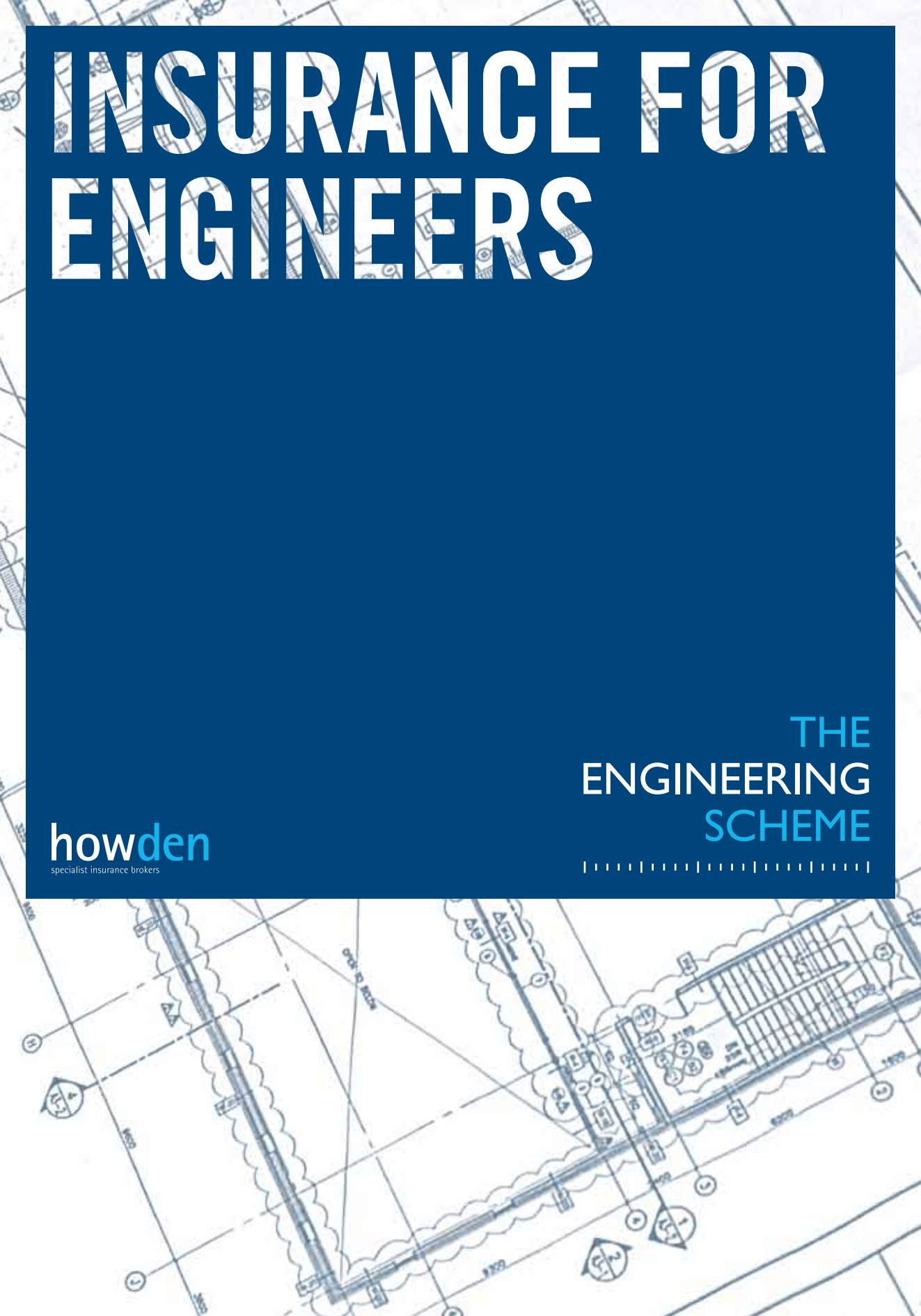


INSURANCE FOR ENGINEERS

THE
ENGINEERING
SCHEME

howden

specialist insurance brokers



“Having worked with Howden for the last eight years we have always been impressed with their understanding of the engineering community and the work undertaken by Chartered Engineers in the UK. It is this knowledge, combined with the awareness of the risks that engineers face in their work that has enabled Howden to develop such a comprehensive and impressive insurance scheme tailored to meet the needs of engineers.”

Steven Wood

Head of Business Services, Engineering UK

ABOUT HOWDEN

In 1994 David Howden and Mark Pangborn founded Howden Insurance Brokers and set about building a unique type of Lloyd's broker. With three core principles - client focus, pioneering spirit and meritocracy - the Howden Broking Group has grown into a global network of offices, headquartered in London and serving clients across the world.

Howden is recognised as a leading expert in the field of indemnity with clients ranging from large multi-nationals to UK based sole practitioners. We succeed in areas where other brokers do not because we make sure we understand our clients' core business, and use this knowledge to educate insurers so that they understand our clients' risks. Howden is part of the Hyperion Insurance Group, which was awarded a Queen's Award for Enterprise in International Trade in 2007 and ranked for the second year running in the 2008 Sunday Times Buyout Track. Hyperion is backed by 3i, a world leader in private equity.

ABOUT THE ENGINEERING SCHEME

In 1994 Howden became aware of the need to provide individual engineers and small engineering firms with affordable and comprehensive Professional Indemnity insurance. Since the scheme started it has provided over 3000 Chartered Engineers with liability insurance from Lloyd's underwriters and 'A' rated company market insurers.

The scheme is now known as The Engineering Scheme and is supported by The Engineering and Technology Board. The objectives of The Engineering Scheme are to provide cost effective protection to Engineers without compromising on policy coverage or risk management advice.



BENEFITS OF THE SCHEME

Flexible Finance

Premiums start from as little as £550 (plus 5% insurance premium tax) for sole practitioners and payments can be spread over the year with an interest free direct debit scheme.

Policy Coverage

Up to £5 million of cover is available for any one claim limit of indemnity. Specific additional coverage is provided in relation to:

- Dishonesty
- Loss of documents
- Libel and slander
- Criminal prosecution defence costs
- Collateral warranty extension
- Optional Employers' Liability insurance
- Optional Public Liability insurance

Legal Benefits

The scheme has an exclusive arrangement with the renowned engineering specialist law firm Reynolds Porter Chamberlain LLP (www.rpc.co.uk). It is a market leader in insurance law covering, in particular, construction, professional indemnity (all classes), financial institutions, property and commercial liability risks, and employers and public liability. Reynolds Porter Chamberlain LLP are the appointed law firm of the scheme providing:

- Free legal advice in relation to insurance issues in any collateral warranty arrangements that you may be asked to enter into.
- Discounted legal advice for any enquiry in relation to 'The Engineering Scheme'.
- Pursuance of unpaid fee invoices by way of a Conditional Fee Agreement (CFA) where appropriate.

Legal Helpline

Scheme members are entitled to FREE legal advice in connection with personal matters. The service is delivered by Legal Assistance Direct and provides confidential, practical legal advice over the telephone on personal matters that affect members and their immediate family. The service is staffed by in-house lawyers and operates 24 hours a day all year round. This includes assistance with:

- Personal injury claims
- Consumer disputes
- Local authorities
- Criminal and family law

FREQUENTLY ASKED QUESTIONS

Who is The Engineering Scheme suitable for?

The scheme is suitable for first time buyers of Professional Indemnity insurance, those looking for an alternative quote to their current insurance, and those who may want a policy that offers greater flexibility.

How can I qualify to join the scheme?

The Engineering Scheme is open to all classes of engineers who are registered with their relevant associations. All sizes of firms are accepted. In extreme cases where engineers may not be eligible for the scheme, we will provide alternative advice and arrangements for cover.

How do I obtain a quotation for the scheme?

Simply complete the ENGINEERS' QUESTIONNAIRE and, if appropriate, the GEOTECHNICAL QUESTIONNAIRE and send it to us. Our exclusive arrangement with underwriters will allow us to produce a quote within 48 hours.

What does Professional Indemnity insurance provide cover for?

This insurance protects you against your legal liability arising during the conduct of your professional business as a result of any breach of duty of care by you or by any person for whom you are responsible. This would include any employees, self-employed persons or subcontractors.

What additional cover can The Engineering Scheme provide?

Cover is also provided for: collateral warranties; defence costs for prosecution under statutory regulations relative to building or construction works; dishonesty of employees; loss of documents; libel and slander and breaches of confidentiality; warranty of authority and intellectual property rights.

What is a 'claims made' basis of insurance?

This insurance covers you for situations which you become aware of, or claims first made against you or intimated, and which are notified to the insurers during the period of the insurance. It is therefore the certificate that is in force at the time that any claim or allegations are made against you, that will respond irrespective of the date when the alleged negligence took place.

What is a 'retroactive date' and how does this work?

If your policy certificate contains a 'retroactive date' this means that it will not respond to claims arising from professional business undertaken prior to that date. If no date applies, signified by the word 'None', this restriction does not apply.

How does a claims-made policy work when I cease to trade?

When you cease to trade it is standard practice to purchase what is called 'run-off' cover. This insurance is for people who are no longer practising but wish cover to remain in force for work previously carried out. Generally where 'run-off' cover is required the full premium is payable in the first year that a company is no longer trading. Thereafter the premium will decline on an annual basis, reducing by approximately 20% per annum until the Underwriter's minimum premium is reached. Quotations for one, two and three year run-off policies are available at a discounted price under The Engineering Scheme, providing peace of mind in your retirement.

CONTACT US

To discuss your insurance requirements, or if you have any questions please contact Howden's Engineering team on +(0)20 7648 7139.



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