

Cladding Exclusion and Writeback

It is hereby noted and agreed:

(a) In respect of contracts commenced prior to **INSERT DATE** this policy excludes, and We shall not be liable in respect of, any Claim, Circumstance and/or Defence Costs based on, arising out of or in any way connected to any act, error or omission actually or allegedly committed or omitted in respect of Cladding Claims.

(b) In respect of contracts commenced on or after **INSERT DATE** the following terms shall apply to Cladding Claims:

- (i) Our liability in respect of Cladding Claims is limited to any actual direct loss, cost, expense or defence costs incurred by You in rectifying any part of the works where such losses, costs, expenses or defence costs are incurred as a direct result of any negligent act, error or omission in the conduct by or on behalf of You in the provision of professional services as defined in the policy. All other losses, costs, expenses or defence costs directly or indirectly caused by, contributed to by, or arising out of Cladding Claims is excluded.
- (ii) Our total liability (including Defence Costs and claimant's costs) for all Cladding Claims shall not exceed in the aggregate the Indemnity Limit expressed in the Schedule. The Indemnity Limit shall not be reinstated.
- (iii) The Excess in respect of Cladding Claims will be GBP **TBA** and shall be applied to each and every Claim for each and every building at each and every site inclusive of Defence Costs.
- (iv) We shall not be liable for any indirect or consequential losses that form part of any Claim, including but not limited to loss of profits, loss of use, loss of rent, loss of production, loss of contracts, liquidated damages, bodily injury or for any cost of decamping, rehousing or carrying out fire safety patrols (commonly referred to as a "waking or walking watch").

For the purposes of this clause Cladding Claims means:

any damage, loss, cost or expense or any other liability directly or indirectly arising from or in any way related to the combustibility of any composite panels, cladding or façades of buildings or structures, and/or internal or external wall systems and any associated core/filler/insulation material and/or any fixing systems.

All other policy terms, conditions, limitations and exclusions remain unaltered.