

# Section F - Business Interruption - Loss of Income

## The schedule will show if this section applies and the cover is in force

To the extent that you are accountable to the tax authorities for Value Added Tax all terms in this section shall be exclusive of such tax

For the purpose of these definitions any adjustments implemented in current cost accounting shall be disregarded

## Definitions

Each time any of the following words or phrases appear in this section in bold type (or in capital letters in the schedule) they will take the specific meaning shown below or if not defined below in the General Definitions

Where words or phrases are not highlighted in this manner the everyday meaning will apply

**Adjusted** means adjusted as necessary to provide for the trend of the **Business Activity** and any other circumstances affecting the **Business Activity** either before or after the **Damage** or which would have affected the **Business Activity** had the **Damage** not occurred so that the adjusted figures represent as near as possible the results which would have been obtained during the relative period after the **Damage** had the **Damage** not occurred

**Annual Income** means the **Income** during the 12 months immediately before the date of the **Damage Adjusted**

**Computer Equipment** means equipment that is electronic computer or other data processing equipment including all forms of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment software and peripherals used in conjunction with such equipment belonging to **You** or for which **You** are responsible

**Damage** means destruction or damage caused by any of the **Insured Events**

**Estimated Income** means **Your** estimate of **Income** which **You** anticipate the **Business Activity** will earn during the financial year most closely corresponding with the period of insurance (proportionately increased if the maximum indemnity period exceeds 12 months)

**Income** means the money paid or payable to **You** for goods sold and delivered and for services rendered in the course of the **Business Activity** at the **Farm**

**Indemnity Period** means the period beginning with the occurrence of the **Damage** and ending when the results of the **Business Activity** shall cease to be affected by the **Damage** but not exceeding the maximum indemnity period being the number of months stated in the schedule

**Insured Events** means unless stated otherwise in the schedule those Perils which are insured by the Property Damage section

For the purpose of this section 'explosion' shall include explosion of any boiler or economiser on the **Farm**

**Suppliers** means suppliers to **You** of goods or services other than electricity gas water or telecommunications services

## Cover

**We** will pay **You** for loss of **Income** if any property used by **You** at the **Farm** suffers **Damage** during the period of insurance and as a result the **Business Activity** at the **Farm** is interrupted or interfered with

Provided that

- (1) **Our** liability shall not exceed the sum insured as shown in the schedule for this section
- (2) at the time of the **Damage** there is insurance in force covering **Your** interest in the property at the **Farm** against **Damage** and payment shall have been made or liability admitted under that insurance (but this proviso shall not apply if no payment is made solely due to an **Excess**)

### **Amount payable**

The amount payable is limited to

- (a) loss of **Income** sustained in consequence of the happening of an **Insured Event** as shown by comparing the **Income** earned during the **Indemnity Period** with the **Income** which it is estimated would have been earned during such period had the **Damage** not occurred
- (b) additional cost of working being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in loss of **Income** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction in **Income** avoided

less any sum saved during the **Indemnity Period** for such expenses of the **Business Activity** payable out of **Income** which cease or are reduced as a result of the **Damage**

Provided that the amount payable shall be proportionately reduced if the sum insured by the relevant item is less than the appropriate **Annual Income** or a proportionately increased multiple of the above where the maximum indemnity period exceeds 12 months

In the absence of written notice by **You** or **Us** to the contrary **Our** liability shall not be reduced by the amount of any loss provided that **You** pay the appropriate additional premium for such automatic reinstatement of cover

### **Alternative trading clause**

If during the **Indemnity Period** services are provided goods are sold or the **Business Activity** is conducted elsewhere than at the **Farm** for the benefit of the **Business Activity** either by **You** or by others on **Your** behalf the money paid or payable for such services sales or rent will be taken into account in arriving at the **Income** during the **Indemnity Period**

### **Professional accountants' charges**

Any details contained in **Your** business books which are requested by **Us** for the purpose of dealing with **Your** claim can be produced by **Your** professional accountants and their report shall be accepted as evidence of these details

**We** will pay to **You** the reasonable charges payable by **You** to **Your** professional accountants for producing these details or any other information requested by **Us**

The sum of amount payable under this clause and the amount otherwise payable under this section shall not exceed the sum insured

### **Payments on account**

At **Your** request **We** may at **Our** absolute discretion make payments on account during the **Indemnity Period** subject to any necessary adjustment being made upon conclusion of the claim

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## Extensions

This section is extended to cover loss resulting from interruption of or interference with the **Business Activity** carried on by **You** at the **Farm** as result of the following

### 1 Prevention of access

Access to or use of the **Farm** being prevented or hindered by

- (a) **Damage** to neighbouring property by any of the **Insured Events**
- (b) any action of Government Police or Local Authority due to an emergency which could endanger human life or neighbouring property

Excluding

- (i) any loss covered under the Utilities extension
- (ii) in respect of (b) any restriction of use of less than 4 hours
- (iii) any period when access to the **Farm** was not prevented or hindered
- (iv) closure or restriction in the use of the **Farm** due to the order or advice of the competent local authority as a result of an occurrence of an infectious disease (or the discovery of an organism resulting in or likely to result in the occurrence of an infectious disease) food poisoning defective drains or other sanitary arrangements or vermin or pests

**Our** liability for any one occurrence shall not exceed £10,000

### 2 Utilities

**Damage** by any of the **Insured Events** at any

- (a) generating station or sub-station of **Your** electricity supplier
- (b) land-based premises of **Your** gas supplier or any directly linked natural gas producer
- (c) water works or pumping station of **Your** water supplier
- (d) land-based premises of **Your** telecommunications services provider

**Our** liability for any one occurrence shall not exceed £10,000

### 3 Failure of supply

Failure of the supply to **Your Farm** of electricity gas or water from any cause other than the deliberate act of the supplier in withholding or restricting supply

Excluding any restriction of use of less than 4 hours

**Our** liability for any one occurrence shall not exceed £5,000

### 4 Suppliers' extension

**Damage** by any of the **Insured Events** at the site of any of **Your Suppliers** within the **Geographical Limits**

**Our** liability for any one occurrence shall not exceed £10,000

### 5 Customers' extension

**Damage** by any of the **Insured Events** at the site of any of **Your** customers within the **Geographical Limits**

**Our** liability for any one occurrence shall not exceed £10,000



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