

Computer Policy document



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Data protection statement

Zurich takes the privacy and security of your personal information seriously. We collect, use and share your personal information so that we can provide policies and services that meet your insurance needs, in accordance with applicable data protection laws.

The type of personal information we will collect includes: basic personal information (i.e. name, address and date of birth), occupation and financial details, health and family information, claims and convictions information and where you have requested other individuals be included in the arrangement, personal information about those individuals.

We and our selected third parties will only collect and use personal information (i) where the processing is necessary in connection with providing a quotation and/or contract of insurance; (ii) to meet our legal or regulatory obligations; (iii) where you have provided the appropriate consent; (iv) for our 'legitimate interests'.

It is in our legitimate interests to collect personal information as it provides us with the information that we need to provide our services more effectively including providing information about our products and services. We will always ensure that we keep the amount of information collected and the extent of any processing to the absolute minimum to meet this legitimate interest.

A full copy of our data protection statement can be viewed via www.zurich.co.uk/dataprotection

How you can contact us

If you have any questions or queries about how we use your data, or require a paper copy of the statement, you can contact us via gbz.general.data.protection@uk.zurich.com or alternatively contact our Data Protection Officer at Zurich Insurance, Unity Place, 1 Carfax Close, Swindon, SN1 1AP.

Important notes

Fraud prevention and detection

In order to prevent and detect fraud we may at any time:

- check your personal data against counter fraud systems
- use your information to search against various publicly available and third party resources
- use industry fraud tools including undertaking credit searches and to review your claims history
- share information about you with other organisations including but not limited to the police, the Insurance Fraud Bureau (IFB), other insurers and other interested parties.

If you provide false or inaccurate information and fraud is identified, the matter will be investigated and appropriate action taken. This may result in your case being referred to the Insurance Fraud Enforcement Department (IFED) or other police forces and fraud prevention agencies. You may face fines or criminal prosecution. In addition, Zurich may register your name on the Insurance Fraud Register, an industry-wide fraud database.

Claims history

We may pass information relating to claims or potential claims to any relevant database.

We and other insurers may search these databases when you apply for insurance, when claims or potential claims are notified to us or at time of renewal to validate your claims history or that of any other person or property likely to be involved in the policy or claim.

This helps to check information provided and prevent fraudulent claims.

Our complaints procedure

Our commitment to customer service

We are committed to providing a high level of customer service. If you feel we have not delivered this, we would welcome the opportunity to put things right for you.

Who to contact in the first instance

Many concerns can be resolved straight away. Therefore in the first instance, please get in touch with your usual contact at Zurich or your broker or insurance intermediary, as they will generally be able to provide you with a prompt response to your satisfaction.

Contact details will be provided on correspondence that we or our representatives have sent you.

Many complaints can be resolved within a few days of receipt

If we can resolve your complaint to your satisfaction within the first few days of receipt, we will do so. Otherwise, we will keep you updated with progress and will provide you with our decision as quickly as possible.

Next steps if you are still unhappy

If you are not happy with the outcome of your complaint, you may be able to ask the Financial Ombudsman Service to review your case.

We will let you know if we believe the ombudsman service can consider your complaint when we provide you with our decision. The service they provide is free and impartial, but you would need to contact them within 6 months of the date of our decision.

More information about the ombudsman and the type of complaints they can review is available via their website www.financial-ombudsman.org.uk.

You can also contact them as follows:

Post: Financial Ombudsman Service, Exchange Tower, London, E14 9SR

Telephone: 08000 234567 (free on mobile phones and landlines)

Email: complaint.info@financial-ombudsman.org.uk

If the Financial Ombudsman Service is unable to consider your complaint, you may wish to obtain advice from the Citizens Advice Bureau or seek legal advice.

The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS) which means that you may be entitled to compensation if we are unable to meet our obligations to you. Further information is available on www.fscs.org.uk or by contacting the FSCS directly on 0800 678 1100.

Your Computer policy

This policy is a contract between **you** and **us**.

This policy and any schedule, endorsement and certificate should be read as if they are one document.

We will insure **you** under those sections stated in the schedule during any period of insurance for which **we** have accepted **your** premium. **Our** liability will in no case exceed the amount of any sum insured or limit of liability stated in this policy, the schedule or any endorsement to this policy.

Any reference to the singular will include the plural and vice versa.

Any reference to any statute or statutory instrument will include any amendments thereto or re-enactment thereof.

Any heading in this policy is for ease of reference only and does not affect its interpretation.

Law applicable to this contract

In the UK the law allows both **you** and **us** to choose the law applicable to this contract. This contract will be subject to the relevant law of England and Wales, Scotland, Northern Ireland, the Isle of Man or the Channel Islands depending upon **your** address stated in the schedule. If there is any dispute as to which law applies it will be English law. The parties agree to submit to the exclusive jurisdiction of the English courts.

This is a legal document and should be kept in a safe place.

Please read this policy and any schedule, endorsement and certificate carefully and if they do not meet **your** needs return them to **us** or **your** broker or insurance intermediary.

Definitions

Certain words in this policy have special meanings. These meanings are given below or defined at the appropriate place in this policy. To help **you** identify these words in this policy **we** have printed them in bold. The headings to the paragraph in this policy are for convenience only and do not have any special meaning.

Accident

- a) Loss of or damage to **computer equipment, auxiliary equipment** or **computer media**.
- b) The failure or fluctuation of the supply of electricity to the **computer equipment** or **auxiliary equipment**.
- c) The failure of any telecommunication system linked to the **computer equipment**.
- d) Physical loss of or damage to property in the vicinity of the computer equipment or the situation specified or the exercise by any public or police authority of its powers for the sole purpose of safeguarding life or property which prevents access to or use of the **computer equipment** by **you**.
- e) Erasure, destruction, corruption or distortion of software contained or data stored on fixed disks or **computer media**.

Approved maintenance agreement

An agreement which provides on-call remedial maintenance encompassing free repair or replacement in the event of breakdown arising out of normal use. **You** shall supply to **us** a copy of any such agreement on request.

Auxiliary equipment

Auxiliary equipment comprising temperature and environmental control, power supply and voltage regulating equipment and protective devices exclusively for use with the **computer equipment** belonging to **you** or leased hired or rented to **you**.

Communicable disease

Any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and
- b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and
- c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

Computer equipment

Computer equipment (including fixed disks and interconnecting wiring) used for electronic processing communication and storage of data belonging to **you** or leased, hired or rented to **you**. Excluding equipment more specifically described under **auxiliary equipment** and **computer media**.

Computer media

Computer media of all types (other than paper records) belonging to **you** or leased, hired or licensed to **you**.

Data processing system

Any computer or data processing equipment or media or microchip or integrated circuit or any similar device or any computer software or computer firmware.

Defined peril

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, theft or attempted theft, earthquake, subterranean fire, storm, tempest, flood, escape of water from any tank, apparatus or pipe, impact by any vehicle or by goods falling therefrom or animal.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data.

Intruder alarm specification

The building housing the **computer equipment** must be protected by an intruder alarm system designed and installed to the requirements of BS4737 – Intruder Alarm Systems in Buildings. The system must be installed and maintained under contract by:

- a) a company which is listed as approved by the National Approval Council for Security Systems (NACOSS); or
- b) a company having ISO 9000 certification and who is a member of a UKAS accredited intruder alarm inspectorate; or
- c) as agreed by **us**.

The intruder alarm system must include:

- i) magnetic contacts on all external doors and internal doors to common or adjoining parts of the premises; and
- ii) strategically positioned movement detectors providing trap protection; and
- iii) remote signalling involving an automatic telecommunications link between the protected premises and the alarm company's central monitoring station which must be approved as meeting the requirements of BS5979 – Remote Centres for Intruder Alarm Systems.

Where the remote signalling is by digital communicator this must be connected via an ex-directory outgoing only telephone line and must incorporate a line fault monitor.

All telephone lines used for the remote signalling must as far as possible enter the building underground or in a concealed manner.

The keys of the intruder alarm system must be removed from the building whenever they are closed for business or left unattended.

The intruder alarm system shall not be regarded as effective if the telephone line, direct line or central monitoring station warning system is to **your** knowledge not in full and effective working order or **you** have had notice of withdrawal of the Police or telephone or central monitoring station service and such service has actually been withdrawn.

Nuclear installation

Any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation adapted for:

- a) the production or use of atomic energy
- b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiation
- c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the production or use of nuclear fuel.

Nuclear reactor

Any plant including any machinery, equipment or appliance whether affixed to land or not designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

Physical protection specification

All external doors of the building housing the computer equipment, together with internal doors which give access to any part of the building not occupied by **you**, must be fitted and secured with one of the following:

- a) a mortice deadlock with matching boxed striking plate or a rim lock which in either case conforms to BS3621: 1980 Specification for Thief Resistant Locks; or
- b) a five (or more) lever close shackle padlock and locking bar; or
- c) in the case of aluminium or uPVC framed doors, an integral cylinder operated swingbolt mortice lock; or
- d) an alternative form of lock or locking system of at least similar quality and strength to BS3621: 1980 which is approved by **us** in writing.

All outward opening external doors of the building and internal doors which give access to any part of the building not occupied by **you** must be fitted and secured with hinge bolts.

All accessible opening windows, fanlights and skylights, including those accessible from decks, roofs, fire escapes or downpipes must be fitted and secured with key operated window locks and the keys of such locks removed when activated. This requirement does not apply to windows protected by solid steel bars, grilles, expanded metal or weld-mesh.

Note: Any door or window officially designated a fire exit by the fire authority will require consultation with the fire authority so that the interests of both safety and security can be met.

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 definition includes, but is not limited to, trojan horses, worms and logic bombs.

We, us or our

Zurich Insurance Company Ltd or pertaining to Zurich Insurance Company Ltd.

You, your

The legal entity designated in the schedule or pertaining to the legal entity designated in the schedule.

Section 1 – Material damage

The insurance by this Section is in respect of loss of or damage to **computer equipment** and **auxiliary equipment** at the situation specified in the schedule and **computer media** at any situation or in transit anywhere in the world.

Section 2 – Additional expenditure

The insurance by this Section is in respect of additional expenditure necessarily and reasonably incurred by **you** to:

- a) prevent or minimise the interruption of or interference with the work normally carried out by or on the **computer equipment**
excluding additional expenditure more specifically described under Section 2b)
 - b) recompile or restore data or software or replace third party proprietary software
- in consequence of an **accident** which manifests itself during the period of insurance.

Limit of liability

The amount of liability under this policy shall not exceed in addition to the amounts stated in the extensions the sums insured stated in the schedule.

Payment of a claim made under this policy shall not reduce the sums Insured except upon written notice by **us** to the contrary.

Provided that:

- a) **you** shall take immediate steps to comply with any requirements of **us** relating to amendments to the protections of the property insured
- b) the amount payable under Section 2 in respect of additional expenditure incurred directly or indirectly in consequence of **virus or similar mechanism** or **hacking** shall not exceed in any one period of insurance the sum of £100,000 or the sum insured stated in the schedule against Section 2 whichever is the lesser amount.

Extensions of cover applicable to Section 1 of the policy

The insurance by Section 1 of this policy is extended to cover:

1 Transit

computer equipment whilst in transit and whilst at any situation in the world other than the situation specified in the schedule.

Provided that the amount payable under Section 1 of this policy shall not exceed:

- a) £5,000 in respect of each occurrence of theft
- b) £25,000 in respect of any other occurrence.

2 Debris removal

The costs and expenses necessarily and reasonably incurred in:

- a) removing debris
- b) dismantling and/or demolishing
- c) shoring up or propping and fencing off following loss or damage covered by Section 1.

Provided that the amount payable in respect of any one occurrence shall not exceed ten percent (10%) of the cost of such loss or damage or £25,000 whichever is the lesser amount.

3 Investigation costs

The costs (including cost of consultants' fees) incurred with **our** prior consent conducting investigations and tests in respect of possible repair replacement or restoration following loss or damage covered by Section 1 of this policy.

Provided that the amount payable in respect of any one occurrence shall not exceed £25,000.

4 Incompatibility of computer media

The costs of:

- a) modification of the **computer equipment**; or
- b) replacement of **computer media** together with the restoration of data or software on such media

whichever is the lesser amount to achieve compatibility in the event that the loss of **computer equipment** covered by Section 1 has resulted in undamaged **computer media** being incompatible with the replacement **computer equipment**.

Provided that the amount payable shall not exceed in respect of any one occurrence twenty five percent (25%) of the sums insured in respect of Sections 1 and 2 in the aggregate or £50,000 whichever is the lesser amount.

5 Recharging of gas cylinders

The cost of recharging gas cylinders installed solely for the protection of the property covered by Section 1 following accidental discharge.

But excluding discharge arising:

- a) during repairs or alterations to the building in which the cylinders are situated
- b) during installation repair removal alteration extension or testing of all or part of the gas flooding system
- c) during the operation of the gas flooding system with the intention of preventing or extinguishing fire.

Provided that the amount payable in respect of any one occurrence shall not exceed £10,000.

6 Additional equipment

Additions to the property insured at the situation specified in the schedule occurring during the period of insurance at no additional charge subject to the increase in sum insured under Section 1 in any one period of insurance not exceeding twenty percent (20%) of the amounts stated in the schedule or £250,000 whichever is the lesser amount.

Extensions of cover applicable to Section 2 of the policy

The insurance by Section 2 of this policy is extended to cover:

1 Additional lease

Additional lease or hire charges arising out of the replacement of a lease or hire agreement in respect of the **computer equipment** by a new agreement for similar equipment in consequence of loss or damage covered by Section 1.

Provided that:

- a) the period in respect of which such charges shall be paid shall not extend beyond the expiry date of the original agreement
- b) the total additional charges payable in respect of any one occurrence shall not exceed £25,000.

2 Accountants fees

Professional accountants fees necessarily and reasonably incurred for producing any particulars or any other proofs, information or evidence as may be required under the claims procedure condition and reporting that such particulars are in accordance with **your** books of accounts or other business books or documents.

Provided that the amount payable in respect of any one occurrence shall not exceed £25,000.

Exclusions applicable to Section 1 of the policy

We shall not be liable under Section 1 of this policy in respect of:

Breakdown

loss of or damage to any item of **computer equipment** or **auxiliary equipment** occasioned by its own breakdown unless there is in force an **approved maintenance agreement** in respect of the item

Guarantee or maintenance

loss or damage for which:

- a) any manufacturer supplier agent or maintenance undertaking is responsible under the terms of a guarantee or maintenance agreement
- b) **you** are relieved of responsibility under any rental hire or lease agreement

Viruses and hacking

loss or damage directly or indirectly occasioned by or in consequence of **virus or similar mechanism** or **hacking**.

Exclusions applicable to Section 2 of the policy

We shall not be liable under Section 2 of this policy in respect of:

Acts of supply authorities

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

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

Acts of telecommunications authorities

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

- a) a deliberate act of the telecommunications authority or the exercise by the telecommunications authority of its power to withhold or restrict operation of the system
- b) the inability of the telecommunications authority to maintain the system due to industrial action by any of its employees
- c) the use by **you** of equipment which is not approved by the telecommunications authority
- d) failure of any satellite prior to its obtaining its full operating function or while in or beyond the final year of its design life
- e) atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite

Incorrect storage

any additional expenditure in consequence of failure to comply with manufacturers' recommendations relating to storage of **computer media**

Time limitation

any additional expenditure commencing more than twelve (12) months after the date on which the **accident** manifests itself

Unproven software

any additional expenditure in consequence of the use by **you** of software in respect of which development has not been finalised or which has not passed all testing procedures or which has not been successfully proven.

General exclusions applicable to all sections of the policy

We shall not be liable under this policy in respect of:

Communicable diseases

any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with the following:

- a) a **communicable disease**; or
- b) the fear or threat (whether actual or perceived) of **communicable disease**

regardless of any other cause or event contributing concurrently or in any other sequence thereto

Consequential loss

liquidated damages, penalties for delay or detention or in connection with guarantees of performance or efficiency or consequential loss or damage not specifically provided for herein

Date related performance and functionality

- a) loss or damage
- b) consequential loss, additional expenditure or extra expenses
- c) legal liability
- d) fees, costs, disbursements, awards or other expenses

of whatsoever nature directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:

- i) the way in which any **data processing system** responds to or deals with or fails to respond to or fails to deal with any true calendar date
- ii) any **data processing system** responding to or dealing in any way with:
 - 1) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
 - 2) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates

whether such **data processing system** is **your** property or not but will not exclude subsequent damage or consequential loss, additional expenditure or extra expenses (not otherwise excluded) which itself results from a **defined peril** otherwise covered under this policy

Excess

the amount stated in the schedule as the excess in respect of the cost of each and every occurrence for which **you** are indemnified by this policy

Inventory losses

loss of the property insured and any additional expenditure in consequence thereof by its disappearance or by shortage if such disappearance or shortage is only revealed when an inventory is made or loss of the property insured due to its being stolen or otherwise missing unless such loss is identifiable by **you** with a specific occurrence which has been the subject of notification under the terms of the **claims procedure condition** including reporting the matter to the Police

Northern Ireland

loss, damage or additional expenditure occasioned by or happening through or in consequence directly or indirectly of riot or civil commotion in Northern Ireland

Nuclear risks

loss of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any **nuclear installation, nuclear reactor** or other explosive nuclear assembly or nuclear component thereof
- c) any weapon employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes

Pollution

loss, damage or additional expenditure caused by pollution or contamination other than loss of or damage to the property insured caused by pollution or contamination and additional expenditure in consequence thereof

Programming errors or design defects

- a) the costs of rectifying programming errors or design defects in software
- b) in respect of third party proprietary software only any additional expenditure in consequence of programming errors or design defects but 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 third party proprietary software

Property in vehicles

loss of or damage to the property insured and any additional expenditure in consequence thereof whilst such property is in a vehicle unless:

- a) the property is securely mounted or kept in a suitable container in the vehicle
- b) the vehicle is in a locked garage when left unattended overnight
- c) the doors of the vehicle are locked and all its windows and other openings fully closed and properly fastened when unattended
- d) the property is concealed from view in a locked boot in any unattended motor car

Sonic waves

loss, damage or additional expenditure directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

Terrorism

loss, damage or additional expenditure directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with:

- a) any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:
 - i) involves violence against one or more persons; or
 - ii) involves damage to property; or
 - iii) endangers life other than that of the person committing the action; or
 - iv) creates a risk to health or safety of the public or a section of the public; or
 - v) is designed to interfere with or to disrupt an electronic system
- b) any action in controlling, preventing, suppressing, retaliating against, or responding to any act, or preparation in respect of action, or threat of action described in a) above.

In any action or suit or other proceedings where **we** allege that by reason of this General exclusion cover is not provided under this policy, the burden of proving that cover is provided under this policy shall be upon **you**

Theft from buildings

loss, damage or additional expenditure by or in consequence of theft:

- a) from any building unless entry to or exit from the external perimeter of the building is by forcible and violent means
- b) from any building at the situation specified in the schedule whenever such building is closed for business or left unattended unless the requirements of the **intruder alarm specification** and the **physical protection specification** are met and all security devices specified therein are put into full and effective operation

Value of data

the value to **you** of data stored on **computer equipment** or **computer media**

War

any consequence whether direct or indirect of war, invasion, act of foreign enemy hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation commandeering, nationalisation or requisition or destruction of or damage to property by or under the order of any Government Public Municipal or Local Authority

Water table level

loss, damage or additional expenditure attributable solely to a change in the water table level

Wear and tear

wear and tear, gradual deterioration due to atmospheric conditions or otherwise, rust, corrosion or oxidation or scratching of painted or polished surfaces and any additional expenditure in consequence thereof

Wilful act

loss, damage or additional expenditure caused by **your** wilful act or wilful neglect.

General conditions

Access and reasonable precautions

You shall afford reasonable facilities for **our** representatives to examine any property insured under this policy. **You** shall also take and cause to be taken all reasonable precautions to prevent accidents and to safeguard the property insured against loss or damage and to ensure that all statutory and other regulations relating to the property insured are observed.

Backup

Data records must be backed-up no less frequently than once every 7 days and stored off site. Adequate backup facilities must be provided to ensure that all essential business information and software can be recovered following a disaster or media failure. Backup arrangements for individual systems must be regularly tested. Backup information must be given an appropriate level of physical and environmental protection and backup media must be regularly tested, where practicable, to ensure that they can be relied upon for emergency use.

Cancellation rights

We shall not be bound to invite or accept renewal of this policy and may by fourteen days' notice in writing to **you** by recorded delivery cancel this policy at any time. **You** shall then be entitled to a rebate of premium for the unexpired period of insurance.

Change in circumstances

You must notify **us** as soon as possible during the period of insurance if there is any change in circumstances or to the material facts previously disclosed by **you** to **us** or stated as material facts by **us** to **you** which increases the risk of accident, injury, loss, damage or liability.

Upon notification of any such change **we** will be entitled to vary the premium and terms for the rest of the period of insurance. If the changes make the risk unacceptable to **us** then **we** are under no obligation to agree to make them and may no longer be able to provide **you** with cover.

If **you** do not notify **us** of any such change **we** may exercise one or more of the options described in clauses c) i), ii) and iii) of general condition titled Fair presentation of the risk but only with effect from the date of the change in circumstances or material facts.

Contractual right of renewal (tacit)

If **you** pay the premium to **us** using **our** Direct Debit instalment scheme **we** will have the right (which **we** may choose not to exercise) to renew this policy each year and continue to collect premiums using this method. **We** may vary the terms of this policy (including the premium) at renewal. If **you** decide that **you** do not want **us** to renew this policy provided **you** tell **us** or **your** broker or insurance intermediary before the next renewal date **we** will not renew it.

Fair presentation of the risk

- a) At inception and renewal of this policy and also whenever changes are made to it at **your** request **you** must:
- i) disclose to **us** all material facts in a clear and accessible manner; and
 - ii) not misrepresent any material facts.
- b) If **you** do not comply with clause a) of this condition **we** may:
- i) avoid this policy which means that **we** will treat it as if it had never existed and refuse all claims where any non-disclosure or misrepresentation by **you** is proven by **us** to be deliberate or reckless in which case **we** will not return the premium paid by **you**; and
 - ii) recover from **you** any amount **we** have already paid for any claims including costs or expenses **we** have incurred.
- c) If **you** do not comply with clause a) of this condition and the non-disclosure or misrepresentation is not deliberate or reckless this policy may be affected in one or more of the following ways depending on what **we** would have done if **we** had known about the facts which **you** failed to disclose or misrepresented:
- i) if **we** would not have provided **you** with any cover **we** will have the option to:
 - 1) avoid the policy which means that **we** will treat it as if it had never existed and repay the premium paid; and
 - 2) recover from **you** any amount **we** have already paid for any claims including costs or expenses **we** have incurred
 - ii) if **we** would have applied different terms to the cover **we** will have the option to treat this policy as if those different terms apply. **We** may recover any payments made by **us** on claims which have already been paid to the extent that such claims would not have been payable had such additional terms been applied
 - iii) if **we** would have charged **you** a higher premium for providing the cover **we** will charge **you** the additional premium which **you** must pay in full.

- d) Where this policy provides cover for any person other than **you** and that person would if they had taken out such cover in their own name have done so for purposes wholly or mainly unconnected with their trade, business or profession **we** will not invoke the remedies which might otherwise have been available to **us** under this condition if the failure to make a fair presentation of the risk concerns only facts or information which relate to a particular insured person other than **you**.

Provided always that if the person concerned or **you** acting on their behalf makes a careless misrepresentation of fact **we** may invoke the remedies available to **us** under this condition as against that particular person as if a separate insurance contract had been issued to them leaving the remainder of the policy unaffected.

Information security

- a) A documented information security policy must be maintained; this must be approved by management, published and communicated as appropriate to all employees.
- b) Access to all networks and systems must be authenticated by means of individual user identifications and passwords which are unpredictable, alphanumeric of at least 6 characters and required to be changed at least every 90 days.
- c) Firewalls must be in place to prevent unauthorised access on all connections from internal networks and systems to external networks.
- d) Remote users must be authenticated before being allowed to connect to internal networks and systems.
- e) Anti-virus software must be in place on all desktops and mission critical servers to protect against viruses, worms and other malicious code; it must be installed on all entry points including email attachments and Internet downloads.

Observance of policy terms

Observance of the terms limitations and conditions of the policy shall as far as the nature of them respectively will permit be precedent to **our** liability.

Payment by instalments

Reference to the payment of premium includes payment by monthly instalments. If **you** pay by this method this policy remains an annual contract and the date of the payment and the amount of instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 (if applicable) the credit agreement and this policy will be cancelled immediately.

Renewal requirement

You shall prior to each renewal date supply **us** with the total new replacement value at each situation of **computer equipment, auxiliary equipment and computer media**.

Sanctions

Notwithstanding any other terms of this policy **we** will be deemed not to provide cover nor will **we** make any payment or provide any service or benefit to **you** or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of **yours** would violate any applicable trade or economic sanctions law or regulation.

Claims conditions

Arbitration rights

If **we** admit liability for a claim but there is a dispute as to the amount to be paid the dispute will be referred to an arbitrator. The arbitrator will be appointed jointly by **you** and **us** in accordance with the law at the time. **You** may not take any legal action against **us** over the dispute before the arbitrator has reached a decision.

Average

If at the time of the loss or damage the sum representing eighty five percent (85%) of the new replacement value of the property insured exceeds the sum insured thereon **you** 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 'property insured' shall not include additional property for which insurance is provided by Section 1 Extension 6 Additional equipment.

For the avoidance of doubt solely in respect of the application of Average to any item under this policy clause c) iii) of the general condition titled Fair presentation of the risk will not apply.

Claims procedure

In the event of any occurrence which may give rise to a claim under this policy **you** shall:

- a) give as soon as reasonably practicable notice by telephone and in writing to **us** supplying such proofs of claim as may reasonably be required by **us**
- b) preserve any damaged or defective property which might prove necessary as evidence for examination by **our** representatives
- c) in the case of property lost, stolen or maliciously damaged take all practicable steps (including the giving of immediate notice to the Police) to discover any guilty person and to trace and recover the missing property
- d) in the case of any claim made upon **you** by any third party forward to **us** immediately and unacknowledged every written communication or information as to any verbal notice of claim and all proceedings
- e) in the case of property lost or damaged as a result of riot inform **us** within seven days of any such occurrence.

In the event of a claim being made under Section 2 of this policy **you** shall deliver to **us** in writing a statement setting forth particulars of his claim together with details of all other insurances covering the event or part of it.

You shall also produce and furnish to **us** such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by **us** for the purpose of investigating or verifying the claim together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith. No claim shall be payable unless the terms of this condition have been complied with and in the event of non-compliance any payment on account of the claim already made shall be repaid to **us** forthwith.

Claims settlement

The amount payable under Section 1 of this policy shall be the cost of reinstatement of property insured, lost or damaged to its condition when new.

Provided that:

- a) reinstatement shall mean:
 - i) replacement of any item lost or damaged beyond repair by new property of equal performance and/or capacity or if such be impossible its replacement by new property having the nearest higher performance and/or capacity to the item lost or damaged
 - ii) repair of any item otherwise damaged
- b) reinstatement shall be carried out without delay and in the most economical manner
- c) where any property insured is damaged or lost in part only **our** liability shall not exceed the cost of reinstatement had it been wholly lost
- d) no payment shall be made until reinstatement has been carried out
- e) the sum insured shall be the new replacement value of the property insured
- f) if reinstatement is not carried out the amount payable shall be the cost of indemnifying **you** provided such cost does not exceed the cost of reinstatement.

We shall not be responsible for temporary repairs carried out without **our** consent and any consequences thereof nor for the cost of any alterations additions improvements or overhauls carried out on the occasion of a repair. Where loss or damage is confined to a part of a machine or structure **we** shall be liable for only the value of that part plus the cost of any necessary dismantling and erection for which **you** are responsible. **You** shall not be entitled to abandon any property to **us** whether taken into possession by **us** or not.

Control of claims

We shall be entitled in **your** name to take all necessary steps for enforcing any rights against any other party before or after meeting **your** claim and may at **our** discretion take over, defend or settle any claim by a third party. **We** shall be given such information and assistance by **you** as may be required.

Fraudulent claims

If **you** or anyone acting on **your** behalf:

- a) makes a fraudulent or exaggerated claim under this policy; or
- b) uses fraudulent means or devices including the submission of false or forged documents in support of a claim whether or not the claim is itself genuine; or
- c) makes a false statement in support of a claim whether or not the claim is itself genuine; or
- d) submits a claim under this policy for loss or damage which **you** or anyone acting on **your** behalf or in connivance with **you** deliberately caused; or
- e) realises after submitting what **you** reasonably believed was a genuine claim under this policy and then fails to tell **us** that **you** have not suffered any loss or damage; or
- f) suppresses information which **you** know would otherwise enable **us** to refuse to pay a claim under this policy

we will be entitled to refuse to pay the whole of the claim and recover any sums that **we** have already paid in respect of the claim.

We may also notify **you** that **we** will be treating this policy as having terminated with effect from the date of any of the acts or omissions set out in clauses a) to f) of this condition.

If **we** terminate this policy under this condition **you** will have no cover under this policy from the date of termination and not be entitled to any refund of premium.

If any fraud is perpetrated by or on behalf of an insured person and not on behalf of **you** this condition should be read as if it applies only to that insured person's claim and references to this policy should be read as if they were references to the cover effected for that person alone and not to the policy as a whole.

Other insurance

We shall not be liable for any loss, damage or liability which at the time of the happening of such loss, damage or liability is insured by or would but for the existence of this policy be insured by any other policy or policies except in respect of any excess beyond the amount which would have been payable under the policy or policies had this insurance not been effected.

Supplementary claims charges

In connection with any claim for loss or damage **you** are entitled to recover supplementary charges such as custom dues packing freight and the like only if and so far as such charges have been provided for in the Sum Insured.

Third party claims procedure

In the event of any claim made upon **you** by a third party in respect of which **we** may be liable under this insurance **you** shall not incur any expense whether by litigation or otherwise or make any payment settlement arrangement or admission of liability without **our** written authority. **We** shall be entitled to use **your** name for all purposes in connection with this insurance including the bringing, defending, enforcing or settling any legal proceedings for **our** benefit.

Waiver of subrogation rights

Notwithstanding the control of claims condition of this policy **we** agree to waive any rights against any parent company and/or subsidiary company of **yours** and/or any company whose activities are conducted and/or managed by **you** in whole or in part and/or any regular shared time users of the **computer equipment** arising out of any payment made under this policy.

Provided that:

- a) **you** do not receive any form of indemnity or damages or other compensation from such company and/or user
- b) any such company and/or user shall as though they were **you** observe fulfil and be subject to the terms limitations and conditions of this policy.

Zurich Insurance Company Ltd

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