



CAPACITY
BY JOE FLOOD
INSURANCE

ENDORSEMENT

BUSINESS INTERRUPTION EXTENSION

In consideration of the premium paid, and subject to the EXCLUSIONS, CONDITIONS AND LIMITATIONS of the policy to which this Extension is attached and also to the FOLLOWING ADDITIONAL CONDITIONS, EXCLUSIONS AND LIMITATIONS, this **policy** is extended to cover loss resulting from necessary Interruption of Business caused by **direct physical loss by or from flood** to property, as insured against by the **policy** to which this Extension is attached.

In the event of such **direct physical loss by or from flood**, we shall be liable for the actual loss sustained by you and resulting directly from such necessary Interruption of Business, but not exceeding the reduction in **Gross Earnings** less charges and expenses which are not necessary during the Interruption of Business, for a period not to exceed the lesser of:

a) such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged,

or

b) twelve (12) calendar months,

commencing with the date of such **direct physical loss by or from flood** and not limited by the expiration of this policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume your operations with the same operational capability as existed immediately before the loss.

CONDITIONS

1. Direct Loss or Damage

No claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of **direct physical loss by or from flood** to property insured under the **policy** to which this Extension is attached and which gave rise to Interruption of Business.



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This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a proviso in the **policy** to which this Extension is attached which excludes liability for losses below a specified amount.

2. Resumption of Operations

If you could reduce the loss resulting from the Interruption of Business,

a) by complete or partial resumption of operation of the property,

and/or

b) by making use of **Merchandise, Stock (Raw, In Process or Finished)**, or any other property at your locations or elsewhere,

and/or

c) by using or increasing operations elsewhere,

then such possible reduction shall be taken into account in arriving at the amount of loss hereunder.

3. Expenses to reduce Loss

This Extension also covers such expenses as are necessarily incurred for the purpose of reducing loss under this Extension (except expenses incurred to extinguish a fire), and, in respect of manufacturing risks, such expense, in excess of **Normal**, as would necessarily be incurred in replacing **Finished Stock** used by you to reduce loss under this Extension; but in no event to exceed the amount by which loss under this Extension is thereby reduced. Such expenses shall not be subject to the application of any contribution clause.

EXCLUSIONS

This Extension does not insure against:

1. increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;



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2. increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured Interruption of Business, and then we shall be liable for only such loss as affects your earnings during, and limited to, the period of indemnity covered under this **policy**;
3. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. loss of market or any other consequential loss.

LIMITS

We shall not be liable for more than the Limit of Liability stated on the declarations page of this **policy**, after application of the Deductible, in respect of such Loss, regardless of the number of locations suffering an interruption of business as a result of any one **Loss Occurrence**.

DEDUCTIBLE

Each **Loss Occurrence** shall be adjusted separately, and from the amount of each adjusted **Loss Occurrence** the applicable amount or percentage as stated on the declarations page of this **policy** shall be deducted.

LIMITATION

With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment, as a result of **direct physical loss by or from flood**, the length of time for which we shall be liable hereunder shall not exceed:-

- a) thirty (30) consecutive calendar days or the time required with exercise of due diligence and dispatch to reproduce the data thereon from duplicates or from originals of the previous generation, whichever is less; or,
- b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed, but not exceeding twelve (12) calendar months,



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whichever is the greater length of time.

DEFINITIONS

1. **Gross Earnings** are for the assessment of premium and for adjustment in the event of loss defined as,

The sum of:

- a) total net sales value of production or sales of **Merchandise**,
and
- b) other earnings derived from the operations of the business, less the cost of
 - i. **Raw Stock** from which production is derived,
 - ii. supplies consisting of materials consumed directly in the conversion of such **Raw Stock** into **Finished Stock**, or in supplying the services sold by you,
 - iii. **Merchandise** sold including packaging materials therefore,
 - iv. materials and supplies consumed directly in supplying the service(s) sold by you,
 - v. service(s) purchased from outsiders (not your employees) for resale which do not continue under contract,
 - vi. the difference between the cost of production and the nett selling price of **Finished Stock** which has been sold but not delivered.

No other costs shall be deducted in determining **Gross Earnings**.

In determining **Gross Earnings** due consideration shall be given to the experience of the business before the date of loss or damage and the probable experience thereafter had loss not occurred.

2. **Raw Stock:** Material in the state in which you receive it for conversion into **Finished Stock**.



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3. **Stock in Process: Raw Stock** which has undergone any ageing, seasoning, mechanical or other process of manufacture at your premises but which has not become **Finished Stock**.
4. **Finished Stock:** Stock manufactured by you which in the ordinary course of your business is ready for packing, shipment or sale.
5. **Merchandise:** Goods kept for sale by you which are not the product of manufacturing operations conducted by you.
6. **Normal:** The condition that would have existed had no loss occurred.
7. **Policy:** As defined in the policy to which this Endorsement is attached.
8. **Loss Occurrence:** As defined in the policy to which this Endorsement is attached.
9. **Declarations Page:** As defined in the policy to which this Endorsement is attached.
10. **Direct physical loss by or from flood:** As defined in the policy to which this Endorsement is attached

All other terms and conditions remain unaltered



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RENTAL INCOME EXTENSION

In consideration of the premium paid, and subject to the terms and conditions of the **policy** to which this Extension is attached, and also to the following ADDITIONAL CONDITIONS AND EXCLUSIONS, this **policy** is extended to cover loss resulting from necessary untenantability caused by **direct physical loss by or from flood** to property, as insured against by the **policy** to which this Extension is attached.

In the event of such **direct physical loss by or from flood**, we shall be liable for the actual loss sustained by you resulting directly from such necessary untenantability, but not exceeding the reduction in **Rental Income**, less charges and expenses which are not necessary during the period of untenantability, for only such length of time as would be required, with the exercise of due diligence and dispatch to repair, rebuild or replace such part of the property as has been destroyed or damaged. However, such length of time shall not exceed eighteen (18) months commencing with the date of such **direct physical loss by or from flood** and not limited by the expiration of this Policy.

CONDITIONS

Direct Loss or Damage

No claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of **direct physical loss by or from flood** to property insured under the **policy** to which this Extension is attached and which gave rise to loss of **Rental Income**.

This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a proviso in the **policy** to which this Extension is attached which excludes liability for losses below a specified amount.

EXCLUSIONS

This Extension does not insure against:

1. increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;



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2. increase in loss caused by the suspension, lapse, or cancellation of any lease, license, contract, or order, unless such results directly from the insured untenantability, and then we shall be liable for only such loss as affects your income during, and limited to, the period of untenantability covered under this **policy**;
3. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. any other consequential loss.

LIMITS

Our liability for loss of **Rental Income** is included within the Limit of Liability stated on the declarations page of this **policy**, after application of the Deductible stated on the declarations page of this **policy**, in respect of such Loss, regardless of the number of locations suffering such untenantability as a result of any one **Loss Occurrence**.

DEDUCTIBLE

Each **Loss Occurrence** shall be adjusted separately, and from the amount of each adjusted **Loss Occurrence** the applicable amount or percentage as stated on the declarations page of this **policy** shall be deducted.

DEFINITIONS

For the purpose of this Extension:

1. **Rental Income** is defined as the sum of:
 - a) the anticipated gross rental income from tenant occupancy of the described property as furnished and equipped by you, and
 - b) the amount of all charges which are the legal obligations of the tenants and which would otherwise be your obligations, and
 - c) the fair rental value of any portion of such property which is occupied by you.



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In determining **Rental Income** due consideration shall be given to the rental experience before the date of damage or destruction and the probable experience thereafter had no loss occurred.

2. **Policy** is as defined in the policy to which this Endorsement is attached.
3. **Loss Occurrence** is as defined in the policy to which this Endorsement is attached.
4. **Declarations Page** is as defined in the policy to which this Endorsement is attached.
5. **Direct physical loss by or from flood** is as defined in the policy to which this Endorsement is attached.

All other terms and conditions remain unaltered