

PMR 051

Housing Grants, Construction and Regeneration Act Endorsement

The **Insured** shall, as a condition precedent to their right to indemnity under Section 1 to this Policy, comply with the Special Notification Conditions below, the **Insurers** only being liable to indemnify the **Insured** in respect of any notification(s) made to the **Insurers** during the **Period of insurance**.

Definition

For the purposes of these Special Notification Conditions, **Adjudication notice** shall mean any adjudication notice pursuant to contract (including a "Notice of Adjudication" and/or "referral notice" pursuant to the Scheme For Construction Contracts (England & Wales) Regulations 1998 and/or The Scheme for Construction Contracts (Scotland) Regulations 1998) and "adjudication" and "adjudicator" shall be construed in that context.

1. The **Insured** shall give the **Insurers** written notice within 2 working days of:
 - a) the receipt of any **Adjudication notice**;
 - b) the receipt of any indication, whether in writing or otherwise, of an intention on the part of any party to serve the **Insured** with an **Adjudication notice**;
 - c) becoming aware of circumstances in which the commencement of an adjudication involving the **Insured** is likely.
This notification must be given during the **Period of Insurance** and must be addressed to: HCC International Insurance Company PLC at Walsingham House, 35 Seething Lane, London EC3N 4AH.
2. The **Insured** must promptly supply **Insurers** with all details relating to any references to adjudication, including copies of all documentation made available to the **Insured**.
3. The **Insured** must:
 - a) allow the **Insurers** to appoint advisors and to have conduct of the adjudication as they deem appropriate;
 - b) co-operate with the **Insurers** and their advisors in the conduct of the adjudication
 - c) meet any request, direction or timetable of the adjudicator.
 - d) not agree to accept the decision of the adjudicator as finally determining the dispute without the prior written consent of the **Insurers**.
4. The adjudication provisions in the Contract (if any) or otherwise applying to the Contract must:
 - a) provide that the adjudicator must be independent of the parties to the dispute;
 - b) not allow for the adjudicator's decision to finally determine the dispute;
 - c) not allow the adjudicator to disregard the legal entitlements of the parties in order to reach a decision based on commercial or other considerations;
 - d) not place restrictions upon the timing of the commencement of legal or arbitration proceedings (for the sake of clarity this does not apply to adjudication proceedings).

Further condition

The **Insurers** shall be entitled to pursue legal proceedings, arbitration or other proceedings in the name of and on behalf of the **Insured** to challenge, appeal, re-open or amend any decision, direction, award or exercise of any power of the adjudicator or to stay the enforcement of any such decision, direction, award or exercise of power. The **Insured** shall give all such assistance as the **Insurers** may reasonably require in relation to such proceedings or arbitration.

All other terms and conditions of this Policy remain unaltered.