

## BROKERS' CERTIFICATE OF INSURANCE

CERTIFICATE NO: PAPIA11-0013

Consultancy Practice:

Mrs Carol Raison  
Chris Raison Associates Limited and/or Raison  
Foster Associates Limited  
7 Riverford Croft  
Coventry  
CV4 7HB

Category of Consultancy:

The Assureds' Professional Business

We hereby certify that the above named  
consultancy is currently insured for the 12 month  
period ending:

15 August 2012

The limit of indemnity is at least:

Professional Indemnity:

GBP 5,000,000  
Any One Claim with Defence Costs in addition

The policy is subject to the insuring agreements, exclusions, conditions and declarations contained therein. The above is accurate at the date of signature. Should the above mentioned contract of insurance be cancelled, assigned or changed during the above Policy period in such manner as to affect this document, no obligation to inform the holder of this document is accepted by the undersigned or by the Insurers.



Signed: Matt Farman  
DIRECTOR

Dated: 10 August 2011



Broker at 

A subsidiary of Howden Broking Group Limited, part of the Hyperion Insurance Group. Howden Insurance Brokers Limited is authorised and regulated by the Financial Services Authority:  
Firm reference number 312584. Registered in England and Wales under company registration number 203500. Registered office: Bevis Marks House, 24 Bevis Marks, London EC3A 7JB.



THIS IS TO CERTIFY that in accordance with the authorisation granted under Contract Numbers: i) BA009460a and ii) BA009461a to the undersigned by i) 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 Policy Signing Office, and ii) by certain Insurance Companies, whose names and the proportions underwritten by them appear below, (all of whom are hereinafter referred to as "Underwriters"), and in consideration of the premium specified herein, the said Underwriters are hereby bound, each for his own part and not one for another, their Executors and Administrators and in respect of his due proportion only, to insure in accordance with the terms and conditions contained herein or endorsed herein. UNDERWRITERS hereby agree, to the extent and in the manner hereinafter provided, to indemnify the Assured in accordance with the terms and conditions contained hereunder or endorsed hereon.

PROVIDED always that:

- (1) the liability of the Underwriters shall not exceed the limits of liability expressed in the said **Schedule** or such other limits of liability as may be substituted therefore by memorandum hereon or attached hereto signed by or on behalf the Underwriters;
- (2) the liability of each of the Underwriters individually in respect of such loss shall be limited to the proportion set against its name.

PROFESSIONAL INDEMNITY  
**SCHEDULE**  
CERTIFICATE NO: PAPIA11-0013/A

- |    |   |   |
|----|---|---|
| 1. | <b>Name of Assured:</b>   | Chris Raison Associates Limited and/or Raison Foster Associates Limited |
| 2. | <b>Address of Practice:</b>   | 7 Riverford Croft<br>Coventry<br>CV4 7HB                                |
| 3. | <b>Certificate Period:</b>  |   |
|    | From:   | 16 August 2011  |
|    | To:   | 15 August 2012  |
|    |   | Both dates inclusive  |
| 4. | <b>Limit of Liability:</b>  | GBP 5,000,000<br>Any One Claim with Defence Costs in addition           |
| 5. | <b>The Excess which the Assured shall bear in respect of each and every claim:</b>        | GBP 2,500.00  |
| 6. | <b>Retroactive Date:</b>  | 16 August 1999  |
| 7. | <b>Professional Indemnity Premium:</b>  | GBP 10,007.46   |
| 8. | <b>Date of questionnaire:</b>   | 22 July 2009  |
| 9. | <b>Person to notify of any claim or circumstance in accordance with Section D, Claims</b> |   |

Conditions 1:

Matthew Bradley  
Reynolds Porter Chamberlain LLP  
Tower Bridge House  
St Katherine's Way  
London E1W 1AA

Telephone 0203 060 6000  
Facsimile 0203 060 7000  
email mzb@rpc.co.uk

10. Several Liability Clause – LMA5096

## SEVERAL LIABILITY CLAUSE

### PLEASE NOTE – This notice contains important information. PLEASE READ CAREFULLY

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

07/03/08  
LMA5096

**Notices:**

All claims and other enquiries should be addressed to:

Howden Insurance Brokers Limited  
Bevis Marks House  
24 Bevis Marks  
London EC3A 7JB

All complaints must be made in the first instance to Howden Insurance Brokers but if no satisfaction is received they can be referred to:

In respect of Lloyd's Underwriters per Contract BA009460a:

Policyholder and Market Assistance  
Lloyd's Market Services  
One Lime Street  
London  
EC3M 7HA

Email: [complaints@lloyds.com](mailto:complaints@lloyds.com)  
Telephone: +44 (0)20 7327 5693  
Fax: +44 (0)20 7327 5225

In respect of Insurers per Contract BA009461a:

Dual Corporate Risks  
140 Leadenhall Street  
London EC3V 4QT

All Underwriters are regulated by:

Financial Services Authority (FSA)  
25 The North Colonnade  
Canary Wharf  
London E14 5HS

**IN WITNESS WHEREOF** this Certificate has been signed as follows:

50% Lloyd's Syndicate AGD 2526 per Contract BA009460a

50% 75% Arch Insurance Company (Europe) Limited  
25% Hiscox Underwriting Ltd under Binding Authority from Hiscox S3624 at Lloyd's  
Per DUAL Corporate Risks Limited per Contract BA009461a



Signed: Matt Farman  
DIRECTOR

Dated: 12 August 2011

Attaching to and forming part of Certificate Number PAPIA11-0013/A

Endorsement No. 1

With effect from 16 August 2011

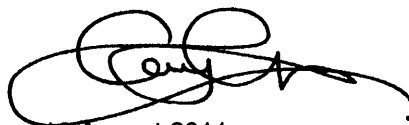
It is hereby understood and agreed that the Certificate to which this endorsement attaches is amended as follows:

is hereby understood that the retroactive date in respect of Raison Foster Associates Limited is 18th February 2002.

Additional premium: GBP 0.00 (inclusive of 6% Insurance Premium Tax)

All other Certificate Terms, Conditions and Exclusions remain unchanged.

Signed:

A handwritten signature in black ink, consisting of several loops and a trailing flourish.

Dated:

12 August 2011

Attaching to and forming part of Certificate Number PAPIA11-0013/A

Endorsement No. 2

With effect from 16 August 2011

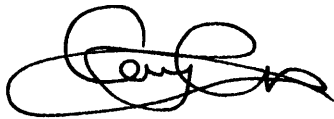
It is hereby understood and agreed that the Certificate to which this endorsement attaches is amended as follows:

Exclusion 17)b) is written back in respect of the Manorcrest Homes contract only.

Additional premium: GBP 0.00 (inclusive of 6% Insurance Premium Tax)

All other Certificate Terms, Conditions and Exclusions remain unchanged.

Signed:

A handwritten signature in black ink, consisting of several loops and a trailing flourish.

Dated:

12 August 2011

## PROFESSIONAL INDEMNITY FOR THE ENGINEERING SCHEME THIS IS A CLAIMS MADE CERTIFICATE

The Assured has submitted a written proposal or questionnaire or renewal declaration to Underwriters bearing the date shown in the **Schedule** hereto containing particulars and statements which it is hereby agreed are the basis of this policy and are to be considered as incorporated herein.

### CHOICE OF LAW

Notice to the Proposer/**Assured**

The Parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary this insurance is subject to English Law.

Any enquiry or complaint should be addressed in the first instance to your Broker.

If you are not satisfied with the way a complaint has been dealt with you may ask the Complaints Department at Lloyd's to review your case without prejudice to your rights in law,

The address is: Policyholder and Market Assistance, Lloyd's Market Services One Lime Street LONDON EC3M 7HA. Email: [complaints@lloyds.com](mailto:complaints@lloyds.com) Telephone: +44 (0) 20 7327 5693 Fax: +44 (0) 20 7237 5225

### SECTION A INSURING CLAUSES

1 In consideration of the **Assured** having agreed to pay the premium shown in the schedule, Underwriters agree to indemnify the **Assured** for any claim or claims made against the **Assured** and notified to Underwriters during the **Certificate Period** and which arises in the conduct of the **Assured's Professional Business:-**

#### 1.1 Breach of Duty of Care

for civil liability as a result of any breach of duty of care by the **Assured** or any person, firm or company directly appointed by and acting for or on behalf of the **Assured**.

#### 1.2 Dishonesty

by reason of any dishonest or fraudulent act or omission on the part of any **Employee** or of any person acting on behalf of and with the authority of the **Assured**. Provided that;

- (a) no person committing or condoning such dishonest or fraudulent act or omission shall be entitled to indemnity
- (b) no indemnity shall be provided for dishonest or fraudulent acts committed by any person after discovery by the **Assured** thereof or reasonable cause for suspicion of fraud or dishonesty on the part of that person
- (c) no indemnity shall be provided for dishonest or fraudulent acts committed or condoned by any partner or director of the **Assured**
- (d) the following shall be deducted from any amount payable by Underwriters
  - (i) any monies which, but for such dishonest or fraudulent act or omission would be due from the **Assured** to the person committing or condoning such act or omission
  - (ii) any monies held by the **Assured** and belonging to such person
  - (iii) any monies recovered from any person committing or condoning any dishonest or fraudulent act or omission or from the estate and/or legal representatives of such person.

#### 2 Loss of Documents

If the **Assured** shall discover and notify to Underwriters during the **Certificate Period** that any **Documents**, the property of or entrusted to them which may now or hereafter be, or be supposed or believed to be, in their custody or in the custody of any other person to or with whom such **Documents** have been entrusted, lodged or deposited by the **Assured** in the ordinary course of business, have been destroyed or damaged, or lost or mislaid and after diligent search cannot be found, the Underwriters will indemnify the **Assured** against

- (a) legal liability of whatsoever nature which the **Assured** may incur to any other person in consequence of such **Documents** having been so destroyed, damaged, lost or mislaid,
- (b) costs and expenses reasonably incurred by the **Assured** in replacing or restoring such **Documents**, and
- (c) costs and expenses incurred with the written consent of the Underwriters in the defence or settlement of any claim to establish liability as described in (a) above.

3 Underwriters agree to indemnify the **Assured** for:-

3.1 **Libel and Slander**

any sum or sums which the **Assured** may become legally liable to pay arising from any claim or claims which may be made against the **Assured** and notified to Underwriters during the **Certificate Period** for libel, slander or defamation by reason of words written or spoken by the **Assured**, or any **Employee** in the conduct of their **Professional Business**.

3.2 **Additional Liabilities**

any sum or sums which the **Assured** may become legally liable to pay arising from any claim or claims made against the **Assured** and notified to Underwriters during the **Certificate Period** for

- (a) breach of confidentiality
- (b) breach of warranty of authority committed in good faith
- (c) infringement of intellectual property rights

3.3 **Housing Grants, Construction & Regeneration Act 1996**

liability attaching to the **Assured** arising under a decision of an adjudicator relating to claims made against the **Assured** and notified to Underwriters during the **Certificate Period** referred to adjudication in accordance with an adjudication clause contained in a contract ("the Contract"), or implied by law in a contract, to comply with the Housing Grants, Construction & Regeneration Act 1996 or other similar adjudication clause subject always to the **Assured** complying with CLAIMS CONDITION 2 ADJUDICATION - SPECIAL NOTIFICATION CONDITIONS contained in the **Certificate**.

3.4 **Prosecution Defence Costs**

the costs and expenses incurred and notified to Underwriters during the **Certificate Period**, with the prior written consent of the Underwriters in the defence of any criminal proceedings against the **Assured** arising from any alleged breach of any statutory regulation relative to building or construction works where such alleged breach arises in the course of the **Assured's Professional Business** and, provided that:

- (a) the circumstances giving rise to the proceedings could otherwise give rise to indemnity under this **Certificate**, and
- (b) in the reasonable belief of the Underwriters the defence of such proceedings would assist in the defence of any claim against the **Assured** arising from such circumstances,
- (c) any subsequent or concurrent civil action arising out of a proceeding notified hereunder shall be deemed to be notified hereunder.

For these purposes "proceedings" includes an appeal against the outcome of any initial proceedings.

Notwithstanding anything contained in this **Certificate** to the contrary the Underwriters shall not be liable under this Insuring Clause for the first £1,000 of each and every claim.

FURTHER it is understood and agreed that the Underwriters will pay the costs and expenses incurred with the Underwriters' written consent in the investigation, defence and/or settlement of any claim or adjudication provided Underwriters' liability for any one claim shall not exceed the sum stated in the **Schedule**.

4. **Compensation for Court Attendance**

Underwriters agree to provide compensation to the **Assured**, with the prior written consent of the Underwriters, in the event that the legal advisers acting on behalf of the **Assured** require any of the **Assured**, any **Employee** or any other relevant party (not including expert witnesses), to attend Court or any arbitration or adjudication hearing as a witness of fact in connection with a claim made against the **Assured** for which cover is provided under this **Certificate** at the following rates for each day or part thereof on which attendance is required:

- (a) any principal partner, member or director of the **Assured**, any **Employee** or other relevant party £300



## SECTION B LIMIT OF LIABILITY AND EXCESS

1. In respect of Insuring Clauses 1.1, 1.2, 2, 3.1, 3.2 and 3.3 the Limit of Liability shall be the amount stated in Item 4 of the **Schedule** in respect of any one claim or series of claims consequent upon or attributable to the same cause or original source. Underwriters will in addition to the Limit of Liability pay **Defence Costs**. Provided that if the amount paid or payable to dispose of any claim is more than the Limit of Liability under this policy, then Underwriters' liability for **Defence Costs** shall be limited to that proportion of the **Defence Costs** as the Limit of Liability under this policy bears to the amount paid or payable in respect of such claim.

However, in respect of all claims arising out of seepage, pollution or contamination and asbestos the Limit of Liability shall not exceed the amount stated in Item 4 of the **Schedule** in the aggregate, inclusive of **Defence Costs**.

2. In respect of Insuring Clause 3.4 the Limit of Liability shall not exceed GBP250,000 in the aggregate.
3. Underwriters shall only be liable for the part of the claim (which for the purpose of this clause shall be deemed to exclude all **Defence Costs**) which exceeds the amount stated as the **Excess**. It being understood and agreed that if any expenditure is incurred by the Underwriters which, by virtue of this clause, is the responsibility of the **Assured** then such amount shall be reimbursed to the Underwriters by the **Assured** forthwith.

## SECTION C EXCLUSIONS

This **Certificate** does not cover any liability whatsoever arising out of:-

### 1 Asbestos

Based upon, directly or indirectly resulting from or in consequence of, or in any way involving:

- (a) asbestos, or
- (b) any actual or alleged asbestos related injury or damage involving the use, presence, existence, detection, removal, elimination or avoidance of asbestos or exposure to asbestos.

This exclusion shall not apply to any claim which arises as a direct result of a negligent act, negligent error or negligent omission in the conduct of the **Assured's Professional Business**.

### 2 Claims and Circumstances Known at Inception

- (a) Any circumstances or claims which have been notified under any other certificate of insurance effected prior to the inception of this **Certificate**.
- (b) Any circumstances or claims known or which in the reasonable opinion of Underwriters ought to have been known by the **Assured** prior to the inception hereof and not disclosed to the Underwriters at inception of this **Certificate**.

### 3 Computer Network and Data

Any claim, loss, liability or expense arising directly or indirectly out of :-

- (a) corruption, erasure, theft, alteration of, or
- (b) access or lack of access to, or
- (c) interference with

electronically held data of the **Assured** wholly or partly caused by any computer virus or by any person who is not a partner, director or current **Employee** of the **Assured**.

### 4 Contractor

Any contract where the **Assured** acts as a **Contractor** whether in conjunction with his profession or not. For the avoidance of doubt when acting in the course of any **Professional Business** covered by virtue of clauses (a) or (b) in Exclusion 13, the definition **Contractor** shall not apply.

### 5 Contracts (Rights of Third Parties) Act 1999

Any claim, loss, liability or expense arising out of rights under the Contracts (Rights of Third Parties) Act 1999, of any person or company who is not a party to this **Certificate** to enforce any term of this **Certificate**, other than any rights or remedies of any such person or company which may exist or is available apart from that Act.

## 6 Controlling Interest/Associated Companies

Any claim by

- (a) any parent or subsidiary company of the **Assured** or any company having the same parent company as the **Assured** or
  - (b) any other company in which the **Assured** has a majority shareholding in excess of 50% or
  - (c) any other company in common ownership with the **Assured**
- unless such claim emanates from an independent third party.

## 7 Employers' Liability

Bodily injury, sickness, disease or death sustained by any person arising out of and in the course of his employment by the **Assured** under a contract of service or apprenticeship with the **Assured**.

## 8 Ownership of Property

The ownership, use, occupation or leasing of property mobile and/or immobile by, to or on behalf of the **Assured**.

## 9 Nuclear Risks

Loss or destruction of or damages to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss, or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

## 10 Other Insurance

If at any time any claim arises under this **Certificate** the **Assured** is or would but for the existence of this **Certificate** be entitled to indemnity under any other insurance, certificate or policies, the Underwriters shall not be liable except in respect of any excess beyond the amount which would have been payable under such other insurance, certificate or policies had this **Certificate** not been effected.

## 11 Punitive or Exemplary Damages

Any fines, penalties, punitive or exemplary damages.

## 12 Retroactive Date

Claims made against or losses sustained by the **Assured** by reason of any breach of duty of care, act, error, omission or libel, slander or defamation, breach of confidentiality, breach of warranty, breach of intellectual property rights, breach of any statutory regulations and loss or damage to **Documents** committed or alleged to have been committed prior to the said retroactive date (if any) specified in the **Schedule**.

## 13 Supply of Goods

The design or manufacture of any goods or products sold or supplied by the **Assured**. For the avoidance of doubt this exclusion does not apply to:-

- (a) any design, advice, specification or prototype provided by the **Assured** in the course of their **Professional Business**, or
- (b) the commissioning, supply of any manufactured (whether by the **Assured** or sub-contracted manufacture on behalf of the **Assured**) design or specification undertaken by the **Assured** in the course of their **Professional Business** provided there shall be no liability hereunder arising directly indirectly or in any way whatsoever from faulty manufacture poor workmanship or negligence in the physical construction of such design or specification. For the avoidance of doubt liability arising by virtue of the **Assured** performing inspection duties in respect of designs manufactured or constructed by others is not excluded from the ambit of this **Certificate**.

## 14 Toxic Mould

- i) The actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind; or
- ii) Any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins; or
- iii) Any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins.

Underwriters will have no duty or obligation to defend any **Assured** with respect to any claim or governmental or regulatory order, requirement, directive, mandate or decree which, either in whole or in part, directly or indirectly, is for, based upon, relates to, or arises out of the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind.

## 15 United States of America or Canada

- (a) Any legal proceedings instituted within the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada;
- (b) Any legal proceedings instituted to enforce a judgement obtained in any Court of the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada;
- (c) Any claim arising from work carried out in offices of the **Assured** situated in the United States of America or Canada.

## 16 War Risks

Any consequence of war including a terrorist act initiated by hostile parties, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power.

## 17 Warranties, Duty of Care Agreements and Guarantees

The giving by the **Assured** of any warranty or guarantee under a contract or agreement where liability arises out of any of the following terms contained in the warranty or agreement;

- (a) Fitness for Purpose
- (b) Any Warranty or Agreement which provides greater or longer lasting benefit than that given to the party with whom the **Assured** originally contracted
- (c) Any express guarantee, contractual penalty or liquidated damages
- (d) Any Warranty or Agreement or Assignment thereof which provides benefit to:
  - (i) More than three parties subsequent to each initial purchaser,
  - (ii) More than three parties subsequent to each initial tenant,

None of the foregoing limitations or exclusions shall apply to liability which would have attached to the **Assured** in the absence of any such Warranties or Agreements.

## SECTION D CLAIMS CONDITIONS

### 1 NOTIFICATION - ASSURED DUTIES IN THE EVENT OF A CLAIM:

It is a condition precedent to Underwriters' liability under the **Certificate** that:

- 1.1 The **Assured** shall give immediate notice in writing to Matthew Bradley of Reynolds Porter Chamberlain, Tower Bridge House, St Katherine's Way, London E1 1AA, (telephone 0203 060 6000, facsimile 0203 060 7000, email mzb@rpc.co.uk) for onward transmission to Underwriters of;
  - (i) any claim (whether written or oral) made against them or
  - (ii) the discovery of, or any reasonable cause for suspicion of any dishonest or fraudulent act or omission on the part of any **Employee** or any person acting on behalf and with the authority of the **Assured**
- 1.2 The **Assured** shall give notice in writing, as soon as reasonably practical, to Matthew Bradley of Reynolds Porter Chamberlain, Tower Bridge House, St Katherine's Way, London E1 1AA, (telephone 0203 060 6000, facsimile 0203 060 7000, email mzb@rpc.co.uk) for onward transmission to Underwriters of any **Circumstance** which may give rise to a claim

Provided that such notice as required in Condition 1.1(ii) and 1.2 has been given during the **Certificate Period**, any resultant claim arising from such matters notified, shall be deemed to have been given during the **Certificate Period**.

- 1.3 The **Assured** shall not admit liability for or settle or make or promise any payment in respect of any claim or loss which may be the subject of indemnity hereunder or incur any costs or expenses in connection therewith without the prior written consent of the Underwriters who if they so wish shall be entitled to take over and conduct in the name of the **Assured** the defence and/or settlement of such claim for which purpose the **Assured** shall give all such information and assistance as the Underwriters may reasonably require.

### 2 ADJUDICATION - SPECIAL NOTIFICATION CONDITIONS:-

It is a condition precedent to Underwriters' liability under this **Certificate** that:

- 2.1
  - (i) in the event of receipt by the **Assured** of any "notice of intention to adjudicate" or of the service by the **Assured** of any "notice of intention to adjudicate" in circumstances which will lead to or are likely to lead to a claim against the **Assured** being dealt with as a part of the adjudication the **Assured** will notify Insurers via Matthew Bradley of Reynolds Porter Chamberlain, Tower Bridge House, St Katherine's Way, London E1 1AA, (telephone 0203 060 6000, facsimile 0203 060 7000, email mzb@rpc.co.uk) **within two working days**;
  - (ii) the **Assured** will promptly supply Underwriters with all details relating to any reference to adjudication, including copies of all documentation made available to the **Assured**, or subsequently by the **Assured** to the adjudicator;
  - (iii) the **Assured** will allow Underwriters to appoint advisers and to have conduct of the adjudication as they deem appropriate and to co-operate with Underwriters in the conduct of the adjudication; any appointments made by Underwriters shall be at the Underwriter's expense, but subject always to the application of the **Excess**;
  - (iv) the **Assured** will meet any request, direction or timetable of the adjudicator so far as is reasonably practicable;
  - (v) the **Assured** will institute legal or arbitration proceedings in accordance with the terms of the original contract to challenge or reopen or stay the enforcement of such adjudicator's decision if reasonably requested so to do by Underwriters and to allow Underwriters to appoint appropriate advisers as they may deem necessary to have conduct of such proceedings if appropriate. Any such steps made by the **Assured** shall be at Underwriters' expense, but subject always to the application of the **Excess**;
  - (vi) the **Assured** will not agree to accept the decision of the adjudicator as finally determining the dispute without the prior consent in writing of Underwriters.
- 2.2 **CONDITIONS RELATING TO THE CONTRACT:-** The **Assured** must take reasonable steps in trying to negotiate that where expressed in the contract in writing the adjudication provisions in the contract shall:
  - (i) provide that the adjudicator must be independent of the parties to the dispute and do not provide that any matter or dispute will be referred to an adjudicator who is a party to the dispute or who is connected to any party to the dispute;
  - (ii) not allow for the adjudicator's decision to finally determine the dispute;
  - (iii) not allow the adjudicator to disregard the legal entitlements of the parties in order to reach a decision based on commercial considerations.
  - (iv) The contract must not place any conditions upon the timing of commencement of legal or arbitration proceedings (for the sake of clarity, this does not apply to adjudication proceedings).

Any dispute or difference arising under the SPECIAL NOTIFICATION CONDITIONS between the **Assured** and Underwriters shall be referred to the arbitration of a Queen's Counsel to be agreed upon by both parties or in the absence of agreement by a QC nominated by the Chairman of the Bar Council. The Underwriters agree to pay the costs of such referral except in instances where Indemnity has been denied and the QC upholds such decision.

### 3 AGREEMENT TO PAY CLAIMS:

Underwriters agree to pay claims which may arise under this **Certificate** without requiring the **Assured** to dispute any claim unless a Queen's Counsel (to be mutually agreed upon by the Underwriter and the **Assured**, or in the absence of agreement by a QC nominated by the Chairman of the Bar Council) advise that the same could be contested with a reasonable prospect of success by the **Assured** and the **Assured** consents to such claim being contested, but such consent is not to be unreasonably withheld. In the event of any dispute arising between the **Assured** and the Underwriters as to what constitutes an unreasonable refusal to contest a claim at Law, the Chairman of The Engineering Council shall nominate a Referee to decide this point (only) and the decision of such Referee shall be binding on both parties.

## SECTION E GENERAL CONDITIONS

### 1 SURVEY AND/OR VALUATION REPORT WARRANTY:

It is hereby agreed and warranted that this **Certificate** shall apply to any claim arising or resulting from or in connection with timber disease of any description, wood-worm, beetle infestation or any other vermin or insect or any consequential loss or damage arising therefrom provided that:

- 1.1 All reports shall be in writing and shall have been prepared by (a) a Fellow or Professional Associate of the Royal Institute of Chartered Surveyors or (b) a qualified Engineer or Architect or (c) a person with not less than five years experience of structural surveying and,
- 1.2 the **Assured** or a qualified representative of the **Assured** shall have made a detailed inspection of the building and have fully reported on the condition of the timber and drawn attention to the existence of any defect becoming more extensive.
- 1.3 all survey and/or valuation reports carried out by the **Assured** must include the following clause in respect of parts of the structure not surveyed or inaccessible:-  
 "We have not inspected woodwork or other parts of the structure which are covered, unexposed or inaccessible and we are therefore unable to report that any such part of the property is free from defect."

### 2 MARINE SURVEY WARRANTY:

It is hereby agreed and warranted that so far as regards Marine Surveys carried out by the **Assured** this **Certificate** will not indemnify the **Assured** against any claim or claims made against the **Assured** arising from carrying out Marine Surveys unless the following stipulations have been complied with by the **Assured**:

- 2.1 The **Assured** agrees in writing with the client the nature of and purpose for which the Marine Survey is required prior to carrying out the survey,
- 2.2 The following clause shall be inserted in all Marine Survey reports issued by and on behalf of the **Assured** except in the case of pure valuations where no comment or advice is required or given on the structural or decorative condition.  
 "We have not inspected wood work or other parts of the vessel/structure which are covered, unexposed or inaccessible and we are, therefore, unable to report that any such part of the vessel/structure is free from defect".
- 2.3 Marine Surveys and/or valuations shall be made only by a Qualified Marine Surveyor or by a person with not less than five years experience of marine surveying.

### 3 FRAUDULENT CLAIMS:

If the **Assured** shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this **Certificate** shall become void and all claims thereunder shall be forfeited.

### 4 INSTALMENT PREMIUM CLAUSE

If the **Assured** so elects it is agreed that premiums are payable in accordance with the terms outlined in the Debit Note.

In the event of default in the payment of instalment premiums, the Underwriters may cancel this **Certificate** by mailing to the **Assured** written notice of their intent to cancel at least 7 days in advance of the cancellation date at the address shown in item 2 of the **Schedule**.

Underwriters will make a premium adjustment with the **Assured** as soon as practicable after the date of cancellation. The premium return will be computed on a pro-rata basis. Premium adjustment is not a condition of cancellation.

### 5 LOSS OF DOCUMENTS WARRANTY

It is hereby agreed and warranted that any claim for costs and expenses incurred by the **Assured** in replacing or restoring **Documents** shall be supported by bills or accounts which shall be subject to approval by a competent person to be nominated by the Underwriters with the approval of the **Assured**.

## 6 SPECIALIST DESIGNERS OR CONSULTANTS WARRANTY

It is hereby warranted and agreed that all fees paid to such specialist designers or consultants are declared in the fee declaration made by the **Assured** contained in the questionnaire, proposal form or renewal declaration completed by them.

## 7 INNOCENT NON-DISCLOSURE

Underwriters will not exercise their right to avoid this **Certificate** or avoid any claim hereunder where there has been or it alleged that there has been non-disclosure of information which may give rise to a claim provided always that the **Assured** shall establish to Underwriters' satisfaction that such alleged event referred to above was innocent and free of any fraudulent conduct or intent to deceive.

However, notwithstanding any rights that Underwriters may waive by the inclusion of this extension, Underwriters retain the right to modify the terms and conditions and premiums pertaining to this **Certificate** to reflect the basis on which the **Certificate** would have been underwritten had they been aware of the information.

In any case where the **Assured** could have notified under any preceding insurance any information as defined in Claims Condition 1 and the indemnity or cover available under this **Certificate** is greater or wider in scope than the indemnity to which the **Assured** would have been entitled under any such preceding insurance (whether with the Underwriters participating on this **Certificate** or not) then Underwriters participating on this **Certificate** shall only be liable to indemnify the **Assured** to the extent of the indemnity which would have been afforded by such preceding insurance.

Where the alleged non-disclosure has resulted in prejudice to the handling or settlement of any claim the indemnity afforded by this **Certificate** in respect of such claim (excluding **Defence Costs**) shall be reduced to such sum which, in Underwriters reasonable opinion, would have been payable by them in the absence of such prejudice.

## SECTION F: DEFINITIONS

### 1. Professional Business

Any business carried on by the **Assured** in their professional capacity.

### 2. Contractor

Deemed to mean the person or persons performing physical construction work.

### 3. Circumstance

Any circumstance of which the **Assured** first becomes aware during the **Certificate Period** which may give rise to a claim against them and is subject to the indemnity provided under this **Certificate**.

### 4. Defence Costs

All costs and expenses incurred with the prior written consent of Underwriters in the investigation, defence or negotiation of the settlement of any claim or **Circumstance**.

### 5. Documents

Deeds, wills, agreements, maps, plans, records, books, letters, certificates, Computer System Records, forms, and documents of any nature whatsoever, whether written, printed or reproduced by any other method (other than bearer bonds, coupons, bank-notes, currency notes and negotiable instruments).

### 6. Employee

Any person currently or previously employed under a contract of services with the **Assured** including partners, executive and non executive directors, consultants and temporary **Employees** employed by the **Assured**.

### 7. Excess

The first amount of each claim which is payable by the **Assured** and for which no insurance is provided by this **Certificate**. The amount of **Excess** is stated in the **Schedule** and excludes **Defence Costs**.

## 8. **Assured**

- (a) the Firm or Company
- (b) any partner, director, principal or **Employee** of the Firm or Company including any person appointed to such position during the **Certificate Period**
- (c) any former partner, director, principal or **Employee** of the Firm or Company
- (d) the estate, personal representative or trustee or assignee in bankruptcy of (a), (b) and/or (c)

## 9. **Certificate Period**

The period of insurance as specified in the **Schedule**.

## 10. **Certificate**

The contents of this document together with the **Schedule** incorporating all endorsements issued from time to time by the Underwriters to attach to this insurance which shall be read together as evidencing the contract of insurance.

## 11. **Schedule**

The **Schedule** attaching to this **Certificate**, incorporating all endorsements, and for the time being in force.

## **Explanatory note — Conditions Precedent and Warranties - duties of Assured**

### **Warranties**

Warranties are important provisions contained in your insurance contract and must be exactly complied with at all times. Breach of a warranty may, depending on the law under which the contract is interpreted, entitle (re)insurers to terminate the contract from the date of that breach, and in some instances may mean that the contract does not come into effect at all. This is the position regardless of whether there is any connection between the warranty breached and any loss which leads to that breach becoming evident. Specific reference to a Warranty can be found in this Certificate in the conditions listed below. However, please note a warranty may exist in the contract using other terminology and without reference to the word "warranty". For example you may have completed a proposal/application form and deemed to have warranted the accuracy of information provided, such that any inaccuracy will constitute a breach of warranty.

### **Section E General Conditions**

- 1 Survey and/or Valuation Report Warranty
- 2 Marine Survey Warranty
- 5 Loss of Documents Warranty
- 6 Specialist Designers and/or Consultants Warranty

### **Conditions Precedent to (Re)Insurers' Liability**

There are two types of condition precedent. If a condition precedent to the validity of this contract or the commencement of the (re)insurance is not complied with, the insurer will not come on risk. If a condition precedent to the insurer's liability under this contract is not complied with, the insurer will not be liable for the loss in question. Specific reference to Conditions Precedent can be found in this Certificate in the conditions listed below. However, please note a condition precedent may exist in the contract using other terminology and without reference to the words "condition precedent".

### **Section D Claims Conditions**

- 1 Notification – **Assured** duties in the event of a claim
- 2 Adjudication – Special Notification Conditions