



GLEMHAM UNDERWRITING LIMITED

Design & Construction Professional Indemnity Certificate

Certificate Administration

Preamble

This is to certify that in accordance with the authorisation granted under the Contract (the number of which is specified in Item 17 of the **Schedule**) to the undersigned by certain Underwriters at Lloyd's whose names and the proportions underwritten by them which will be supplied on application can be ascertained by reference to the said Contract which bears the Seal of Lloyd's Signing Office (whom are hereinafter referred to as **We** and or **Us**) and in consideration of the premium specified herein **We** are hereby bound each for **Our** own part and not for another **Our** Executors and Administrators to insure in accordance with the terms and conditions contained herein or endorsed hereon

We hereby agree to the extent and in the manner hereinafter provided to indemnify **You** against loss or **Damage** sustained or legal liability for accidents happening during the **Period of Insurance** stated in the **Schedule** after such loss **Damage** or liability are proved provided always that

- 1 **Our** liability shall not exceed the limits of indemnity expressed in the said **Schedule** or such other limits of indemnity as may be substituted therefor by **Endorsement** hereon or attached hereto signed by or on **Our** behalf
- 2 this Certificate insures in respect only of such of the sections hereof as are so specified in the **Schedule**

In witness whereof this Certificate has been signed 100% with **Us**

Effected through Harman Wicks & Swayne Limited, 110 Fenchurch Street, London EC3M 5NA

Our obligations under contracts of insurance to which **We** subscribe are several and not joint and are limited solely to the extent of **Our** individual subscriptions

We are not responsible for the subscription of any co - subscribing Underwriters who for any reason do not satisfy all or part of their obligations

You are requested to read this Certificate and if it is incorrect return it immediately for alteration The Certificate is made and accepted subject to all the provisions conditions warranties and exclusions set forth herein attached or endorsed all of which are to be considered

Scope of Cover

This Certificate applies in respect of **Your** activities anywhere in the **Territory** but only in respect of **Business** conducted by **Your** companies listed in the **Schedule** from **Your** Premises

Conditions Precedent

These are conditions with which **You** must comply and failure to do so will invalidate **Your** right to indemnity under this Certificate

Certificate Jurisdiction

Unless endorsed to the contrary the construction interpretation and meaning of the provisions of this Certificate shall be determined in accordance with the law of England and Wales and any disputes relating thereto shall be submitted to the exclusive jurisdiction of the Courts of England however where **Your** registered office or principal place of business is situated in Scotland Northern Ireland Jersey Guernsey or the Isle of Man the law of that territory shall apply

Third Parties

A person who is not party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement but this does not affect any right or remedy of a third party which exists or is available apart from the Act

The Right to Cancel Cover

If this cover does not meet **Your** requirements **You** should return all documentation to **Your** Broker Intermediary or Agent who arranged the Certificate within 14 days of receipt whereupon **We** will return any premium paid in full however if there has been an insured event **Claim** or **Circumstance** (whether reported to **Us** or not) **We** shall be under no obligation to make any return of such premium

Termination

If **You** wish to terminate the cover provided by this Certificate at any other time after cover has commenced **You** should return all documentation to **Your** Broker Intermediary or Agent who arranged the Certificate. If there has been an insured event **Claim** or circumstance (whether reported to **Us** or not) **We** shall be under no obligation to make any return of premium. In all other circumstances **You** shall be entitled to the return of a proportionate part of the premium corresponding to the unexpired portion of the insurance subject to **Our** retaining **Our** designated minimum premium for the Certificate. Full details of minimum premiums may be obtained in writing from **Us**.

We may at any time cancel this Certificate by giving 30 days notice by registered post to **You** at **Your** last known address and in such event **You** shall become entitled to the return of a proportionate part of the premium corresponding to the unexpired portion of the insurance subject to **Our** retaining **Our** designated minimum premium for the Certificate.

How to Make a Claim

Claims must be made in accordance with the **Claims** notification provisions in Section 6.0 Claims Conditions of the Certificate. In the first instance **You** should contact the Broker Intermediary or Agent who arranged the Certificate quoting the Certificate number as set out in Item 1 of the **Schedule**.

Complaints and Enquiries

We are dedicated to providing the highest possible level of customer satisfaction in all areas of **Our** business. If for any reason **You** have a query or feel that the service **You** receive has fallen below those standards **You** should report this to **Us** at once. All complaints will be handled promptly and a policy of open communication will be adopted.

Any complaint should be addressed in the first instance to

The Managing Director
Glemham Underwriting Limited
1 Pound Farm Cottages
Great Glemham
Saxmundham
Suffolk
IP17 2DQ

Should **You** remain dissatisfied **You** can ask the Complaints Department at Lloyd's to review the Complaint. The address is

Complaints Department
Lloyd's
One Lime Street
London EC3M 7HA

Referral can also be made to the Financial Ombudsman Service after the Complaints Department at Lloyd's have completed their investigation process or eight weeks if this is earlier. The address is

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR

1.0 Definitions

A defined word or phrase will be printed in bold each time it appears in the Certificate except for headings and titles.

1.1 Application Form

The application or proposal form including all supporting information submitted to **Us** by **You** or on **Your** behalf and upon which **We** have underwritten the cover provided under this Certificate.

1.2 Bodily Injury

Death, bodily injury, illness, disease, mental anguish or nervous shock.

1.3 Business

Activities directly connected with the business described in the **Application Form** and specified in Item 5 of the **Schedule**.

1.4 Circumstance

An incident, occurrence, fact, matter, act, error, omission or event which could reasonably be foreseen to give rise to a **Claim**.

1.5 Claim

- (a) Any threat or demand or series of threats or demands whether verbal or written made against **You** for damages or compensation
- (b) Any notice of intention whether verbal or written to commence legal arbitration or adjudication proceedings

1.6 Collateral Warranty

Any written agreement signed by the contracting parties that creates a duty of care owed by **You** to any party other than **Your** direct client

1.7 Computer Virus

Any computer program including but not limited to any file virus boot sector virus macro virus hostile applet trojan horse program Java virus ActiveX virus or other executable program which contains instructions to initiate an event on the infected computer causing modification of or **Damage** to data memory or data media

1.8 Damage

Accidental loss destruction or damage

1.9 Documents

- (a) Documents whether written printed or reproduced by any other method (excluding any bearer bonds coupons bank or currency notes or other negotiable instruments)
- (b) Computer records and electronic data

entrusted to or deposited with **You** in the ordinary course of **Your Business** and for which **You** are responsible

1.10 Employee

Any person who is or was at the time of any **Claim** or **Circumstance** under a contract of service with **You** in respect of the conduct of **Your Business**

1.11 Endorsement

An alteration to the terms of this Certificate as specified in Item 15 of the **Schedule**

1.12 Excess

The amount shown in this Certificate and specified in Item 7 of the **Schedule** or any **Endorsement** which **You** must bear for each and every **Claim** and **You** will reimburse any such amount paid by **Us** immediately upon request

1.13 Government Action

The action taken by the government as a direct consequence of **War** or **Terrorism** whether or not resulting from the adoption of emergency powers

1.14 Period of Insurance

The period from the effective date of this Certificate until the expiry date of this Certificate specified in Item 4 of the **Schedule**

1.15 Pollution

Pollution consequent pollution seepage or contamination caused by contributed to or arising from any electronic solid liquid gaseous or thermal irritant or contaminant including but not limited to electromagnetic fields noise radio-waves smoke vapour water-borne disease soot fumes acids alkalis chemicals and waste Waste includes material to be recycled reconditioned or reclaimed

1.16 Premises

The premises stated in the **Application Form** and specified in Item 3 of the **Schedule** and any other premises or work site within the United Kingdom the Channel Islands or the Isle of Man from which **You** conduct **Your Business**

1.17 Product

Any commodity article or thing computer software and firmware (including their containers packaging labelling and instructions for use) designed specified manufactured supplied installed erected commissioned or maintained by **You**

1.18 Retroactive Date

The date specified in Item 8 the **Schedule**

1.19 Schedule

The document which specifies details of **You** the **Premises** the covers insured and any **Excess Endorsements** and other conditions applying to this Certificate

1.20 Territory

The Territory specified in Item 10 of the **Schedule**

1.21 Terrorism

Any act including but not limited to the use of force or violence and/or the threat thereof or the use of any **Computer Virus** electronic mail denial of service attack or other attack using electronic means against people property data or infrastructure by any person whether acting alone or on behalf of or in connection with any organisation or government committed for political religious ideological or similar purposes including the intention to influence any government and/or put the public or any section of the public in fear

1.22 War

War invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution or military or usurped power

1.23 We/Us/Our

Certain Underwriters at Lloyd's in respect of all sections evidenced by the Lloyd's Contract (the number of which is specified in Item 17 of the **Schedule**)

1.24 Territory

The Territory specified in Item 10 of the **Schedule**

1.25 You/Your/Yourself

- (a) The person company partnership unincorporated association or trading style specified in Item 2 of the **Schedule** as the Certificate Holder or any predecessor in business of such person partnership unincorporated association or trading style declared to **Us** in the **Application Form**
- (b) any person who is or was your partner director principal or **Employee** but only in respect of their employment with you
- (c) an Executor or Administrator of any person referred to in (a) or (b) above but only in respect of your employment of such person
- (d) any internet website or email identity adopted by the person company partnership unincorporated association or trading style specified in Item 2 of the **Schedule** as the Certificate Holder

2.0 The Cover

This cover is underwritten on a claims-made basis. This means that **We** will only handle and settle **Claims** that are first made during the **Period of Insurance** and notified in accordance with the Claims Conditions in Section 6 of this Certificate.

2.1 Claims Made Against You

We will pay on **Your** behalf all sums for which **You** shall become legally liable to pay in respect of any **Circumstance** or **Claim** made against **You** for

- (a) any breach of professional duty arising from the performance of any design or specification supervision of construction or installation feasibility study technical information calculation or survey performed by **You** or performed on **Your** behalf by any contractor or subcontractor for whose acts errors or omissions **You** are legally liable
- (b) unintentional breach infringement or unauthorised use of the confidential information trade secrets copyrights trademarks designs or computer routines and programs not owned by **You** and committed in good faith
- (c) loss of or accidental **Damage** to **Documents** not owned by **You**
- (d) unintentional defamation
- (e) the inadvertent transmission of any **Computer Virus** provided that such **Computer Virus** or other program is not written by **You**

provided that such **Circumstance** or **Claim**

- (i) is first discovered by **You** made against **You** or intimated to **You** during the **Period of Insurance**
- (ii) is notified to **Us** during the **Period of Insurance**
- (iii) arises from a negligent act error omission or event which occurred or commenced on or after the **Retroactive Date** and does not form part of an inter-related series of acts errors omissions or events which commenced prior to such date
- (iv) arises in connection with the conduct of **Your Business** within the **Territory**

2.2 Limit of Indemnity

The limit of indemnity specified in Item 6 of the **Schedule** shall apply as follows

- (a) The Limit of Indemnity shall apply in respect of any one **Claim** or series of **Claims** arising from one source or originating cause
- (b) **We** will pay a further Limit of Indemnity in respect of costs incurred Additional Covers Clause 3.1 Costs and the total amount payable in respect of such costs shall not exceed the Limit of Indemnity specified Item 6 of the **Schedule** in respect of any one **Claim** or series of **Claims** arising from one source or originating cause

2.3 Excess

- (a) In respect of any one **Claim** or number of **Claims** arising out of one source or originating cause **We** will not be liable for the amount of the **Excess** specified in Item 7 of the **Schedule** (or any lesser amount for which a **Claim** may be settled)
- (b) **We** shall only be liable for that part of each and every **Claim** (including the costs and expenses incurred in the investigation defence and settlement of such **Claim**) which exceeds the amount of the **Excess** specified in Item 7 of the **Schedule**
- (c) The **Excess** shall not apply to **Claims** where the sole payment is made under Additional Covers Clause 3.1 Costs

3.0 Additional Covers

3.1 Costs

We will also pay

- (a) all other costs and expenses incurred by **Us** or by **You** in connection with any **Claim** under this Certificate
- (b) GBP300 per person for every day that any **Employee** is required by **Your** legal representatives to attend court in connection with any **Claim** for which this Certificate provides indemnity
- (c) the costs and expenses incurred in the defence of any proceedings brought against **You** and notified during the **Period of Insurance** under The Health & Safety at Work &c Act 1974 The Health & Safety at Work (Northern Ireland) Order 1978 the Construction (Design & Management) Regulations 1994 or similar or succeeding legislation to the preceding Acts where in **Our** opinion the provision of such defence could protect **You** against a **Claim**

provided that all costs are incurred with **Our** prior written consent

3.2 Rectification Costs

We may at **Our** discretion and subject to **Our** prior written consent reimburse **You** up to the value of the expenses directly incurred in rectifying a breach of professional duty where in **Our** sole opinion a valid **Claim** is likely to be made against **You** in respect of such breach and for which this Certificate would provide indemnity

provided that the need for such rectification

- (a) first becomes known to **You** during the **Period of Insurance**
- (b) is notified to the **Us** during the **Period of Insurance**
- (c) arises from a breach of **Your** professional duty committed on or after the **Retroactive Date**
- (d) arises in connection with the conduct of the **Business** within the **Territory**

and also provided that

- (e) where it is imperative for **You** to carry out such rectification and **Our** prior written consent cannot be obtained **You** must satisfy **Us** that **You** have carried out such works
 - (i) to the same level of quality as the original work and
 - (ii) at the minimum cost necessary to achieve the same level of quality as the original work
 - (iii) the amount payable to **You** by **Us** does not include any element of **Your** profit or mark-up
 - (iv) the value of a **Claim** that could be made by such client would be equal to or greater than the cost of rectification and
 - (v) in the event of **Us** or **You** subsequently being able to recover all or part of such expenses the full amount recovered shall be retained by or repaid to **Us**

3.3 Housing Grants Construction and Regeneration Act 1996

When not otherwise provided for under Clause 2.1 of The Cover **We** will pay any sums for which **You** become liable as a result of any decision made against **You** by an adjudicator in relation to a **Claim** which has been referred to such adjudicator in accordance with the provisions of the Housing Grants Construction and Regeneration Act 1996 or any analogous adjudication clause in a contract

Any **Claim** made under this clause must be notified in accordance with Claims Condition 6.0 (m)

3.4 Collateral Warranties

Subject to Exclusion 4.2 (b) Contractual Liability **We** will pay on **Your** behalf all sums for which **You** shall become legally liable in respect of any breach of a **Collateral Warranty**

4.0 Exclusions

We will not pay

4.1 Professional Qualifications

any **Claim** arising from any design or specification supervision of construction feasibility study survey or technical information calculation where such works are not carried out under the direct supervision of a qualified architect engineer or surveyor or other suitably qualified professional unless **We** have approved another person providing such supervision and endorsed this Certificate accordingly

For the avoidance of doubt other suitably qualified professional shall mean any person who has not less than 5 years experience in such work

4.2 Contractual Liability

- (a) any **Claim** other than in respect of Additional Covers Clause 3.4 Collateral Warranties arising from an agreement by **You** to assume liability where **Your** liability under such agreement exceeds the amount of **Your** liability in the absence of such an agreement
- (b) any **Claim** under Additional Covers Clause 3.4 Collateral Warranties arising from
 - (i) any fitness for purpose guarantee
 - (ii) any express guarantee
 - (iii) the assignment of such **Collateral Warranty** where the provision of any benefit to a party other than that provided by **You** to the party with whom **You** originally contracted is greater than or of longer lasting effect
 - (iv) **Your** agreement to exercise a standard of care greater than that which would have applied in the absence of such **Collateral Warranty**
- (c) any **Claim** arising from an agreement by **You** to pay penalties or liquidated damages save that this exception shall not apply to any award covered by Additional Covers Clause 3.3 Housing Grants Construction and Regeneration Act
- (d) any **Claim** in respect of which **You** have agreed with another party to exclude or limit **Your** rights of recovery from another party unless **We** have approved such agreement and endorsed the Certificate accordingly

4.3 Defective workmanship and Supervision of own work

any **Claim** arising from

- (a) defective workmanship or materials supplied by **You** or any contractor or sub-contractor working on **Your** behalf
- (b) **Your** failure or the failure by any contractor or subcontractor appointed by **You** to inspect or supervise **Your** own work or that of any contractor or sub-contractor working on **Your** behalf

4.4 Bodily Injury and Property Damage

any **Claim** in respect of **Bodily Injury** or **Damage** unless directly arising from any design specification feasibility study technical information calculation or survey

4.5 Subcontractors

any **Claim** arising from the provision of services by any contractor or sub-contractor working on **Your** behalf unless

- (a) such services are provided pursuant to a written contract which
 - (i) is subject to English Scottish or Northern Irish law
 - (ii) contains an arbitration or adjudication clause and
 - (iii) does not restrict **Your** rights of recovery from such contractor or sub-contractor in the event of a **Claim** being made against **You** for services performed on **Your** behalf
- (b) **You** have obtained written verification that such contractor or sub-contractor maintains Professional Indemnity insurance with a Limit of Indemnity of not less than GBP1 000 000 in respect of each and every **Claim** unless **We** have agreed an alternative limit of indemnity and endorsed this Certificate accordingly

4.6 Pollution

any **Claim** caused by contributed to by or arising out of **Pollution**

4.7 Previous Claims and Circumstances

any **Claim** or **Circumstance** which has been notified or is notifiable under any other policy or certificate of insurance attaching prior to the effective date of this Certificate or which would have been notifiable had **You** not been uninsured at such time

4.8 Other Insurance

any **Claim** where **You** are entitled to indemnity under any other insurance except in respect of any excess beyond the amount which would have been payable under such insurance had this Certificate not been effected

If any other such insurance is subject to any provision whereby it is excluded from ranking concurrently with this Certificate whether in whole or in part or from contributing proportionately then **Our** liability hereunder shall be limited to any excess beyond the amount which would have been payable under such other insurance had this Certificate not been effected

4.9 Fine Penalties and Damages

any fines punitive penal multiple or exemplary damages where such can be identified separately within any award of a Court

4.10 Controlling Interest

any **Claim** arising from or brought by

- (a) any firm company or organisation in which **You** have a controlling interest or
- (b) any entity that has a controlling interest in **You** by virtue of their having a financial or executive interest in **Your** operation

unless such **Claim** originates from a source independent of such firm company organisation or entity

4.11 Joint Ventures

any **Claim** arising from a partnership or joint venture of which **You** are a member unless included within Item 2 of the **Schedule** forming part of this Certificate

4.12 Business Specific

any **Claim** arising from

- (a) the provision of estimates by **You** for designs or costs
- (b) **Your** failure to obtain and/or maintain adequate insurance or contract finance

4.13 Liability arising out of Employment

any **Claim** in respect of

- (a) **Bodily Injury** to any **Employee**
- (b) any breach of any contractual statutory or other obligation owed by **You** as an employer to any **Employee**

4.14 Insolvency

any **Claim** arising out of or in connection with

- (a) **Your** insolvency (including any **Claim** made by **Your** liquidator provisional liquidator or administrator) or any trading losses or trading liabilities incurred by any business managed or carried on by **You**
- (b) the insolvency of any contractor or subcontractor working on **Your** behalf

4.15 Liability involving transport or property owned by You

- (a) any **Claim** arising from the ownership possession or use by **You** of any buildings premises structures land animal aircraft watercraft or vehicle licensed for road use
- (b) any **Claim** for loss of or **Damage** to property owned by leased hired rented or entrusted to **You** or otherwise in **Your** care custody or control save that this exclusion shall not apply in respect of **Claims** for loss of or **Damage** to **Documents** not owned by **You** (as insured by Clause 2.1 (c) of The Cover)

4.16 Asbestos

any **Claim** caused by contributed to by or arising out of Asbestos

4.17 USA and Canada

any **Claim** made or action instituted

- (a) within the United States of America and/or Canada or any territories which come within the jurisdiction of the United States of America and/or Canada
- (b) to enforce a judgment obtained in any Court of the United States of America and/or Canada or any territories which come within the jurisdiction of the United States of America and/or Canada

4.18 War Government Action and Terrorism

any **Claim** caused by contributed to by or arising out of

- (a) **War Government Action** or **Terrorism**
- (b) Civil Commotion in Northern Ireland

4.19 Radioactive Contamination

Any **Claim** caused by contributed to by or arising out of

- (a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- (b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

4.20 Known Defects

any **Claim** caused by or arising from the specification by **You** of any **Product** or the provision by **You** of any service which **You** knew or which **You** ought reasonably to have known to be deficient or ineffective and incapable of substantially fulfilling the essential purpose for which it is intended or to perform as specified warranted (whether express or implied) or guaranteed

5.0 General Conditions

5.1 This Certificate

This Certificate the **Schedule** and any **Endorsement** shall be read together as one document

Any word or expression to which a particular meaning has been given in the Definitions in this Certificate shall have that meaning wherever it appears in this Certificate

At all times the masculine shall include the feminine and neuter and the singular includes the plural and vice versa

5.2 Misrepresentation

This Certificate shall be voidable in the event of misrepresentation misdescription or nondisclosure in any material particular

5.3 Reasonable Precaution

It is a condition precedent to **Our** liability under this Certificate that **You** must

- (a) take all reasonable precautions to prevent or minimise **Damage** accident or **Bodily Injury** including taking all reasonable measures (which shall include the implementation and regular up-dating of current computer protection software) to protect **Yourselves** from unauthorised use of or access to **Your** records and computer systems (including **Your** internet website) and to take back-up copies of all data web pages and programs not less than weekly
- (b) maintain the **Business Premises** machinery equipment and furnishings in a good state of repair
- (c) exercise care in the selection and supervision of **Employees**
- (d) comply with all relevant statutory requirements manufacturers' recommendations and other regulations relating to the use inspection and safety of property and the safety of persons

5.4 Change of Risk/Interest

This Certificate shall be avoided should

- (a) **Your** interest cease other than by death or
- (b) the **Business** be wound up or carried on by a liquidator or receiver or permanently discontinued or
- (c) any alteration be made either in the **Business** or in the **Premises** or in any property therein or in any other circumstances whereby the risk is increased at any time after the inception of this Certificate unless **We** have agreed in writing to such alteration

5.5 Premium Payment

It is a condition precedent to **Our** liability under this Certificate that

- (a) **You** have paid the premium to **Us** within 30 days of the end of the month in which this Certificate is effected whereupon **We** will provide the insurance stated herein otherwise all benefit under this Certificate shall be forfeited and this Certificate will be avoided from the effective date
- (b) where the premium is paid by **You** by means of a premium instalment facility each instalment shall be paid when due otherwise all benefit under this Certificate shall be forfeited and this Certificate shall be cancelled from the date when any unpaid instalment was due whereupon **We** will credit to **You** a pro rata premium for the unexpired part of the **Period of Insurance** provided that no **Claims** or **Circumstances** have been reported to **Us** since the effective date of such **Period of Insurance**

6.0 Claims Conditions

- (a) **We** shall be entitled at any time to conduct in **Your** name the defence or settlement of any **Claim** and it is a condition precedent to **Our** liability under this Certificate that **You** do not agree that any other party may take over the conduct and control of any **Claim** without **Our** prior written consent which will not be unreasonably withheld
- (b) It is a condition precedent to **Our** liability under this Certificate that **You** will not admit liability for or settle any **Claim** or incur any costs or expenses in connection therewith without **Our** prior written consent
- (c) At **Your** own expense **You** will provide **Us** with all information or assistance requested by **Us** (or any party acting on **Our** instructions) in respect of the investigation or defence of a **Claim** made against **You** within 7 days of **Our** (or such party) requesting such information or assistance and will do and concur in doing all such things as **We** (or such party) may require
- (d) Following a payment in respect of a **Claim** made against **You** **We** may at **Our** absolute discretion seek recovery from any other party save that **We** will not exercise such rights against any principal partner director executive officer or other **Employee** of **You** unless the **Claim** arises as a result of or is contributed towards by the dishonest fraudulent malicious or criminal act or omission of such person
- (e) It is a condition precedent to **Our** liability under this Certificate that **You** must give written notice to **Us** within 14 days of any **Claim** or intimation to **You** of a possible **Claim** against **You** or upon **Your** becoming aware of any **Circumstance** which might give rise to a **Claim** under this Certificate regardless of any **Excess**

Written notice shall be provided to **Us** by writing to

Devonshire Claims Services
5th Floor Minster House
42 Minsing Lane
London
EC3R 7AE

- (f) Any **Claim** arising from **Circumstances** notified to and accepted by **Us** shall be deemed to have been made during the **Period of Insurance** in which such notice is or was first given
- (g) In connection with any **Claim** against **You** **We** may at any time pay **You** the Limit of Indemnity specified in Item 6 of the **Schedule** (after deduction of any sums already paid as damages or claimant's costs and expenses in respect of such **Claim**) or any less amount for which such **Claim** can be settled and thereupon **We** will relinquish the control of such **Claim** and be under no further liability in connection therewith except for costs and expenses for which **We** may be responsible under this Certificate in respect of matters prior to the date of such payment

- (h) Neither **We** nor **You** shall be required
- (i) to contest any legal proceedings or
 - (ii) to take any steps to effect recovery from any person committing or conspiring to commit or condoning any dishonest fraudulent reckless or criminal act or omission or from the personal representatives of such person including the taking of legal proceedings against such person

unless a Queen's Counsel (to be mutually agreed upon between **You** and **Us**) advises that such action actually has a reasonable prospect of success taking into consideration the economics of the matter the damages and costs which are likely to be recovered by the claimant the likely costs and the prospects of **You** successfully defending the **Claim**

The cost of such Senior Counsel's opinion shall form part of the costs in Additional Covers clause 3.1 Costs

- (i) If **You** make any **Claim** under this Certificate knowing the same to be false or fraudulent as regards amount or otherwise this Certificate shall become void and all **Claims** hereunder shall be forfeited
- (j) Where **Your** breach or non-compliance with any condition of this Certificate has resulted in prejudice to the handling or settlement of any **Claim** the indemnity afforded by this Certificate in respect of such **Claim** (including costs and expenses) shall be reduced to such sum as in **Our** opinion would have been payable by **Us** in the absence of such prejudice However this clause shall not apply where such breach is a breach of a condition precedent to **Our** liability under this Certificate
- (k) Every warranty to which this Certificate is or may be made subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of this Certificate

Non-compliance with any such warranty insofar as it increases the risk of loss **Bodily Injury** or **Damage** shall be a bar to any **Claim** in respect of such loss **Bodily Injury** or **Damage** provided that whenever this Certificate is renewed a **Claim** in respect of loss **Bodily Injury** or **Damage** occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such period

- (l) If any difference shall arise as to the amount to be paid under this Certificate (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions regarding arbitration in force at the time

Where any difference is so referred to arbitration the making of an award shall be a condition precedent to any right of action against **Us**

- (m) In respect of any **Claim** made under Additional Covers Clause 3.3 Housing Grants Construction and Regeneration Act 1996 it is a condition precedent to **Our** liability that
 - (i) **You** notify **Us** within 48 hours of receipt of any 'notice of intention to adjudicate' in respect of any **Claim** or **Circumstance** to which this cover applies
 - (ii) **You** supply **Us** with all relevant detail and documentation relating to any reference to adjudication as soon as reasonably practicable in relation to the timetable for the adjudication
 - (iii) **You** do not agree to accept any final decision given by an adjudicator without **Our** prior written consent