



## **COMPUTER INSURANCE SPECIFICATION COM**

### **COVER**

#### **SECTION 1 - HARDWARE**

The Company will indemnify The Insured against loss of or damage to the **Computer Equipment** described in The Schedule(s) and defined within this Specification whilst at the **Premises** specified in The Schedule

Subject otherwise to the terms Conditions and Exclusions of this Policy

#### **SECTION 2 - REINSTATEMENT OF DATA**

The Company will indemnify The Insured against the cost of reinstating data lost or damaged in consequence of an **Accident**

Provided that

- (a) the liability of The Company is limited solely to the cost of reinstating data
- (b) The Company shall not be liable for losses discovered later than six months after the loss was initiated
- (c) the liability of The Company shall not exceed the Sum Insured specified in The Schedule against Section 2 - Reinstatement of Data
- (d) The Company shall not be liable for loss of or damage to software insured under Section 1 - Hardware
- (e) The Company shall not be liable under this Section for that which is more specifically insured under Section 3 - Increased Costs of Working

Subject otherwise to the terms Conditions and Exclusions of this Policy

#### **SECTION 3 - INCREASED COSTS OF WORKING**

In the event that the business of The Insured at the **Premises** specified in The Schedule is interrupted or interfered with in consequence of an **Accident** The Company will indemnify The Insured against increased costs of working necessarily and reasonably incurred in minimising or preventing the resulting interruption or interference excluding costs more specifically insured under Section 2 - Reinstatement of Data

Provided that the total liability of The Company in any one Period of Insurance shall not exceed the amount specified in The Schedule as the Sum Insured against Section 3 - Increased Costs of Working

Subject otherwise to the terms Conditions and Exclusions of this Policy

#### **SECTION 4 – VIRUS OR SIMILAR MECHANISM**

Notwithstanding the Electronic Risks Exclusion of Platform The Company will indemnify The Insured against loss or damage to **Computer Equipment** costs incurred in Reinstatement of Data or Increased Costs of Working resulting from **Virus or Similar Mechanism**

Provided that

- (a) The maximum liability for losses arising from **Virus or Similar Mechanism** shall be the amount specified in the Schedule against Section 4 - **Virus or Similar Mechanism**
- (b) the Insured Property is protected by a proprietary Virus defence package which is
  - (i) registered to The Insured
  - (ii) updated at intervals no greater than every 7 days
- (c) the Insured Property is protected by a suitable Firewall which is regularly maintained and in full effective operation at the time of a loss
- (d) The Company shall not be liable for loss or damage caused by **Denial of Service Attack**
- (e) The Company shall not be liable for costs more specifically insured under Additional Cover 2 Virus Seek and Destroy Costs



## HSB Engineering Insurance Limited

### ADDITIONAL COVER

#### EXTENSIONS OF COVER APPLYING TO ALL SECTIONS

Cover under all Sections of this Specification is extended to include

#### Waiver of Subrogation Rights

1. The Cover provided by this Specification is extended to indemnify the categories of users shown below and The Company waive rights of recovery or subrogation against

- (a) any parent company of The Insured
- (b) any subsidiary company of The Insured
- (c) any subsidiary company of a parent company of whom The Insured are a subsidiary
- (d) any user of the **Computer Equipment** explicitly authorised by The Insured

Provided that

- (i) any users so included observe and fulfil the terms and Conditions of this Policy as if they were The Insured
- (ii) The Insured do not receive any form of indemnity or damages from such users

#### Virus Seek and Destroy Costs

2. Costs necessarily and reasonably incurred with the consent of The Company in locating and removing a detected **Virus or Similar Mechanism** provided that the amount payable under this Extension shall not exceed 10% of the Sum Insured under Section 1 - Hardware or £5,000 whichever is the lesser



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### EXTENSION OF COVER APPLYING TO SECTION 1

In addition to the Cover under Section 1 of this Specification Cover is extended to include

#### Protective Devices

1. If the only loss sustained by The Insured as a result of theft or attempted theft is loss of or damage to items defined under **Computer Equipment** Definition (e) no Excess shall apply to the loss

### EXTENSIONS OF COVER APPLYING TO SECTIONS 1 AND 2

Cover under Section 1 - Hardware and Section 2 - Reinstatement of Data of this Specification is extended to include

#### Automatic Cover

1. Additional **Computer Equipment** belonging to The Insured or for which they are responsible at any existing **Premises** shown in The Schedule until the next renewal date at no additional charge

Provided that the liability of The Company under this Extension does not exceed £250,000 at any one **Premise** or 20% of the aggregate Sums Insured stated in The Schedule against Section 1 Hardware and Section 2 - Reinstatement of Data whichever is the lesser

#### Temporary Removal

2. **Computer Equipment** whilst temporarily removed or in transit from the **Premises** specified in The Schedule to any other situation anywhere in the World (including whilst in transit by sea or air but only whilst in the custody care and control of The Insured)

Provided that the liability of The Company under this Extension does not exceed £50,000 any one accident or series of accidents arising out of any one occurrence

When the **Computer Equipment** is left in an unattended vehicle overnight the vehicle shall be kept in a secure or attended garage or yard

This Extension does not cover **Computer Equipment** more properly insured as **Portable Computer Equipment**

#### Portable Computer Equipment

3. In respect of any **Portable Computer Equipment** specified in the Schedule the Cover provided shall operate whilst such equipment is at or in transit between any situations in the World (including whilst in transit by sea or air)

Provided that

(b) The liability of The Company under this Extension shall not exceed £5,000 any one loss or series of losses arising out of any one occurrence in respect of that equipment whilst away from the **Premises**

(c) the **Portable Computer Equipment** shall at all times be carried as hand luggage when in transit other than by private motor vehicle

#### Data Carrying Materials

4. **Data Carrying Materials** as described in **Computer Equipment** Definition part (c) are insured whilst situated or in transit anywhere in the World

#### Gas Flooding Systems

5. The cost of recharging the gas flooding system installed solely for the protection of the **Computer Equipment** following accidental discharge

Provided that

(a) The Company shall not be liable under this Extension for any loss as a result of gradual leakage discharge or drop in pressure

(b) The Insured shall maintain at his own expense the gas flooding system in accordance with the suppliers and/or manufacturers recommendations

(c) the liability of The Company under this Extension shall not exceed £15,000 in any one Period of Insurance



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### Incompatibility of Records

6. Where Section 2 - Reinstatement of Data is insured The Company will indemnify The Insured in respect of
- (a) the cost of modifying the **Computer Equipment** insured under Section 1 - Hardware
- or
- (b) the cost of replacing the **Data Carrying Materials** together with Reinstatement of Data whichever is the lesser

as a result of an indemnifiable loss to achieve equivalent compatibility with that existing immediately prior to the loss due to undamaged **Data Carrying Materials** being incompatible with the replacement **Computer Equipment**

Provided that

- (i) the replacement **Computer Equipment** is the nearest equivalent to that lost or damaged
- (ii) the amount payable under this Extension shall not exceed 50% of the aggregate of the Sums Insured under Section 1 – Hardware and Section 2 - Reinstatement of Data or £50,000 whichever is the lesser

### EXTENSIONS OF COVER APPLYING TO SECTION 2

Cover under Section 2 - Reinstatement of Data of this Specification is extended to include

#### Research And Development Costs

1. Costs of re-writing data processing research or development projects to the stage reached immediately prior to the occurrence of an indemnifiable **Accident** but excludes any benefit to The Insured which would have been obtained from the completion of the project had the **Accident** not occurred provided that the liability of The Company under this Extension shall not exceed £10,000

### EXTENSIONS OF COVER APPLYING TO SECTION 3

Cover under Section 3 - Increased Costs of Working is extended to include

#### Auditors Fees

1. Reasonable fees payable by The Insured to their auditors for producing and certifying any particulars or details contained in their books of account or other business books or documents or such other information as may be requested by The Company

#### Additional Rental Charge

2. Additional lease or hire fees incurred following the replacement of an existing lease or hire agreement by a similar new agreement in consequence of loss or damage to the **Computer Equipment** insured under Section 1 - Hardware

Provided that

- (a) payment shall cease at the expiry of the lease/hire contract in force at the time of loss or damage or twenty four months after the date of the loss or damage whichever is the sooner
- (b) additional fees payable under this Extension shall not exceed £25,000 in respect of any one **Accident** or series of **Accidents** arising out of any one occurrence



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## DEFINITIONS APPLYING TO ALL SECTIONS

### Computer Equipment

**Computer Equipment** shall mean

- (a) All **Computer Equipment** (including peripheral devices interconnecting wiring fixed disks telecommunications equipment computerised telephone systems and Electronic Point of Sale Systems) used for the storage and communication of electronically processed data

**Computer Equipment** shall not include within its meaning

- (i) **Computer Equipment** controlling manufacturing processes
- (ii) **Computer Equipment** held as stock or the product of manufacture
- (iii) **Portable Computer Equipment**
- (iv) Facsimile or photocopying machines not used for the storage and communication of electronically processed data

unless specified in the Schedule

- (b) Ancillary equipment solely for use with the **Computer Equipment** comprising air conditioning equipment generating equipment voltage regulating equipment temperature and humidity recording equipment electronic access equipment heat and smoke detection equipment gas flooding cylinders and pipework and computer room partitioning
- (c) **Data Carrying Materials**
- (d) All current and backup computer software and programs held on hard disks or **Data Carrying Materials** unless specifically described otherwise in The Schedule
- (e) Lock down plates security enclosures security cables and other similar devices

owned by or on deferred purchase leased hired or rented to The Insured or whilst on trial with a view to purchase by The Insured

### Portable Computer Equipment

**Portable Computer Equipment** shall mean

Personal Computers laptops small micro computers or similar equipment used for the storage and communication of electronically processed data and which are designed to be carried by hand

**Portable Computer Equipment** includes within its meaning any portable peripheral devices such as projectors or printers which are designed to be carried and used in conjunction with the **Portable Computer Equipment**

or as may be more specifically described in the Schedule

### Data Carrying Materials

**Data Carrying Materials** shall mean

Removable magnetic optical or electronic data storage media currently in use or used for backup purposes for programs or data

**Data Carrying Materials** does not include within its meaning any fixed disks or paper records

### Premises

**Premises** shall mean

Where The Insured is sole occupier of a building the entire building or where the building is not in the sole occupation of The insured those parts of the building which are in their exclusive occupation and use



## HSB Engineering Insurance Limited

### **Virus or Similar Mechanism**

**Virus or Similar Mechanism** shall mean

Any 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

The definition of **Virus or Similar Mechanism** includes but is not limited to Trojan horses worms and logic bombs

### **Maintenance Agreement**

**Maintenance Agreement** shall mean

An agreement with the manufacturers or other approved company in respect of the **Computer Equipment** providing for

- (a) free repairs to or replacement of the **Computer Equipment** following breakdown or stoppage from any internal cause
- (b) preventative maintenance or adjustment of mechanical moving parts

### **Denial of Service Attack**

**Denial of Service Attack** shall mean

Any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

**Denial of Service Attacks** include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks



## HSB Engineering Insurance Limited

### DEFINITIONS APPLYING TO SECTION 2 AND 3

#### Accident

**Accident** shall mean

- (a) Sudden and unforeseen loss of or damage including breakdown or derangement to **Computer Equipment** insured under Section 1 - Hardware from any cause not excluded
- (b) Loss or corruption of data insured under Section 2 - Reinstatement of Data
- (c) Failure or fluctuation of the public supply of electricity to the **Computer Equipment** at any **Premises** specified in The Schedule
- (d) Accidental failure of any data transmission network used in connection with the **Computer Equipment** provided that
  - (i) any equipment used by The Insured in connection with the data transmission network shall have been accepted by the transmission authority as properly installed and compatible with the network
  - (ii) The Company shall not be liable for loss resulting from accidental failure of any data transmission network where the length of time of such failure does not exceed 4 hours
  - (iii) The Company shall not be liable for loss resulting from such accidental failure due to atmospheric solar or lunar conditions causing temporary interference with any satellite
- (e) Damage from any cause not excluded to any property in the vicinity of or being part of the **Premises** which shall prevent or hinder the use of the **Computer Equipment** or access to the **Premises** whether the **Computer Equipment** or other property at the **Premises** shall be damaged or not

#### Verified

**Verified** shall mean

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

### DEFINITION APPLYING TO SECTION 3

#### Indemnity Period

The period beginning with the occurrence of an **Accident** and ending not later than the last day of the period specified in The Schedule as the Indemnity Period during which the results of the operations of The Insured shall be affected in consequence of the **Accident**



## HSB Engineering Insurance Limited

### CONDITIONS APPLYING TO SECTION 1 ONLY

#### Declaration of Values

1. The Insured shall prior to each renewal supply The Company with declarations of the new replacement value of each of the categories of **Computer Equipment**

#### Basis Of Settlement

2. In the event of a claim for which liability is accepted under this Specification the basis upon which the amount payable is to be calculated shall be
  - (a) Where any item of **Computer Equipment** is lost or damaged to the extent that repair is uneconomic or impractical its replacement by new **Computer Equipment** of equal performance and/or capacity or if such be impossible its replacement by **Computer Equipment** having the nearest higher performance and/or capacity to the **Computer Equipment** lost or damaged
  - (b) Where the **Computer Equipment** is damaged the repair of the damage and the restoration of the damaged portion of the **Computer Equipment** to a working condition substantially the same as but not better or more extensive than its condition when new

Provided that

- (i) The liability of The Company for loss of or damage to **Computer Equipment** shall not exceed the Sum Insured stated in The Schedule or additionally provided under the Automatic Cover Extension
- (ii) The work of repair or replacement must be commenced and carried out with reasonable despatch and in any case must be completed within six months after the destruction or damage or within any further period of time as The Company may allow
- (iii) No payment beyond the amount which would have been payable if this Condition had not been incorporated shall be made until the cost of repair or replacement has been incurred
- (iv) No payment beyond the amount which would have been payable if this Condition had not been incorporated shall be made if at the time of any destruction or damage to the **Computer Equipment** insured it shall be covered by any other insurance held by or on behalf of The Insured which differs in basis of settlement from this insurance
- (v) Each item insured under this Specification is declared to be separately subject to the following condition of average namely

If at the time of repair or replacement the sum representing 85% of the cost which would have been incurred in the event there had been a total loss exceeds the Sum Insured or any further increase allowed under the provisions of the Automatic Cover Extension at the time of any loss or damage to the **Computer Equipment** The Insured shall be considered as being his own insurer for the difference and bear a rateable proportion of the loss or damage accordingly

- (vi) Where by reason of the above provisions no payment is made beyond the amount which would have been payable if this Condition had not been incorporated the rights and liability of The Company and The Insured in respect of the destruction or damage shall be subject to the terms Conditions and Exclusions of this Policy as if this Condition had not been incorporated

#### Back Up Programs

3. The Insured shall maintain a regularly updated and **Verified** back-up copy of all insured software and programs

#### Unattended Vehicles

4. Whenever **Computer Equipment** is being transported by vehicle and the vehicle is left unattended the **Computer Equipment** shall be kept out of sight in a securely locked luggage compartment or secure container and all windows or openings are to be closed and all doors locked

When **Computer Equipment** is left in an unattended vehicle overnight the vehicle shall be kept in a secure or attended garage or yard



## HSB Engineering Insurance Limited

### CONDITIONS APPLYING TO SECTIONS 2 AND 3

#### Back Up Records

1. The Insured shall maintain a minimum of 2 generations of **Verified** back-up computer records taken at intervals no less frequently than 48 hours one copy as a minimum being held off site and take all reasonable precautions to store and maintain records in accordance with the makers recommendations

### GENERAL EXCLUSIONS APPLYING TO ALL SECTIONS

The Company shall not be liable for

#### Consequential Loss

1. Loss of use of **Computer Equipment** or any other consequential loss other than as specifically insured under Section 2 - Reinstatement of Data & Section 3 - Increased Costs of Working of this Specification

#### Theft Limitation

2. Interruption or loss of or damage to **Computer Equipment** data programs or software due to theft or attempted theft unless such loss or damage is accompanied by visible signs of forcible and violent entry to or exit from the perimeter protections of the **Premises** in which the **Computer Equipment** is situated (or transporting vehicle in the case of **Portable Computer Equipment** or **Computer Equipment** covered under the Temporary Removal Extension)

#### Application Of Excess

3. One Excess shall be applied to any one loss across all Sections other than where the provisions of Exclusion 1 applying to Section 3 - Increased Costs of Working apply in respect of increased excess for non maintained **Computer Equipment**

#### Bespoke Software

4. Loss or damage arising from loss corruption or damage to bespoke software or individually tailored packages unless The Insured has in force a software support agreement with the supplier or a third party maintainer approved by the supplier

#### Operation Of Protective Devices

5. Loss interruption or interference directly or indirectly due to correct operation of safety or protective devices

#### Parts Requiring Periodic Renewal

6. Any loss interruption or interference directly or indirectly due to failure of any part requiring periodic renewal

### EXCLUSIONS APPLYING TO SECTION 1 ONLY

The Company shall not be liable for

#### Breakdown

1. Loss of or damage to the **Computer Equipment** due to its breakdown or derangement unless The Insured has in force a **Maintenance Agreement**

#### Maintenance Agreement

2. Loss or damage recoverable under the **Maintenance Agreement** or any warranty or guarantee or which would be recoverable but for breach of the obligations of The Insured under such an agreement

#### Hire or Loan

3. Loss of or damage to **Computer Equipment** whilst hired out or loaned out



## **HSB** Engineering Insurance Limited

### **EXCLUSIONS APPLYING TO SECTION 3 ONLY**

The Company shall not be liable for

#### **Increased Excess - Non Maintained Computer Equipment**

1. Increased Costs Of Working incurred during the first 48 hours following the failure of any item of **Computer Equipment** due to its breakdown or derangement where a maintenance agreement is not in force on the item

#### **Deliberate Act of Supply Authority**

2. Loss consequent upon the total or partial failure of the supplies of electricity or any communications network caused by
  - (a) deliberate act of any supply authority unless performed for the sole purpose of safeguarding life or protecting a part of any supply authority's system
  - (b) scheme of rationing unless necessitated solely by physical damage to a part of the supply authority's system
  - (c) strike or lock-out total or partial withdrawal of labour or partial or complete cessation of work
  - (d) drought



## HSB Engineering Insurance Limited

### OPTIONAL ENDORSEMENTS

Subject otherwise to the terms Conditions and Exclusions of this Policy the following Endorsements will only apply in respect of items against which the Endorsement code appears in the Schedule

#### **FSB - Fire and Special Perils Exclusion (Premises Only)**

The Company shall not be liable for loss or damage caused by or arising out of

- (i) fire lightning explosion earthquake flood inundation storm tempest escape of water from water containing apparatus leakage from sprinkler installations aircraft and other aerial devices or articles dropped therefrom or malicious damage
- (ii) theft or any attempt thereat

whilst the Insured Property is at the **Premises**

Subject otherwise to the terms Conditions and Exclusions of this Policy

#### **FSN - Residual Breakdown Limitation (Premises Only)**

The Company shall not be liable for loss or damage caused by or arising out of

- (i) fire lightning explosion earthquake flood inundation storm tempest escape of water from water containing apparatus leakage from sprinkler installations aircraft and other aerial devices or articles dropped therefrom or malicious damage
- (ii) theft or any attempt thereat
- (iii) accidental damage
- (iv) failure or fluctuation of power supply

whilst the Insured Property is at the **Premises**

Subject otherwise to the terms Conditions and Exclusions of this Policy

#### **PSN - Residual Breakdown Limitation**

The Company shall not be liable for loss or damage caused by or arising out of

- (i) fire lightning explosion earthquake flood inundation storm tempest escape of water from water containing apparatus leakage from sprinkler installations aircraft and other aerial devices or articles dropped therefrom or malicious damage
- (ii) theft or any attempt thereat
- (iii) accidental damage
- (iv) failure or fluctuation of power supply

Subject otherwise to the terms Conditions and Exclusions of this Policy

#### **FEA - Fire Perils Exclusion (Own Premises)**

The Company shall not be liable for loss or damage caused by or arising out of fire lightning explosion earthquake aircraft and other aerial devices or articles dropped therefrom whilst the Insured Property is at the **Premises**

Subject otherwise to the terms Conditions and Exclusions of this Policy