

Policy handbook  
**Industrial All Risk**  
(Loss of Profits)



# Table of contents

---

1	Exceptions	5
2	Policy Conditions	9

In consideration of the Insured having paid or agreed to pay to the Insurer (hereinafter referred to as Company) the first premium shown in the Schedule.

The Company named herein hereby agree subject to the terms exceptions limits and conditions contained herein or endorsed hereon (hereinafter referred to as 'the Terms of the Policy') that if during the Period of Insurance or during any further period in respect of which the Insured shall have paid and the Company shall have accepted the premium required any building or other property or any part thereof used by the Insured at the Premises for the purpose of the Business shall be accidentally physically lost destroyed or damaged (hereinafter referred to as 'Damage') and the Business carried on by the Insured at the Premises be in consequence thereof interrupted or interfered with then the Company will pay to the Insured in respect of each item in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions therein contained.

**PROVIDED THAT**

1. At the time of the happening of the Damage there shall be in force an insurance covering the interest of the Insured in the property at the Premises against such Damage and that payment shall have been made or liability admitted therefor under such insurance.
2. The liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the total sum insured hereby or such other sum or sums as may be substituted therefor by memorandum hereon or attached hereto signed by or on behalf of the Company.

# 1 Exceptions

The Company will not indemnify the Insured in respect of loss directly or indirectly occasioned by or happening through or in consequence of:

1. a) Electrical or mechanical breakdown or derangement of plant machinery or equipment.
- b) Deterioration of property due to change in temperature or humidity or failure or inadequate operation of an air-conditioning cooling or heating system.
- c) Subsidence ground heave landslip erosion settling or cracking .

UNLESS EITHER

- i) Caused by :  
Fire  
Lightning  
Explosion (for the purposes of this Exception "explosion" shall not mean the bursting or disruption of turbines compressors transformers

rectifiers switchgear engine cylinders hydraulic cylinders fly-wheels or other moving parts subject to centrifugal force or boilers economisers or other vessels machinery or apparatus in which pressure is used).

Aircraft or other aerial devices or articles dropped therefrom .

Impact by vehicles watercraft locomotives or rolling stock .

Earthquake.

Riot or malicious acts.

Strikers locked-out workers or persons taking part in labour disturbances.

Storm tempest or flood

OR

- ii) Resulting in the occurrence of any of the events in (i) above then the Company will only indemnify the Insured under the Terms of the Policy in respect of the loss

resultant from such damage.

2. Damage to:
  - a) Property in course of manufacture if such loss destruction or damage is sustained while the property is being actually worked on and directly resulting from such work
  - b) Property in course of construction or erection
  - c) Boilers economisers turbines or other vessels machinery or apparatus in which pressure is used or their contents resulting from their explosion or rupture
  - d) Plant machinery or equipment during installation dismantling or the stripping down and assembly in respect of any re-sitting operations
  - e) Electrical equipment or wiring caused by electrical current (other than lightning)
  - f) Money cheques bullion negotiable instruments and

- securities of all kinds
- g) Animals growing crops or standing timber.
- h) Dams reservoirs piers wharves jetties bridges or tunnels.
- i) Any vehicle licensed for road use railway locomotives and rolling stock water craft or aircraft or property contained in water craft or aircraft.
- j) Property whilst in transit other than at any premises described in the Schedule.
3. a) Dishonesty fraudulent action trick device or other false pretence.
- b) Theft unless accompanied by violence to persons or threat of violence of forcible and violent entry to or exit from the Premises.
- c) Unexplained or mysterious disappearance or shortage revealed at any periodic inventory or shortages in the supply or delivery of materials or loss or shortage due to clerical or accounting error.
- d) The replacing or rectifying defective materials workmanship design or defect or omission in design plan or specification.
- e) Contamination pollution wear and tear corrosion vermin fungus rot gradual deterioration deformation or distortion shrinkage evaporation loss of weight change in flavour colour texture or finish or action of light.
- f) Normal upkeep or normal making good.
- g) The freezing or solidification of molten material.
4. Damage to storm tempest water hail frost or snow to property
- a) In the open (other than buildings structures and plant designed to exist and operate in the open).
- b) Contained in open-sided buildings.
- UNLESS so described and specifically insured as a separate item in the Schedule.
5. The amount stated in the Schedule as the Deductible in respect of each and every occurrence or series of occurrences consequent on or attributable to one source or original cause giving rise to loss the subject of indemnity under this Policy.
6. Loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
- a) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power.

- b) Confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
- c) Any act of terrorism.
- For the purpose of this Exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or 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.
- This Exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (a), (b) and/or (c) above.
- If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.
- In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
7. Or contributed to by:-
- a) Nuclear weapons material.
- b) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exception 7(b) combustion shall include any self-sustaining process of nuclear fission.
8. Losses arising, directly or indirectly from:
- 1) The loss of, alteration of or damage to or
- 2) A reduction in the functionality, availability or operation of a computer system, hardware, programme, software, data, information repository, microchip, integrated circuit or similar device in computer equipment that results from the malicious or negligent transfer (electronic or otherwise) of a computer programme that contains any malicious and or damaging code, including but not limited to computer virus, worm, logic bomb, or Trojan horse and which can be identified as the cause of loss do not in and of themselves constitute a claim under this policy.
9. a) Any loss or destruction of or damage to property

or consequential loss arising therefrom or any other loss cost or expense directly or indirectly caused by or consisting of or arising from or

b) Any legal liability directly or indirectly caused by or contributed to by or arising from the inability or failure of any computer data processing equipment or media microchip integrated circuit or similar device or any computer software whether the property of the Insured or not and whether occurring before during or after the year 2000:

i) Correctly to recognise any date as its true calendar date or

ii) To capture save or retain and/ or correctly to manipulate interpret or process any data information command or instruction as a result of treating any

date otherwise than as its true calendar date or

iii) To capture save or retain and/ or correctly to manipulate interpret or process any data or information as a result of the operation of any command which has been programmed into any computer software which causes loss of data or information or the inability to capture save retain or correctly to process such data or information on or after any data.

But this does not exclude subsequent loss destruction or damage arising therefrom as insured and not otherwise excluded by the policy which itself results from any of the following named perils which are insured by the Cover under which the loss arises.

Named perils

Fire lightning explosion aircraft aerial devices or articles falling from them riot civil commotion strikers locked out workers persons taking part in labour disturbances malicious persons thieves robbers earthquake storm flood escape of water from any tank apparatus or pipe impact by a road vehicle or animal or subsidence.

## 2 Policy Conditions

### 1. Definition

This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such meaning wherever it may appear.

### 2. Misdescription

If there be any material misdescription of the Business or Premises to which this insurance refers or any misrepresentation as to any fact material to be known for estimating the risk or any omission to state such fact the Company shall not be liable upon this Policy.

### 3. Alteration

The insurance by this Policy shall cease if:

- The Business be wound up or carried on by a Liquidator or Receiver or permanently discontinued.
- The Insured's interest ceases otherwise than by death.
- Any alteration be

made either in the Business or in the Premises or property therein whereby the risk of Damage is increased at any time after the commencement of this insurance unless its continuance be admitted by memorandum signed by or on behalf of the Company.

### 4. Property Damage Rate of Premium

Notice shall be given to the Company and if required an additional premium paid if the rate of premium payable in respect of the insurance covering the interest of the Insured in the property at the Premises against Damage shall be increased.

### 5. Cancellation

This Policy may be terminated at any time at the request of the Insured in writing in which case the Company will retain the customary short period rate for the time the Policy has been in force. This Policy may also be terminated at any time at the option of the Company,

on thirty days notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a rateable proportion of the Premium for the unexpired term from the date of the cancellation.

### 6. Claims

On the happening of any Damage in consequence of which a claim is or may be made under this Policy the Insured shall forthwith give notice thereof in writing to the Company and shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss and in the event of any claim being made under this Policy shall not later than 30 days after the expiry of the Indemnity Period or within such further time as the Company may in writing allow at his own expense deliver to the Company in writing a statement setting forth particulars of his claim together with details

of all other insurance (if any) covering the Damage or any part of it or consequential loss of any kind resulting therefrom.

The Insured shall at his own expense produce procure and give to the Company such books of account and other business books vouchers invoices balance sheets and other document proofs information explanation and other evidence as may reasonably be required by or on behalf of the Company for the purpose of investigating or verifying the claim together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this Policy shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect any payment on account of the claim already made shall be repaid to the Company forthwith.

## 7. Forfeiture

If any claims upon

this policy be in any respect fraudulent or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy or if the loss destruction or damage be occasioned by the wilful act or with the connivance of the Insured all benefit under this Policy shall be forfeited

## 8. Time Limitation

If a claim be made and rejected and an action or suit be not commenced within three months after such rejection or (in case of an arbitration taking place in pursuance of the Condition 11 of this Policy) within three months after the Arbitrator shall have made his award all benefit under this Policy shall be forfeited.

## 9. Subrogation

The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing

any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon their paying for any loss under this Policy whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

## 10. Contribution

If at the time of any loss under this Policy there be any other subsisting insurance or insurance whether effected by the Insured or by any other person or persons covering such loss or any part of it the Company shall not be liable to pay or contribute more than their rateable proportion of such loss destruction or damage.

## 11. Arbitration

If any difference arises out of this Policy the Company shall immediately notify the Insured in writing of his right to refer the difference to arbitration Such difference shall be referred to the decision of an Arbitrator to be appointed in writing by

the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or in case the Arbitrators do not agree of an Umpire appointed in writing by the Arbitrators before entering upon the reference The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award shall be a condition precedent to any right of action against the Company if the Company shall disclaim liability for any claim hereunder and such claim shall not within twenty four calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

## 12. Observance Of Conditions

The due observance and fulfillment of the terms conditions and endorsements of this Policy by the Insured in so far as they relate to anything to be done or complied with by them shall be conditions precedent to any liability of the Company to make payment under this Policy.



**UAE: 800 292**  
**Bahrain: 8000 1060**  
**Oman: 800 70 292**  
**Qatar: 800 29 21**  
[gig-gulf.com](http://gig-gulf.com)

**Gulf Insurance Group (Gulf) B.S.C. (c)**

UAE: Registered in the Insurance Companies Register - Certificate no. (69) dated 22/01/2002.  
Subject to the provisions of Federal Law no. (6) of 2007 concerning the establishment of Insurance Authority and Organisation of its work.

Bahrain: A company incorporated in the Kingdom of Bahrain (CR 22373) with an authorised and paid up capital of BD 15,000,000 and regulated by the Central Bank of Bahrain as a Bahraini insurance licensee.

Oman: A foreign branch of Gulf Insurance Group (Gulf) B.S.C. (c), a company incorporated in the Kingdom of Bahrain and registered with the Ministry of Commerce, Industry & Investment Promotion in the Sultanate of Oman under the Commercial Registration no. 1112244 and holding insurance registration no. 6 issued by the Capital Market Authority.

Qatar: A foreign branch of Gulf Insurance Group (Gulf) B.S.C. (c) and registered in the Qatar Financial Centre under QFC License no. 00024 and authorised by the Qatar Financial Centre Regulatory Authority.