system used in connection with the Computer Equipment or Computer Media caused by accidental physical damage occurring within the Territorial Limits
- c) The accidental failure or fluctuation of the supply of electricity to the Computer Equipment or Auxiliary Equipment
- d) Denial of access to or use of the Computer Equipment by the Insured Hotel due to
 - 1 loss or damage to other property at or in the vicinity of the Location specified in the Schedule or
 - 2 the exercise by any public or police authority of its powers for the sole purpose of safeguarding life or property
- e) The loss distortion corruption or erasure of software programs or data.

Definitions *continued*

Competent Person

An engineer surveyor employed and authorised by the Inspection Company to perform the Inspection Service.

Inspection Service

An examination of Inspected Plant by a Competent Person and (where applicable) in accordance with the requirements of such statutory regulations as apply to the Inspected Plant and the provision of a report of the examination in the Inspection Company standard format.

Inspected Plant

The plant shown or summarised in the Plant Schedule for which the Insured has requested an Inspection Service.

Normal Working Hours

8.00 am to 6.00 pm Monday to Friday excluding public bank and local holidays.

Location

The address shown in the Schedule where Insured Property is situated.

Extensions

This Policy is extended to cover

1 Additional Insured Property

additional items of Insured Property of the same class or type as insured under this Policy following completion of successful testing and commissioning and where required statutory inspection and certification at the Locations shown in the Schedule during the Period of Insurance at no additional premium.

Provided that

- i) so far as the Insured Hotel is aware the additional Insured Property is free from any material defect and
- ii) the increase in the value during the Period of Insurance for Covers One or Six shall not exceed for each Cover the lesser of 20% (twenty percent) of the Limit of Liability stated in the Schedule or £250,000.

2 Additional Costs

necessary and reasonable cost incurred by the Insured Hotel following loss or damage insured by this Policy in effecting a temporary repair or expediting permanent repair of the Insured Property.

Provided that the liability of the Insurers shall not exceed the lesser of fifty percent of the normal repair costs or £25,000.

3 Debris Removal

the cost necessarily and reasonably incurred by the Insured Hotel in

- a) removing debris
- b) dismantling and/or demolishing
- c) shoring up propping and/or protecting

following damage insured by this Policy.

Provided that the liability of the Insurers shall not exceed £25,000.

4 Claims Preparation Costs

necessary and reasonable cost incurred in producing and certifying any particulars or details required by the Insurers in connection with an event for which liability has been accepted but limited to

- a) additional cost incurred by employees of the Insured Hotel
- b) additional fees incurred by the usual auditors of the Insured Hotel
- c) cost of materials used in furnishing the requirements of the Insurers.

Provided that the liability of the Insurers shall not exceed £2,500.

5 Payments on Account

payment as agreed between the Insured Hotel and the Insurers in advance of final settlement of a claim under this Policy where the Insurers have admitted liability.

6 Avoidance of Impending Damage

the cost incurred by the Insured Hotel in taking reasonable but exceptional measures to avoid or reduce impending damage which would have resulted in a claim under this Policy.

Provided that

- a) the impending damage did not arise from any defect in the Insured Property
- b) the impending damage did not arise from a reasonably foreseeable cause
- c) the damage would have been the natural outcome to be expected in the absence of the measures taken
- d) the Insurers are satisfied that damage which would have been insured under this Policy has been avoided or reduced in consequence of the measures taken
- e) the liability of the Insurers shall not exceed the cost which would have been incurred had the measures not been taken and damage insured by this Policy had occurred.

Extensions to Cover One

This Policy is extended to cover

1 Temporary Removal of Insured Plant

loss of or damage to the Insured Plant occurring within the European Union or European Free Trade Area while it is

- a) temporarily located at any other premises or
- b) in transit other than under its own power

for the purposes of repair service or maintenance.

Loss or damage arising from fire or fire extinguishing fluid explosion lightning earthquake storm tempest flood inundation water aircraft or other aerial devices or articles dropped therefrom theft or attempted theft shall not be excluded while Insured Plant is in transit.

Provided that the total liability of the Insurers under this Policy for loss of or damage to Insured Plant that is in transit or temporarily situated at other premises shall not exceed £50,000.

Extensions to Cover Six

This Policy is extended to cover

1 Investigation Costs

the cost (including the cost of consultants fees) incurred with the prior consent of the Insurers in conducting investigations and tests in respect of possible repair or replacement options following loss or damage insured by Cover Six.

Provided that the liability of the Insurers shall not exceed £25,000.

2 Incompatibility of Computer Data

the cost of

- a) modification of Computer Equipment or
- b) the replacement restoration or recompilation of Computer Media

whichever is the lesser cost to achieve compatibility in the event that the loss of Computer Equipment insured under this Policy has resulted in undamaged Computer Media being unavoidably incompatible with replacement equipment.

Provided that the liability of the Insurers shall not exceed the lesser of the Limit of Liability under Cover Seven or £50,000.

3 Additional Lease or Rental Costs

the payment of additional lease or rental charges arising out of the replacement of a lease or rental agreement in respect of the Computer Equipment by a new agreement for similar equipment in consequence of damage insured under Cover Six.

Provided that

- a) the period in respect of which additional charges shall be paid shall commence immediately after the occurrence of the Accident and shall end not more than two years later or upon expiry of the original agreement whichever is earlier and
- b) the liability of the Insurers under this Extension shall not exceed £25,000.

Reinstatement and Local Authorities

In the event of damage to

- Pressure Plant
- Insured Plant less than five years old other than Pressure Plant or
- Other Property belonging to the Insured Hotel or for which they are responsible caused by Explosion of Pressure Plant

for which liability is accepted the basis upon which the amount payable is to be calculated shall be the reinstatement of the Insured Plant or Other Property destroyed or damaged.

Reinstatement shall mean:

a) where the Insured Plant or Other Property is lost destroyed or damaged beyond repair

- 1 if a building the rebuilding of the property
- 2 if not a building its replacement by similar plant or property

in either case to a condition of equal performance or capacity to but not better or more extensive than its condition when new. Where it is not possible to replace Computer Equipment with new equipment of equal performance or capacity it will be replaced by new equipment having the nearest higher performance and/or capacity to the item lost destroyed or damaged beyond repair.

b) Where the Insured Plant or Other Property is damaged the repair of the damaged portion to a condition substantially the same as but not better or more extensive than its condition when new.

c) Additional work solely necessary to comply with European Union legislation or building or other Regulations under or framed in pursuance of any Act of Parliament or bye-laws of any municipal or local authority.

Provided that

- 1 the liability of the Insurers shall not exceed the Limits of Liability under this Policy.
- 2 Where the Insured Plant or Other Property is damaged or destroyed in part only the liability of the Insurers shall not exceed the amount which would have been payable had the Insured Plant or Other Property been totally destroyed.
- 3 No payment beyond that which would have been payable if this clause had not been included shall be made
 - i) unless the work of reinstatement is commenced and carried out without unnecessary delay or
 - ii) if at the time of any loss or damage the Insured Plant or Other Property shall be covered by any other insurance effected by or on behalf of the Insured Hotel which is not on a reinstatement basis.
- 4 Insurers shall not be liable for the cost incurred in complying with any of the legislation or Regulations under c)
 - i) in respect of damage occurring prior to the introduction of this clause
 - ii) under which notice has been served upon the Insured Hotel prior to the happening of the damage
 - iii) in respect of undamaged property
 - iv) in respect of any tax duty development or other charge which may be payable for compliance with any Regulations.

Where by reason of the above provisions no payment is to be made beyond the amount which would have been payable if this clause had not been incorporated the rights and liabilities of the Insurers and the Insured Hotel in respect of the loss destruction or damage shall be subject to the terms of this Policy as if this clause had not been incorporated.

Definition

Other Property means property belonging to the Insured Hotel or for which they are responsible but not Insured Property or anything sold supplied processed serviced or manufactured or stored in the course of the trade or business of the Insured Hotel.

Exclusions

This Policy does not cover

1 Excess

the amount stated in the Schedule as the Excess in respect of each and every occurrence for which the Insured Hotel is indemnified by this Policy.

2 Perils

loss or damage to Insured Property by

- a) fire however caused
- b) fire extinguishing fluid
- c) explosion other than specifically insured by this Policy
- d) lightning earthquake storm tempest flood inundation water aircraft or other aerial devices or articles dropped therefrom
- e) subsidence or other ground movement or displacement
- f) theft or attempted theft
- g) riot strike lockout and civil commotion.

This Exclusion does not apply to Covers Four and Five.

3 Maintenance/Faulty Workmanship

the cost of

- a) maintenance
- b) rectification of faulty workmanship occurring during the execution of repairs

but not damage resulting from **a)** or **b)** unless otherwise excluded

- c) damage by direct application of tools.

4 Safety Devices

damage to safety or protective devices by their functioning.

5 Consequential Loss

liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency or loss of use or any form of consequential loss not specifically insured by this Policy.

6 Pollution and Contamination

any cost arising directly or indirectly from pollution or contamination.

This Exclusion shall not apply to cost arising from pollution or contamination of Insured Property caused directly by an occurrence which is insured by this Policy.

7 Inventory Losses/Onus Of Proof

loss of Insured Property and any additional expenditure in consequence of

- a) disappearance or shortage only revealed when an inventory is made or
- b) loss of Insured Property due to its being stolen or otherwise missing unless such loss is identifiable by the Insured Hotel with a specific occurrence which has been the subject of notification under the terms of the Claims Conditions including reporting the matter to the Police.

8 Wilful Act

loss damage or additional expenditure caused by the wilful act or wilful neglect of the Insured Hotel.

9 Goodwill Payments

the cost of any goodwill payments made to guests either in the form of waiver or reduction in normal charges or the provision of additional services at no cost to the guest.

10 Wear and Tear

the cost of rectification of

- a) inevitable wear and tear erosion corrosion or other deterioration caused by or naturally resulting from ordinary work use or exposure
- b) gradually developing flaws or fractures which do not necessitate immediate stoppage

but not damage insured by this Policy resulting from **a)** or **b)** unless otherwise excluded

- c) scratching of painted or polished surfaces unless accompanied by indemnifiable damage to the item

11 Expendable Items

cutters bits tools moulds dies heating elements driving belts and chains and other items that require periodic replacement.

If as a result of other damage insured by this Policy these items are damaged beyond repair then the Insurers shall indemnify the Insured Hotel for any remaining residual value.

Exclusions to Covers One Two Three Four and Five

This Policy does not cover

1 Multiple Lifting Operations

damage arising during any lifting or lowering operation in which a load is shared between two or more machines unless the prior consent of the Insurers has been obtained.

2 Existing Property

in respect of Cover Five loss of or damage to any property which existed on the contract site prior to the commencement of the Contract Works.

3 Breakdown

in respect of Cover Five damage to any part of the Contract Works caused by its own electrical or mechanical breakdown or explosion.

Exclusions to Covers Six Seven and Eight

This Policy does not cover

1 Breakdown

loss of or damage to any item of Computer Equipment or Auxiliary Equipment by its own Breakdown or derangement unless there is in force a maintenance rental hire or lease agreement providing at an inclusive cost on-call remedial maintenance with free repair or replacement in the event of Breakdown arising out of normal use.

2 Exclusion Period If No Maintenance Agreement

additional expenditure incurred during the first 48 hours following the occurrence of an Accident to any item of Computer Equipment or Auxiliary Equipment for which a maintenance rental hire or lease agreement is not in force.

3 Guarantee or Maintenance

loss or damage recoverable under any guarantee or maintenance rental hire or lease agreement.

4 Unproven Software

any cost incurred in consequence of the use by the Insured Hotel of software on which development has not been finalised or which has not passed all testing procedures and has not been successfully proven.

5 Software Licences

the cost of replacing software licence agreements following loss or damage to Insured Property under Cover Six or Seven unless specifically agreed by the Insurers and mentioned in the Schedule.

6 Electricity Supply

additional expenditure in consequence of a failure or fluctuation of the supply of electricity directly or indirectly due to

- a) a deliberate act not performed for the sole purpose of safeguarding life or protecting any part of the supply system
- b) a scheme of rationing not necessitated by accidental damage to the generating or supply distribution equipment
- c) the inability of the supplier to maintain the supply system due to industrial action.

7 Telecommunications Systems

additional expenditure in consequence of a failure of any telecommunications system directly or indirectly due to

- a) the use by the Insured Hotel of equipment which is not approved by the telecommunications supplier
- b) failure of any satellite before it has obtained its full operating function or when it is in or past the final year of its design life
- c) atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite
- d) the deliberate act of any telecommunications supplier to withhold or restrict operation of the system or the inability of the supplier to maintain the system due to industrial action.

8 Incorrect Storage of Computer Media

costs incurred in consequence of the failure of the Insured Hotel to comply with the manufacturers recommendations relating to the storage of Computer Media.

9 Time Limitation

additional expenditure commencing more than twelve months after the date on which the Accident occurs.

10 Value of Data

the value to the Insured Hotel of data stored on Computer Media.

11 Programming Errors/Design Defects

the cost of rectifying programming errors or design defects in software and any additional expenditure in consequence of such errors or defects.

This Exclusion shall not apply to additional expenditure consequent upon erasure destruction corruption or distortion of other software caused by programming errors or design defects in any proprietary software.

General Exclusions

This Policy does not cover loss damage cost or additional expenditure consisting of or in consequence of

1 War and Kindred Risks

loss or damage (whether sudden and unforeseen or not) directly or indirectly caused by war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power confiscation nationalisation requisition or destruction of or damage to property by order of the Government or any Public Municipal or Local Authority.

2 Radioactive Contamination

loss or damage (whether sudden and unforeseen or not) directly or indirectly caused by or contributed to by or arising from

- a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

3 Sonic Bangs

loss or damage (whether sudden and unforeseen or not) directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

4 E Risks

loss damage (whether sudden and unforeseen or not) or corruption directly or indirectly caused by or occasioned by or arising from or in consequence of

- i) **Virus or Similar Mechanism**
program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self replication or not. This includes but is not limited to viruses trojan horses worms and logic bombs
- ii) **Hacking**
unauthorised access to any computer or other equipment or component or system or item whether part of the Insured Property or not which processes stores transmits or retrieves data.

5 Computer Date Recognition

loss or damage (whether sudden and unforeseen or not) cost legal liability or additional expenditure caused directly or indirectly by or arising directly or indirectly from or consisting of the failure of any computer or other equipment or system for processing storing or retrieving data whether the property of the Insured Hotel or not and whether occurring before during or after the year 2000

- a) correctly to recognise any date as its true calendar date
- b) to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- c) to capture save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date

but this Exclusion shall not apply to subsequent loss or damage arising from or caused by fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood escape of water from any tank apparatus or pipe theft or attempted theft impact by any road vehicle or animal which would but for the application of this Exclusion be insured by this Policy.

6 Terrorism

loss or damage (whether sudden and unforeseen or not) directly or indirectly caused by resulting from or in connection with

- a) in respect of England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987:
 - i) any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - ii) any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism

In respect of **a)** above an act of Terrorism means: 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 Her Majesty's government in the United Kingdom or any other government de jure or de facto.

- b) in respect of territories other than those stated in **a)** above:
 - i) any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - ii) any action taken in controlling preventing or suppressing or in any way relating to any act of Terrorism
 - iii) riot or civil commotion in Northern Ireland

In respect of **b)** above an act of Terrorism means: An act including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

In any action suit or other proceedings where the Insurers allege that by reason of this Exclusion any loss damage or liability is not covered by this Policy (or is covered only up to a specified Limit of Liability) the burden of proving the contrary shall be on the Insured.

In the event any part of this Exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect.

Inspection Service Conditions

Where an Inspection Service is provided

1 the Inspection Company shall:

- a) carry out the Inspection Service with all due care in a safe manner
- b) comply with the Insured Hotel's safe systems of work as notified to the Competent Person
- c) provide the Inspection Service within Normal Working Hours
- d) give the Insured Hotel reasonable prior notice of their intention to attend a Location and where applicable advise the Insured Hotel of the need to prepare the Inspected Plant for examination
- e) produce a report as soon as is reasonably practicable and in any event not later than fourteen days following completion of an examination.

2 the Inspection Company may:

- a) appoint sub-contractors to carry out the whole or any part of the Inspection Service when absolutely necessary to maintain the service
- b) decline to carry out an examination if in its opinion to do so would pose a risk to the health safety or welfare of the Competent Person or the Insured Hotel
- c) make a charge in addition to the sum shown in the Schedule as the amount payable for the Inspection Service (the Fee) if:
 - i) the Insured Hotel requests and the Inspection Company agree to carry out an examination outside Normal Working Hours
 - ii) for safety reasons more than one Competent Person is necessary to carry out the examination
 - iii) the Insured Hotel requires replacement copies of reports
 - iv) the Insured Hotel requires the Competent Person to undertake training specific to the Insured Hotels own health safety and welfare procedures
 - v) the Insured Hotel fails to prepare or make the Inspected Plant available to the Competent Person on a pre-appointed date and time.

3 the Insured Hotel shall:

- a) provide the Competent Person with:
 - i) safe access to the Location
 - ii) a safe working environment at the Location
 - iii) a safe physical means by which to gain access to carry out the examination of Inspected Plant
- b) properly prepare clean cool decommission and dismantle the Inspected Plant as necessary to enable the Competent Person to carry out the examination

- c) reassemble the Inspected Plant following completion of the examination
- d) co-operate with and on request provide the Competent Person with such information and data relating to the Inspected Plant as they require to carry out the examination.

4 Fees - the Inspection Company and the Insured Hotel agree that:

- a) the Insured Hotel will pay the sum shown in the Schedule as the amount payable for the Inspection Service (the Fee)
- b) the Fee for the Inspection Service is calculated on Inspected Plant for which Inspection is required as notified to the Insurers by the Insured Hotel at the start of the Period of Insurance
- c) the Insured may add or delete individual items of Inspected Plant from the Plant Schedule during the Period of Insurance
- d) the Fee will be adjusted at the end of the Period of Insurance to take account of any Inspected Plant added or deleted during the Period of Insurance
- e) the Insured Hotel will pay or the Insurers will refund the difference between the Fee and the adjusted Fee as the case may be
- f) the Fee for the Inspection Service shall be subject to value added tax at the appropriate rate.

5 Termination of Inspection Service

- a) The Inspection Company may terminate the Inspection Service on thirty days notice. If the Insured Hotel has paid the Fee for the Inspection Service in full the Insured Hotel shall be entitled to a refund of the Fee in respect of examinations outstanding.
- b) Either the Insured Hotel or the Inspection Company may terminate the Inspection Service by giving written notice to the other if the other:
 - i) commits any breach of the Inspection Service Conditions and fails to remedy the breach within thirty days after being required to do so
 - ii) goes into liquidation
 - iii) (in the case of an individual or partnership) the individual or individuals become(s) bankrupt make(s) a voluntary arrangement with their creditors or has/have a receiver or administrator appointed.

6 Confidentiality

Unless otherwise agreed each Party shall keep confidential the terms of the Inspection Service and all information acquired in relation to the business or affairs of the other Party. Neither Party shall use the other Party's information for any purpose other than to perform their obligations under the Inspection Service.

7 Indemnity

The Insured Hotel shall indemnify and keep the Inspection Company indemnified in respect of any claims made against and all damages costs and expenses suffered or incurred by the Inspection Company as a result of any third party claim arising out of the Insured Hotel's failure to comply with their obligations under the Inspection Service.

8 Liability for Defective Services

- a) In substitution for all rights which the Insured Hotel would or might have but for the Inspection Service the Inspection Company undertakes that if an examination is performed in a defective or erroneous manner then the Inspection Company will at their discretion either credit to the Insured Hotel the Fee paid by the Insured Hotel and attributable to the examination or re-perform the examination (other than the time of performance).
- b) Except in the case of death or personal injury caused by the Inspection Company's negligence or in other circumstances where liability may not be so limited under applicable law the Inspection Company's liability under or in connection with the Inspection Service whether arising in contract tort negligence breach of statutory duty or otherwise shall not exceed the sum of £25,000,000 (twenty five million pounds).
- c) Neither the Inspection Company nor the Insured Hotel shall be liable to the other party in contract tort negligence breach of statutory duty or otherwise for any loss damage costs or expenses of any nature whatsoever incurred or suffered by that other party of an indirect or consequential nature including without limitation any economic loss or other loss of turnover profits business or goodwill.

9 General

- a) If any provision in the Inspection Service is held by any competent court to be unenforceable in whole or in part the validity of the other provisions and the remainder of the provision in question shall not be affected.
- b) English law shall apply to the Inspection Service unless the Insured and Inspection Company agree otherwise.

Inspection Service Complaints Procedure

Our aim is to get it right, first time, every time. If we make a mistake, we will try to put it right promptly.

Any enquiry or complaint you have regarding your Inspection Service should be addressed either to the intermediary who arranged the Inspection Service for you, or to the office which issued the Policy document, or to your usual commercial or technical contact within the Inspection Company. Please have the details of your Policy ready and in particular your Policy Number to help us to deal with your enquiry speedily.

Should you be dissatisfied with the way in which a complaint has been dealt with, please contact the Regional Business Manager:

Northern: 0161 831 3000 (including Scotland, N.Ireland and Republic of Ireland)

Midlands: 0121 200 1558

Southern: 0207 264 1530

If you are still not satisfied, contact:

Customer Satisfaction Manager

Allianz Engineering
Head Office
Liphook
Hampshire
GU30 7UN

Tel: 01428 722407

Fax: 01428 724824

E-mail: customer.satisfaction@allianz.co.uk

Insurance Cover Special Conditions

1 Duplicate Records

The Insured Hotel shall

- a) back up data records and update the records no less frequently than once every seven days
- b) where possible maintain up to date duplicate copies of software programs
- c) store back up data records and up to date duplicate software programs away from the building where the original software programs and data is held
- d) observe the manufacturer's and/or supplier's recommendations for the storage verification and security of Computer Media.

Insurance Cover Conditions

1 Right to Survey

It is a Condition of this Policy that the Insurers have the right to carry out a survey of the risks insured at any time mutually agreed with the Insured.

2 Observance of Policy Terms

The liability of the Insurers will be conditional upon the Insured Hotel complying and as appropriate any other person entitled to indemnity complying as though they were the Insured Hotel with the terms of this Policy.

3 Policy Voidable

This Policy shall be voidable in the event of misrepresentation misdescription or non-disclosure in any material particular.

4 Alteration In Risk

The insurance provided by this Policy shall be avoided in respect of any item of Insured Property where there is any alteration after the commencement of this Insurance which increases the risk of loss or damage unless continued cover is agreed by the Insurers in writing.

5 Reasonable Precautions

The Insured Hotel shall take all reasonable precautions to safeguard the Insured Property against loss or damage.

The Insured Hotel shall also maintain the Insured Property in an efficient condition and take all reasonable steps to ensure that all Government and other regulations relating to the operation and use of the Insured Property are observed.

6 Cancellation

This Policy may be cancelled by the Insurers sending thirty days notice to the Insured Hotel at the last known address of the Insured Hotel.

Provided the premium has been paid in full the Insured Hotel shall be entitled to a proportionate rebate of premium in respect of the unexpired Period of Insurance. For cancellation following a default in payment of the premium or any agreed instalment the period of notice may be reduced to seven days.

7 Declarations

Where the premium is a deposit and has been calculated upon estimates supplied by the Insured Hotel they shall keep an accurate record of information on matters for which estimates have been given.

This record shall be supplied to the Insurers within one month following the expiry of the first and each subsequent twelve months of the Period of Insurance to enable the adjustment of premium to be calculated.

8 Adjustment of Premium

If the premium calculated on the basis agreed between the Insurers and the Insured Hotel on the declarations made exceeds or falls short of the deposit then the Insured Hotel shall pay or the Insurers shall refund the difference as the case may be.

9 Applicable Law

English Law will apply to this contract of Insurance unless the Insured Hotel and the Insurers agree otherwise.

Claims Conditions

1 Claims Procedures

In the event of any occurrence giving rise or likely to give rise to a claim under this Policy the Insured Hotel shall

- a) notify the Insurers as soon as practicably possible by telephone and in writing
- b) preserve any damaged or defective Insured Property for inspection by the Insurers representatives
- c) in the case of Insured Property lost stolen or wilfully damaged take all steps (including immediate notification to the Police) to discover any guilty person and recover the property
- d) carry out and permit to be taken any reasonable action to prevent further loss damage liability cost or additional expenditure
- e) in the case of any claim made upon the Insured Hotel by any third party forward every claim writ or other document immediately and unacknowledged to the Insurers
- f) not pay or offer or agree to pay any money or make any admission of liability without the prior consent of the Insurers
- g) furnish at their own expense all particulars and information as the Insurers require
- h) allow the Insurers in the name of and on behalf of the Insured Hotel to take over and during such periods as they think proper to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and its settlement and the Insured Hotel shall give the Insurers all necessary assistance for that purpose.

2 Options for Claims Settlement

- a) The Insurers may at their option repair reinstate or replace what is lost or damaged or pay for the loss or damage in money.

If any Insured Property is to be reinstated or replaced by the Insurers the Insured Hotel shall at their own expense provide all such plans documents books and information as may be reasonably be required.

The Insurers shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner.

- b) The Insurers shall not be liable for the cost of any repairs undertaken without their written consent except in urgent cases where it has been necessary to put minor repairs in hand provided that

- 1 the requirements of Claims Conditions 1 and 5 have been complied with and
- 2 the repairs are carried out to the satisfaction of the Insurers.

- c) Where loss or damage is confined to a part of a machine or structure the Insurers shall be liable for the value of that part plus the cost of any necessary dismantling and erection for which the Insured Hotel is responsible.

- d) The Insured Hotel shall not be entitled to abandon any property to the Insurers whether taken into the possession of the Insurers or not.

3 Fraud

If a claim is fraudulent in any respect or if fraudulent means are used by the Insured Hotel or by anyone acting on their behalf to obtain any benefit under this Policy or if any loss or damage is caused by the wilful act or wilful neglect of the Insured Hotel all benefit under this Policy shall be forfeited.

4 Other Insurance

The Insurers will not indemnify the Insured Hotel in respect of loss damage or liability which is insured by or would but for the existence of this Policy be insured by any other policy except in respect of any excess beyond the amount payable under the other policy or which would have been payable under the other policy or had this insurance not been effected.

5 Subrogation

Any claimant under this Policy shall at the request and expense of the Insurers take or permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured Hotel before or after any payment is made by the Insurers.

6 Arbitration

If any difference arises as to the amount to be paid under this Policy such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this Condition to be referred to arbitration the making of the award shall be a Condition precedent to any right of action against the Insurers.

7 Waiver of Subrogation Rights

Notwithstanding Claims Condition 5 of this Policy the Insurers agree to waive any rights against any parent company and/or subsidiary company whose activities are conducted and/or managed by the Insured Hotel in whole or in part and/or any regular shared time users of the Computer Equipment arising out of any payment made under Covers Six Seven or Eight.

Provided that

- a) the Insured Hotel does not receive any form of indemnity or damages or other compensation from such company and/or user and
- b) any such company and/or user shall as though they were the Insured Hotel observe fulfil and be subject to the terms limitations and Conditions of this Policy.

8 Average

If at the time of the loss or damage the sum representing eighty five percent (85%) of the new replacement value of the Insured Property exceeds the sums declared by the Insured Hotel for the purpose of calculation of premium the Insured Hotel shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss or damage accordingly.

For the purpose of this Condition reference to the Insured Property shall not include additional property for which insurance is provided by Extension 1 – Additional Insured Property.

Insurance Complaints Procedure

Our aim is to get it right, first time, every time.

If we make a mistake we will try to put it right promptly.

We will always confirm to you the receipt of your complaint within five working days and do our best to resolve the problem within four weeks. If we cannot we will let you know when an answer may be expected.

If we have not sorted out the situation within eight weeks we will provide you with information about the Financial Ombudsman Service.

Please contact us at:

Customer Satisfaction Manager

Allianz Engineering

Head Office

Haslemere Road

Liphook

Hampshire

GU30 7UN

UK

Tel: 01428 722407

Fax: 01428 724824

Email: customer.satisfaction@allianz.co.uk

Using our complaints procedure or referral to the Financial Ombudsman Service does not affect your legal rights.

www.allianz.co.uk

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