

SCHEDULE

Policy: HU PI6 9409377 (34)



INSURANCE DETAILS

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| Period of Insurance: | Continuous cover from 03 January 2018 until the policy is cancelled. |
| Underwritten by: | Hiscox Underwriting Limited on behalf of the insurers listed for each section of the policy |
| General terms and conditions wording : | 6253 WD-PIP-UK-GTC(7) The General terms and conditions apply to this policy in conjunction with the specific wording detailed in each section below |
| Payment Method : | Payment by Monthly Direct Debit |
| Endorsement Effective: | 31 October 2018 |

INSURED DETAILS

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| Insured : | S P Barrett Ltd trading as Systems Services |
| Address : | The Coach House 303 Willington Road, Kirton End BOSTON PE20 1NR |
| Additional Insureds : | There are no Additional Insureds on this policy. |
| Business : | Training Consultancy & Engineering Consultancy (including Development of Technical Specifications, Review and Implementation of Facilities Design, Independent Advice on Mechatronic Design and Destructive Testing Issues, Information Gained First Hand relating to Supplier Selection and Procurement, an Expert Witness service, Loss assessing & loss adjusting). |

PREMIUM DETAILS

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| Revised Annual Premium : | £ 2,500.00 | Revised Annual Tax : | £ 300.00 | Total : | £ 2,800.00 |
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2012-2015



BIA Customer Care Award
2012



Outstanding Insurer Claims
Team of the Year 2013

PROFESSIONAL INDEMNITY

Section wording : 5575 WD-PIP-UK-ENG(6.)
Insurer: Hiscox Insurance Company Limited

Professional indemnity for engineers

| Limit of indemnity | Excess | Annual Premium | Annual Tax |
|--------------------|--------|----------------|------------|
| £ 2,000,000 | £ 500 | £ 1,500.00 | £ 180.00 |

Limit applies to : any one claim including defence costs
Excess Applies to : each claim or loss excluding defence costs
Geographical Limits : Worldwide
Applicable Courts : Worldwide excluding claims brought in USA/Canada

Special limits (included within and not in addition to the overall limit/amount insured above)

Criminal proceedings £ 250,000 each claim and in the aggregate

Special Excesses

Criminal proceedings £ 2,500 each claim

Specific cover

Description: University of Leeds Contract (Phase one only)

| Limit of indemnity | Excess | Annual Premium | Annual Tax |
|--------------------|---------|----------------|------------|
| £ 5,000,000 | £ 2,500 | £ 1,000.00 | £ 120.00 |

Limit applies to : any one claim excluding defence costs
Excess Applies to : each claim or loss excluding defence costs

Business Activities

Training Consultancy & Engineering Consultancy (including Development of Technical Specifications, Review and Implementation of Facilities Design, Independent Advice on Mechatronic Design and Destructive Testing Issues, Information Gained First Hand relating to Supplier Selection and Procurement, an Expert Witness service, Loss assessing & loss adjusting).

What is not Covered

Claims first brought in the USA / Canada are NOT covered

Endorsements

400.1 Retroactive date: Business performed in the past

CRISIS CONTAINMENT

Section wording : 9809 WD-PIP-UK-CRI(2)

Insurer: Hiscox Insurance Company Limited

Limit of indemnity: £ 25,000

Limit applies to : per crisis and in the aggregate

Geographical Limits : The United Kingdom of Great Britain and Northern Ireland, the Isle of Man, the Channel Islands and the Republic of Ireland

Special limits (included within and not in addition to the overall limit/amount insured above)

Outside working hours discretionary crisis mitigation costs £ 2,000

Endorsements

9003.0 Crisis containment provider: Hill & Knowlton

The General Terms of this policy and the terms, conditions and exclusions of the relevant section all apply to this endorsement except as modified below:

Professional indemnity: endorsements

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| Clause | 400.1 | Retroactive date: Business performed in the past We will not make any payment for any claim or loss which arises from any business activity performed or any dishonesty committed, or if applicable any document, information or data lost, damaged or destroyed, before: 02/01/2012 |
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Crisis containment: endorsements

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| Clause | 9003.0 | Crisis containment provider: Hill & Knowlton Crisis line contact number (24 hours): +44(0)800 8402783 / +44 (0)1206 711796 Crisis containment provider: Hill & Knowlton This contact number will go through to us during working hours , and will go directly to Hill & Knowlton outside of these hours. If you first become aware of a crisis outside of working hours , you must notify us of the crisis as soon as possible within working hours by telephoning +44(0)800 8402783 or +44 (0) 1206 711796. |
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Endorsements which apply to whole policy

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| Clause | 603.1 | Commercial assistance and legal advice helpline <p>This policy gives you access to a legal advice helpline to assist in the day-to-day running of your business.</p> <p>This helpline is available 24 hours a day, 7 days a week and will ensure you have the best advice when your business is facing legal issues at home or abroad on issues such as:</p> <ul style="list-style-type: none"> • Employment • Prosecutions • Discrimination in the workplace • Health & safety • European law <p>Helpline number: +44 (0)800 840 2269 Helpline hours: 24 hours a day, 7 days a week</p> <p>This helpline is provided by DAS Legal Expenses Insurance Company Ltd. as a service for eligible Hiscox policyholders.</p> |
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| Clause | Using your personal information <p>Hiscox is a trading name of a number of Hiscox companies. The specific company acting as a data controller of your personal information will be listed in the documentation we provide to you. If you are unsure you can also contact us at any time by telephoning 01904 681198 or by emailing us at dataprotectionofficer@hiscox.com</p> <p>We collect and process information about you in order to provide insurance policies and to process claims. Your information is also used for business purposes such as fraud prevention and detection and financial management. This may involve sharing your information with, and obtaining information about you from, our group companies and third parties such as brokers, loss adjusters, credit reference agencies, service providers, professional advisors, our regulators or fraud prevention agencies.</p> <p>We may record telephone calls to help us monitor and improve the service we provide.</p> <p>For further information on how your information is used and your rights in relation to your information please see our privacy policy at www.hiscox.co.uk/cookies-privacy.</p> |
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| INFORMATION ABOUT US |
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This policy is underwritten by Hiscox Underwriting Limited on behalf of the insurers listed below.

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| Name | Hiscox Underwriting Limited |
| Registered address | 1 Great St. Helens London EC3A 6HX United Kingdom |
| Company registration | Registered in England number 02372789 |
| Status | Authorised and regulated by the Financial Conduct Authority |

Insurers

These insurers provide cover as specified in each section of the schedule.

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| Name | Hiscox Insurance Company Limited |
| Registered address | 1 Great St. Helens London EC3A 6HX United Kingdom |
| Company registration | Registered in England number 00070234 |
| Status | Authorised and regulated by the Prudential Regulation Authority and the Financial Conduct Authority |

A seamless integrated insurance solution for professionals.

Please read this wording, together with any **endorsements** and the schedule, very carefully. If anything is not correct, please notify **us** immediately.

This wording is fully protected by the laws of copyright. No unauthorized use or reproduction is permitted.

Our promise to you

In return for the premium **you** have paid, **we** agree to insure **you** in accordance with the terms and conditions of the **policy**.



Steve Langan
Managing Director, Hiscox UK

Complaints procedure

Hiscox aims to ensure that all aspects of **your** insurance are dealt with promptly, efficiently and fairly. At all times Hiscox are committed to providing **you** with the highest standard of service. If **you** have any concerns about **your policy** or **you** are dissatisfied about the handling of a claim and wish to complain **you** should, in the first instance, contact Hiscox Customer Relations in writing at:

Hiscox Customer Relations
Hiscox House
Sheepen Place
Colchester
CO3 3XL

or by telephone on 01206 773705
or by email at customer.relations@hiscox.com.

Where **you** are not satisfied with the final response from Hiscox, **you** also have the right to refer **your** complaint to the Financial Ombudsman Service. For more information regarding the scope of the Financial Ombudsman Service, please refer to www.financial-ombudsman.org.uk.

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| General definitions | Words shown in bold type have the same meaning wherever they appear in this policy . The words defined below are used throughout this policy . Any other definitions are shown in the section to which they apply. |
| Asbestos risks | <ul style="list-style-type: none"> a. The mining, processing, manufacturing, use, testing, ownership, sale or removal of asbestos, asbestos fibres or material containing asbestos; or b. exposure to asbestos, asbestos fibres or materials containing asbestos; or c. the provision of instructions, recommendations, notices, warnings, supervision or advice given, or which should have been given, in connection with asbestos, asbestos fibres or structures or materials containing asbestos. |
| Business | Your business or profession as shown in the schedule. |
| Confiscation | Confiscation, nationalisation, requisition, expropriation, deprivation, destruction of or damage to property by or under the order of any government or public or local authority. |
| Date recognition | Any failure by any equipment (including any hardware or software) to correctly recognise any given date or to process any data or to operate properly due to any failure to correctly recognise any given date. |
| Endorsement | A change to the terms of the policy . |
| Excess | The amount you must bear as the first part of each agreed claim or loss. |
| Geographical limits | The geographical area shown in the schedule. |
| Nuclear risks | <ul style="list-style-type: none"> a. Any sort of nuclear material, nuclear reaction, nuclear radiation or radioactive contamination; b. any products or services which include, involve or relate in any way to anything in a. above, or the storage, handling or disposal of anything in a. above; c. all operations carried out on any site or premises on which anything in a. or b. above is located. |
| Period of insurance | The time for which this policy is in force as shown in the schedule. |
| Policy | This insurance document and the schedule, including any endorsements . |
| Programme | A set of instructions written in a computer language which tells a computer how to process data or interact with ancillary equipment. |
| Terrorism | <p>An act, or the threat of an act, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, that:</p> <ul style="list-style-type: none"> a. is committed for political, religious, ideological or similar purposes; and b. is intended to influence any government or to put the public, or any section of the public, in fear; and c. <ul style="list-style-type: none"> i. involves violence against one or more persons; or ii. involves damage to property; or iii. endangers life other than that of the person committing the action; or iv. creates a risk to health or safety of the public or a section of the public; or v. is designed to interfere with or to disrupt an electronic system. |
| Virus | Programmes that are secretly introduced without your permission or knowledge including, but not limited to, malware, worms, trojans, rootkits, spyware, dishonest adware, crimeware and other malicious unwanted software. |
| War | War, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power. |

General terms and conditions

We / us / our

The insurers named in the schedule.

You / your

The insured named in the schedule.

Conditions precedent

General Conditions 2, 3 and 4 below, General Claims Condition 1 and the conditions shown in each section under the heading **Your obligations** are all conditions precedent to **our** liability. **We** will not make any payment under this insurance unless **you** comply with all the requirements of those conditions.

General conditions

The following conditions apply to the whole of this **policy**. Any other conditions are shown in the section to which they apply.

Basis of insurance

1. Because of its importance, all information which **you** or anyone on **your** behalf provided before **we** agreed to insure **you** is incorporated into and forms the basis of this **policy**.
All facts and matters which might be relevant to **our** consideration of **your** proposal must be disclosed and all material representations made to **us** must be true, otherwise **we** are entitled to treat this insurance as if it had never existed.

Change of circumstances

2. **You** must tell **us** as soon as reasonably possible of any change in circumstances during the **period of insurance** which may materially affect this **policy**. (A material fact or circumstance is one which might affect **our** decision to provide insurance or the conditions of that insurance.) **We** may then change the terms and conditions of this **policy**.

Due diligence

3. **You** must take reasonable steps to prevent accident or injury and to protect **your** property against loss or damage. **You** must keep any property insured under this **policy** in good condition and repair.

Premium payment

4. **We** will not make any payment under this **policy** unless **you** have paid the premium.

Cancellation

5. **You** or **we** can cancel the **policy** by giving 30 days' written notice. **We** will give **you** a pro rata refund of the premium for the remaining portion of the **period of insurance** after the effective date of cancellation for which **you** have already paid. However, **we** will not refund any premium under £10.
If **we** have agreed that **you** can pay **us** the premium by instalments and **we** have not received an instalment 14 days after the due date, **we** may cancel the **policy**. In this event, the **period of insurance** will equate to the period for which premium instalments have been paid to **us**. **We** will confirm the cancellation and amended **period of insurance** to **you** in writing.

Multiple insureds

6. The most **we** will pay is the relevant amount shown in the schedule.
If more than one insured is named in the schedule, the total amount **we** will pay will not exceed the amount **we** would be liable to pay to any one of **you**.
You agree that the insured named in the schedule, or if there is more than one insured named in the schedule the first of them, is authorised to receive all notices and agree any amendments to the **policy**.

Aggregate limit

7. Where this **policy** specifies an aggregate limit, this means **our** maximum payment for all relevant claims or losses covered under the **policy** during the **period of insurance**.
If the **period of insurance** is continuous, the aggregate limit will apply to all relevant claims or losses covered under the **policy** during the 12 months from the date the continuous cover starts. Each aggregate limit will be reinstated to the level shown in the schedule at each anniversary.

Rights of third parties

8. **You** and **we** are the only parties to this **policy**. Nothing in this **policy** is intended to give any person any right to enforce any term of this **policy** which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

General terms and conditions

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| Other insurance | 9. We will not make any payment under this policy where you would be entitled to be paid under any other insurance if this policy did not exist except in respect of any amount in excess of the amount that would have been payable under such other insurance had this policy not been effected. If such other insurance is provided by us the most we will pay under this policy will be reduced by the amount payable under such other insurance. |
| Governing law | 10. Unless some other law is agreed in writing, this policy will be governed by the laws of England. |
| Arbitration | 11. Any dispute arising out of or relating to this insurance, including over its construction, application and validity, will be referred to a single arbitrator in accordance with the Arbitration Act then in force. |

General claims conditions

The following claims conditions apply to the whole of this **policy**. Any other claims conditions and procedures are shown in the section to which they apply.

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| Your obligations | <p>1. We will not make any payment under this policy unless you:</p> <ul style="list-style-type: none"> a. give us prompt notice of anything which is likely to give rise to a claim under this policy, in accordance with the terms of each section; b. give us, at your expense, any information which we may reasonably require and co-operate fully in the investigation of any claim under this policy; c. make every reasonable effort to minimise any loss, damage or liability and take appropriate emergency measures immediately if they are required to reduce any claim; d. give us all assistance which we may reasonably require to pursue recovery of amounts we may become liable to pay under this policy, in your name but at our expense. |
| Fraud | 2. If you , or anyone on your behalf, tries to deceive us by deliberately giving us false information or making a fraudulent claim under this policy then we will treat this policy as if it had never existed. |

The General terms and conditions and the following terms and conditions all apply to this section.

Please pay special attention to the Notification for adjudication section in the grey box at the end of this section.

Special definitions for this section

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| Business activity | The activities shown in the schedule, which you perform in the course of your business . |
| Defence costs | Costs incurred with our prior written agreement to investigate, settle or defend a claim against you . |
| You / your | Also includes any person who was, is or during the period of insurance becomes your partner or director or senior manager in actual control of your operations. |

What is covered

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| Claims against you | <p>If during the period of insurance, and as a result of your business activity within the geographical limits for clients, any party brings a claim against you for:</p> <ul style="list-style-type: none">a. negligence or breach of a duty of care,b. negligent misstatement or negligent misrepresentation,c. infringement of intellectual property rights including copyright, patent, trademark or moral rights or any act of passing-off,d. inadvertent breach of confidence or misuse of any information, which is either confidential or subject to statutory restrictions on its use,e. defamation,f. dishonesty of your individual partners, directors, employees or self-employed individuals directly contracted to you and under your supervision,g. any other civil liability unless excluded under What is not covered below, <p>or refers a dispute arising directly from your breach of a duty of care to adjudication under the Housing Grants Construction and Regeneration Act 1996, we will indemnify you against the sums you have to pay as compensation.</p> <p>We will also pay defence costs but we will not pay costs for any part of a claim not covered by this section.</p> |
| Avoiding a potential claim against you | <p>If your client has reasonable grounds for being dissatisfied with the work you have done, refuses to pay for any or all of it, including amounts you legally owe to sub-contractors at the date of the refusal, and threatens to bring a claim against you for more than the amount owed, it may be possible to settle the dispute with the client by your agreeing not to press for the disputed amount. If so, we will pay you the amount owed to you at that time if we believe that this will avoid a legitimate claim for a greater amount and we have given our prior written approval to settling in this way and for this amount.</p> <p>Alternatively, if it is not possible to reach agreement with the client on this basis but we still believe that by not pressing for the disputed amount you will avoid a legitimate claim or counterclaim for a greater amount, we will pay the amount owed to you at that time. If a claim is still brought, we will deal with it but our total payment, including what we have already paid you or on your behalf, will not exceed the applicable limit of indemnity shown in the schedule. You must return the amount we have paid if you eventually recover the debt less your reasonable expenses.</p> <p>Once we agree to make this payment you will assign to us such rights as you have in relation to the amounts owed to you.</p> <p>We will not make any payment for any part of a claim not covered by this section.</p> |

Your own losses

Criminal proceedings

If **you** are charged with a criminal offence during the **period of insurance** under a statute or regulation that applies to **your business activity**, **we** will pay the reasonable costs incurred with **our** prior written consent to defend **you** if, in **our** opinion, a successful defence may avoid a claim being made against **you** which would be covered by this section.

Copyright claim

If **you** discover during the **period of insurance** that someone has infringed any copyright **you** own in work **you** have created in the performance of **your business activity**, **we** will pay **your** legal costs incurred with **our** prior written consent in pursuing a claim for the infringement, provided that **we** are satisfied that **your** claim has a reasonable chance of success and **you** do not settle the claim without **our** approval.

If the claim is settled or finally determined on the basis that **you** are entitled to:

- a. payment of **your** own costs, and/or
- b. payment of any damages or compensation or ongoing royalties or licence fees, and/or
- c. any injunction, undertaking or non-financial relief,

we will be entitled to reimbursement of any legal costs **we** have paid on **your** behalf from any payment **you** receive from the opponent.

Losses from dishonesty

If during the **period of insurance**, and in the performance of **your business activity** within the **geographical limits**, **you** suffer a loss from the dishonesty of **your** employees or self-employed individuals directly contracted to **you** and under **your** supervision, where there was a clear intention to cause **you** loss or damage and to obtain a personal financial gain over and above any salary, bonus or commission, **we** will indemnify **you** against **your** direct financial loss.

Loss of documents

If during the **period of insurance**, any document, information or data of **yours** which is necessary for the performance of **your business activity** is lost, damaged or destroyed while in **your** possession, **we** will cover **you** against the cost of restoring or replacing it.

What is not covered

Matters specific to your business

- A. **We** will not make any payment for any claim or loss directly or indirectly due to:
 1. any investment of, or direct advice on the investment of, client funds.
 2. any construction or erection work **you** undertake or for which **you** are responsible as a building or engineering contractor.
 3. any work **you** undertake as a project manager which results in:
 - a. **you** failing to obtain and/or maintain adequate financing;
 - b. **you** failing to obtain and maintain adequate insurance;
 - c. any party involved in the project becoming insolvent;
 - d. errors and/or omissions on **your** part in the provision of cost estimates including where such estimates are exceeded.
 4. any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.
 5. **your** operation or administration of any pension or employee benefit scheme or trust fund, or the sale or purchase of or dealing in any stocks, shares or securities or the misuse of any information relating to them, or **your** breach of any legislation or regulation relating to these activities.
 6. **your** breach of any taxation, competition, restraint of trade or anti-trust legislation or regulation.
 7. the work of any personnel supplied by **you** to a client, unless **you** have breached a duty of care in supplying them.
 8. transmission of a computer virus.

Surveys, inspections and valuations

9. any survey, inspection or valuation of real or leasehold property not carried out by a fellow or associate of the Royal Institute of British Architects, the Royal Institute of Irish Architects, the Royal Incorporation of Architects in Scotland, the Royal Society of Ulster Architects, the Royal Institution of Chartered Surveyors, or by a Registered Architect with not less than one year's relevant experience, or by any person with more than five years' relevant experience in undertaking surveys, inspections or valuations of a similar nature.

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| Subcontractors | <p>10. any acts or omissions of a specialist, designer or consultant working for you as a sub-contractor unless:</p> <ul style="list-style-type: none"> a. you have taken reasonable steps to ensure that the sub-contractor has and maintains professional indemnity insurance with a reputable insurer, and b. there is a written sub-contract between you and the sub-contractor which is subject to English law, includes an arbitration clause and provides that the sub-contractor will indemnify you against any liabilities you incur as a result of the sub-contractor's performance of the sub-contract, and c. you have disclosed the sub-contractor's fees to us. |
| Collateral warranties | <p>11. your agreement to take on any legal liability under any express agreement, warranty, indemnity, waiver or guarantee, unless:</p> <ul style="list-style-type: none"> a. you would be liable even if you had not given any such agreement, warranty, indemnity, waiver or guarantee; or b. the liability arises from a Collateral Warranty or Duty of Care agreement, in which case we will not indemnify you for any liability arising from: <ul style="list-style-type: none"> i. any fitness for purpose guarantee; ii. any greater or longer lasting benefit than that given to the party with whom you originally contracted; iii. any express guarantee, contractual penalty or liquidated damages; iv. any assignment of the warranty or agreement to any purchaser or tenant after the first two assignments; v. your agreement to exercise a standard of care greater than would normally be expected in your profession. |
| Joint ventures | <p>12. activities carried out in the name of a consortium, joint venture or profit sharing scheme in which you are a party.</p> |
| Matters insurable elsewhere | <p>13. the death or any bodily or mental injury or disease suffered by:</p> <ul style="list-style-type: none"> a. anyone employed by or working for you and arising out of their work for you; b. anyone else, unless arising directly from your breach of a duty of care in the performance of a business activity. <p>14. any breach of an obligation owed by you as an employer or any kind of discrimination, harassment or unfair treatment.</p> <p>15. the ownership, possession or use of any land or building, any animal, any aircraft, watercraft or any motor vehicle.</p> <p>16. the loss, damage or destruction of any tangible property:</p> <ul style="list-style-type: none"> a. other than documents in your care, custody or control in connection with a business activity for a client; or b. unless arising directly from any design, specification, technical information calculation, survey or inspection carried out by you. <p>This clause does not apply to your own loss under the loss of documents cover in What is covered.</p> <p>17. the loss, damage or destruction of any bearer bonds, coupons, share certificates, stamps, money or other negotiable paper.</p> <p>18. the loss or distortion of any data held electronically.</p> <p>19. any personal liability incurred by a director or officer of yours when acting in that capacity or managing your business, or your breach of any fiduciary duty, other than when performing a business activity for a client, or any statement, representation or information concerning you or your business contained in your accounts, reports or financial statements.</p> <p>20. your supply, manufacture, sale, installation or maintenance of any product.</p> |
| Deliberate, reckless or dishonest acts | <p>21. any statement you knew, or ought reasonably to have known, was defamatory at the time of publication.</p> |

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| | 22. any act, breach, omission or infringement you deliberately, spitefully, dishonestly or recklessly commit, condone or ignore. This does not apply to any claim or your own loss under the dishonesty cover in What is covered , but we will not in any event provide cover to any party who actually commits, condones or ignores any dishonesty. |
| Pre-existing problems | 23. any shortcoming in your work or your own loss which you knew about, or ought reasonably to have known about, before we agreed to insure you . |
| Date recognition | 24. date recognition . |
| War, terrorism and nuclear | 25. war, terrorism or nuclear risks . |
| Asbestos | 26. asbestos risks . |
| | B. We will not make any payment for: |
| Claims brought by a related party | 1. any claim brought by an insured within the definition of you or any party with a financial, executive or managerial interest in you , including any parent company or any party in which you have a financial, executive or managerial interest, including any subsidiary company. This does not apply to a claim based on a liability to an independent third party directly arising out of the performance of your business activity . |
| Adjudication costs | 2. a claim referred to adjudication under the Housing Grants Construction and Regeneration Act 1996 where your contract with your client failed to provide that: <ol style="list-style-type: none"> an adjudicator will be appointed to resolve any disputes under the contract; the adjudicator is independent of the parties to the dispute; the decision of the adjudicator is not the final determination of the dispute; the adjudicator cannot reach a decision on commercial considerations as opposed to the legal liabilities and obligations of the parties in dispute. |
| Restricted recovery rights | 3. that part of any claim where your right of recovery is restricted by any contract. |
| Consequential loss | 4. your lost profit, mark-up or liability for VAT or its equivalent. 5. any trading loss or trading liability including those arising from the loss of any client, account or business. |
| Non-compensatory payments | 6. fines and contractual penalties, aggravated, punitive or exemplary damages, and additional damages under section 97(2) of the Copyright, Designs and Patents Act 1988 or any statutory successor to that section. |
| Claims outside the applicable courts | 7. any claim, including arbitration, brought outside the countries set out in the schedule under applicable courts. This applies to proceedings in the applicable courts to enforce, or which are based on, a judgement or award from outside the applicable courts. |

How much we will pay

We will pay up to the limit of indemnity shown in the schedule unless limited below. **We** will also pay for **defence costs**. However, if a payment greater than the limit of indemnity has to be made for a claim **our** liability for **defence costs** will be limited to the same proportion that the limit of indemnity bears to the amount paid. **You** must pay the relevant **excess** shown in the schedule.

When **we** settle **your** own losses from dishonesty, **we** will deduct any sums **you** owe or the value of any property **you** hold belonging to the perpetrator.

For lost, damaged or destroyed documents, information or data, **we** will pay the reasonable expenses **you** incur with **our** prior written consent in restoring or replacing them.

All claims and losses which arise from the same original cause, a single source or a repeated or continuing shortcoming in **your** work will be regarded as one claim. This includes claims and losses arising after, as well as during, the **period of insurance**.

Special limits

1. For claims and **your** own losses arising from dishonesty and from the physical loss or destruction of or damage to tangible property and from the death, disease or bodily or mental injury of anyone, the most **we** will pay is a single limit of indemnity for the total of all such claims, their **defence costs** and **your** own losses. **You** must pay the relevant **excess** shown in the schedule.
2. The most **we** will pay for the costs to defend all criminal proceedings is the amount shown in the schedule. **We** will not pay any costs awarded against **you** as a result of such proceedings. **You** must pay the relevant **excess** shown in the schedule.
3. The most **we** will pay for **your** costs to pursue all claims for infringement of copyright is the amount shown in the schedule. **You** must pay the relevant **excess** shown in the schedule.

Paying out the limit of indemnity

At any stage of a claim **we** can pay **you** the applicable limit of indemnity or what remains after any earlier payment from that limit. **We** will pay **defence costs** already incurred at the date of **our** payment. **We** will then have no further liability for that claim or its **defence costs**.

Your obligations

If a problem arises

We will not make any payment under this section:

1. unless **you** notify **us** promptly of the following within the **period of insurance** or at the latest within 14 days after it expires for any problem **you** first become aware of in the seven days before expiry:
 - a. **your** first awareness of a shortcoming in **your** work for a client which is likely to lead to a claim against **you**. This includes any criticism of **your** work even though regarded by **you** as unjustifiable.
If **we** accept **your** notification **we** will regard any subsequent claim as notified to this insurance.
 - b. any claim or threatened claim against **you**.
 - c. **your** first awareness of any actual or threatened criminal proceedings against **you**.
 - d. **your** first awareness that a copyright of **yours** has been infringed.
 - e. **your** discovery, or the existence of reasonable grounds for **your** suspicion, that any partner, director, employee or self-employed individual has acted dishonestly.
2. if, when dealing with **your** client or a third party, **you** admit that **you** are liable for what has happened or make any offer, deal or payment, unless **you** have **our** prior written agreement. **You** must also not reveal the amount of cover available under this insurance, unless **you** had to give these details in negotiating a contract with **your** client or have **our** prior written agreement.
3. unless, during an adjudication, **you** comply with any request, direction or timetable of the adjudicator.
4. unless **you** start, at **our** expense, any court or arbitration proceedings which **we** reasonably require to challenge, re-open or stay the enforcement of an adjudication decision.

Notification for adjudication

In view of the strict timetable relating to an adjudication **you** must notify **us** by fax or electronic mail within two working days of **your** receipt of any notice of an intention to adjudicate, or of **your** intention to serve such a notice which may lead to a claim against **you** being dealt with by adjudication.

You should make this notification directly to **us**, and not through **your** insurance adviser if you use one, as follows:

Claims department
Hiscox Underwriting Ltd
PO Box 420
Sittingbourne
Kent ME10 1WB
Fax: 020 7448 6923
Email: hicliability.claims@hiscox.com

We will not indemnify **you** under this insurance unless **you** comply with the above.

Control of defence

We have the right, but not the obligation, to take control of and conduct in **your** name, the investigation, settlement or defence of any claim. If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. **We** may appoint **your** own solicitor but on a similar fee basis as **our** solicitor and only for work done with **our** prior written approval. Proceedings will only be defended if there is a reasonable prospect of success and taking into account the commercial considerations of the costs of defence.

The General terms and conditions and the following terms and conditions all apply to this section.

Special definitions for this section

| | |
|------------------------------------|--|
| Crisis | A time of severe difficulty in your activities or danger to your business as a result of an insured incident that could, if left unmanaged, cause adverse or negative publicity of or media attention to you or your business . |
| Crisis containment costs | Reasonable and necessary costs incurred in utilising the services of the crisis containment provider to limit or mitigate the impact of a crisis . |
| Crisis containment provider | The person or company named in the schedule. |
| Insured incident | An incident, act or problem that in your good faith opinion could potentially give rise to a covered claim being made by you under any other section of this policy . |
| Working hours | The hours between 09:00 and 17:00 on any day other than Saturday, Sunday or a public holiday. |

What is covered

| | |
|---|--|
| Crisis containment costs | We will pay crisis containment costs incurred within the geographical limits with our prior written consent as a direct result of a crisis commencing during the period of insurance . |
| Outside working hours discretionary crisis mitigation costs | We will also pay crisis containment costs incurred within the geographical limits without our consent in carrying out immediate work outside of working hours to limit or mitigate the impact of the crisis . Any such work done by the crisis containment provider will not be confirmation of cover under this or any other section of this policy . |

What is not covered

We will not make any payment for:

1. **crisis containment costs** relating to any claim or part of a claim not covered by this **policy**.
2. **crisis containment costs** relating to any:
 - a. claim under any **Management liability – Employment practices liability** section;
 - b. employment claim under any **Management liability – Directors and officers** section or **Management liability - Trustees and individual liability** section.
3. costs which are covered under any other section of this **policy**.
4. any **crisis containment costs** directly or indirectly due to:
 - a. any incident, act, investigation or problem that affects **your** profession or industry; or
 - b. governmental regulations which affect another country or **your** profession or industry; or
 - c. any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America; or
 - d. socioeconomic changes or business trends which affect **your business** or **your** profession or industry.

How much we will pay

The most **we** will pay under this section is the amount shown in the schedule, irrespective of the number of **crises** or **insured incidents**. **We** will pay the **crisis containment provider** directly for **crisis containment costs** covered under this section of the **policy**.

All **crises** arising from the same original cause, a single source or a repeated or continuing problem will be regarded as one **crisis**. This includes such **crises** arising after, as well as during, the **period of insurance**.

Your obligations

We will not make any payment under this section unless **you** notify any **crisis** in accordance with either of the following:

If a crisis arises during working hours

1. If **you** first become aware of the **crisis** during **working hours** **you** must notify **us** of it immediately by phoning **us** on the number stated in the schedule.

We will then determine if the incident, act or problem that **you** have notified would give rise to a covered claim under any other section of this **policy**. If **we** determine this to be the case then **we** will contact the **crisis containment provider** to assist **you** in the management of the **crisis**.

If **we** determine that the incident, act or problem that **you** have notified would not result in a covered claim under any other section of this **policy** then **we** will not make any payment under this section.

You must co-operate fully with **us**, the **crisis containment provider** and any of **our** representatives in the management of the **crisis**.

If a crisis arises outside of working hours

2. If **you** first become aware of the **crisis** outside of **working hours** **you** must notify the **crisis containment provider** immediately by phoning them on the number stated in the schedule. **You** must also notify **us** of the **crisis** as soon as possible within **working hours** by telephoning the number stated in the schedule.

You must co-operate fully with the **crisis containment provider** in the management of the **crisis**.