



**WAVELENGTH PORTS AND TERMINALS CONSORTIUM
SECTION 4 - BUSINESS INTERRUPTION WORDING.**

1. **LOSS, IF ANY, PAYABLE** to Assured or Loss Payee, as identified in the Insurance Schedule.

2. INSURING CLAUSES

In consideration of the payment of the premium, Underwriters hereby agree, subject to the General Policy Provisions and the Section 4 limits as set out in the Insurance Schedule, to indemnify the Assured for loss of profit, increased cost of working and costs and expenses as set out in clause 3, arising from an interruption to the Assured's Operations caused by:

2.1 physical loss or physical damage to Insured Property or Insured Handling Equipment;

2.2 an Accident causing a blockage of:

A. An insured berth or insured quay (as specified in the Insurance Schedule) owned by or leased to the Assured and used in the Assured's Insured Operations for the purpose of mooring vessels.

B. Any approach channel or waterway;

C. Any land access immediately adjacent to the Confines of the Port, Terminal or Insured Location as specified in the Insurance Schedule.

2.3 interruption to electrical supply to Insured Property or Insured Handling Equipment which is beyond the control of the Assured

Provided that such interruption results in the Assured being wholly or partially unable to perform their Insured Operation(s) for a period commencing within the Policy period.

This applies to paragraph 2.1 to 2.3.

3. CALCULATION OF LOSS

3.1 Loss of Profit. This shall be calculated by taking the reduction in the Assured's revenue derived from their Insured Operation(s) during the Loss Period less any savings the Assured may have, including but not limited to savings in working expenses, standing charges, taxes or the like, and less any increase in revenue at another of the Assured's location(s); and

3.2 Increased Cost of Working. This being costs and expenses reasonably and necessarily incurred by the Assured during the Loss Period for averting or minimising a loss covered under this Section 4. Such costs and expenses must not exceed the potential loss that the Assured is seeking to avert or minimise; and

3.3 Costs and expenses incurred by the Assured while investigating an Accident covered under this Section 4 and incurred protecting the interests of the Assured provided that such costs and expenses have been agreed by Underwriters,

4. EXCLUSIONS

This Section 4 does not cover:

- 4.1 The Assured's liability for any tax of any description;
- 4.2 Any loss arising from subsidence, landslip, avalanche or volcanic eruption or any excluded peril contained within the Property Damage or Handling Equipment Sections or the exclusions contained within the General Policy Provisions ;
- 4.3 Any loss arising from strikes or riots;
- 4.4 Any loss arising from faulty workmanship occurring during the execution of repairs;
- 4.5 Any loss arising from failure or delay in performance of any contractual obligation or guarantee;
- 4.6 Any loss for any period during which the Assured's Operations would not have continued for any reason other than the covered loss or damage;
- 4.7 Any increase in cost resulting from the suspension, lapse or cancellation of any lease, licence, contract or order;
- 4.8 Any increase in loss caused by the enforcement of a law or regulation regulating the use, construction, repair or demolition of any Insured Property or Insured Handling Equipment ;
- 4.9 Any loss arising as a consequence of insolvency or appointment of an administrative receiver or similar circumstance.

5. LOSS PERIOD

The Loss Period, as set out in the Insurance Schedule, shall be the period commencing when the Loss of Profit or Increased Cost of Working starts by reason of an Accident for which the Assured is insured under this Policy, or in the case of clause 2.3 the interruption to the electrical supply, and not exceeding the lesser of:

- (a) such length of time as is reasonably required to repair or replace the lost or damaged Insured Property, or Insured Handling Equipment; or in the case of 2.2 end the blockage; or
- (b) the Loss Period specified in the Insurance Schedule .

Should the business interruption continue after the expiry of the Policy, Underwriters will nevertheless make payment for the continuing interruption up to the limit of indemnity set out in this clause, and the Insurance Schedule.

6. MATERIAL DAMAGE PROVISIO

It is a condition precedent to Underwriter's liability under clause 2.1. that payment has been made or liability admitted under the Property Damage or Handling Equipment Sections of the Policy. If payment has not been made or liability accepted, then Underwriters will not make any payment, or consider a claim under clause 2.1.

**THIS SECTION IS TO BE READ IN CONJUNCTION WITH THE GENERAL
POLICY PROVISIONS, AND THE INSURANCE SCHEDULE AND THE
QUESTIONNAIRE ALL OF WHICH FORM PART OF THE POLICY**

1/04
LSW1522