

Novated Contracts Endorsement

It is hereby noted and agreed We shall indemnify You for any Claim up to the Indemnity Limit and notified during the Period of Insurance arising out of any negligent act, error or omission of any specialist designers, consultants or sub-contractor in the performance of any Professional Services and for whom You have assumed liability under a contract of novation:

Provided always that:

- (i) You shall carry out a satisfactory due diligence exercise prior to the novation of any contract to You to ensure that all work carried out under such contract is of satisfactory quality; and
- (ii) We shall not indemnify You for any liability assumed by virtue of any novated contract in respect of physical works already carried out before the date of novation, where such liability exists purely as a result of the novated contract; and
- (iii) We shall not indemnify any additional liability You have assumed by virtue of any novated contract; and
- (iv) We shall not indemnify any liability arising from any Circumstance of which You were, or ought reasonably to have been, aware at the time that the contract of novation was entered into by You; and
- (v) either the contract of novation shall indemnify You in respect of any liability You may incur for any and all pre-novation work or services undertaken by such specialist designers, consultants, or sub-contractor; or Your contract with its employer expressly excludes Your liability for any and all pre-novation work or services undertaken by such specialist designers, consultants or sub-contractor; and
- (vi) rights of recourse against such specialist designers, consultants, or sub-contractor have not been waived or otherwise impaired.

All other policy terms, conditions and exclusions remain unaltered.