

Professional Indemnity – Construction

Essential Business Insurance Your policy overview



Lloyds TSB | for the journey...

Introduction

Thank you for choosing Lloyds TSB and their commercial insurer of choice, Allianz Insurance plc.

Introducing Allianz Insurance plc

Allianz Insurance plc is proud to be the chosen provider of commercial insurance for Lloyds TSB customers.

They are one of the largest general insurers in the UK and part of the Allianz Group, one of the world's foremost service providers.

Allianz have provided leading insurance solutions in the UK for more than 100 years in an ever changing financial market.

If you need to make a claim you can be confident that you will be working with industry experts and professionally trained staff. They will understand the requirements of your business and apply the most appropriate action towards continued trading and claim settlement.

Should you require any further information please do not hesitate to contact the Essential Business Insurance Centre who will be delighted to help you.

For Customer Service information please ring 0844 893 9560.

Professional Indemnity – Policy Overview

Introduction

Professional Indemnity insurance covers your legal liability arising from your professional services in the event that a third party claims to have suffered a loss as a result of your professional negligence.

Professionals may owe a duty of care to anybody who might reasonably rely upon the service or advice they have provided. In today's commercial world, clients expect high standards of service and are more inclined to resort to litigation when such standards have not been met.

Professional Indemnity insurance is designed to provide protection against such claims, providing an indemnity for damages which are awarded against your business, for legal costs in defending the claim and for costs that may be awarded against you subject to the policy terms and conditions.

Any business or person who provides services such as advice, design, or offers their skills or knowledge services in a professional category should consider Professional Indemnity insurance.

In addition, some professions are required to hold Professional Indemnity insurance as a regulatory requirement or as a result of their professional authorisation. This includes solicitors, accountants, architects, insurance intermediaries and financial advisers. Many consultants, advertising, PR and Recruitment Agencies, and Design & Construct professionals also choose to buy this type of insurance.

Important

This is a summary only of policy cover and does not contain the full terms and conditions of the contract of insurance. Some of the covers may only apply if you have chosen to take the option selected. Full terms and conditions can be found in the policy documents, a copy of which is available on request.

Allianz Professional Indemnity Insurance

Allianz Insurance plc have introduced a wide ranging portfolio of Professional Indemnity insurance products, including individual wordings tailored to the specific requirements of individual professions.

Our products are worded very specifically to provide the following advantages:-

- cover is provided on a Civil Liability basis, which is the widest form of cover available
- Innocent Non Disclosure Condition waiving our rights to avoid the insurance cover in the event we are satisfied of innocent non – disclosure, or innocent misrepresentation
- where required our wordings do comply with the relevant governing body minimum standards and requirements
- cover can be issued as a stand alone policy, or combined with other non - motor insurance covers you hold with Allianz.

Construction Professional Indemnity

Key Features and Benefits

- **Professional Indemnity Insurance** – provides indemnity for losses arising from civil liability (including liability for claimant's costs and expenses incurred) arising in connection with your professional services including:-
 - breach of professional duty
 - infringement of copyright or intellectual property rights
 - breach of confidentiality
 - defamation
 - and other types of civil liability, unless specifically excluded.
- **Insured Person** – cover extends to include you, past and present partners (or members of limited liability partnerships), directors, employees and their personal representatives in the event of death, incapacity, insolvency or bankruptcy.
- **Fraud and Dishonesty Cover** – liability of your business to any third party resulting from fraudulent or dishonest conduct of any employee unless condoned by a partner or director.
- **Lost Documents Cover** – costs of replacing or restoring documents lost or damaged in transit or in your custody or control up to a maximum of £100,000 in the aggregate during the period of insurance. An excess of £250 applies to this cover, unless an alternative amount is specified in the Schedule.
- **Court Attendance Cover** – if attending court as a witness by any principal, partner, member, director or employee when defending a claim, a rate of £300 per person per day (£150 per person per day for employees) is applicable
- **Mitigation Cover** – costs incurred in remediating or mitigating a loss or potential loss that may otherwise result in a claim subject to specific requirements
- **Specialist Contractors Cover** – claims resulting from any wrongful act of your specialist consultants, designers or sub-contractors engaged in the performance of your professional services. Cover applies provided that you have not waived or otherwise impaired any rights of recourse against such persons.
- **Asbestos Cover** – claims in connection with, based upon or attributable to the presence or release of asbestos containing materials. Cover is subject to a sub-limit of liability of £250,000 any one Claim and in the aggregate.
- **Collateral Warranty Cover** – claims arising from any collateral warranties, duty of care or similar agreements provided by you, to the extent that such liability would have attached to you in the absence of such contractual duty, term or agreement.
- **Fitness for Purpose Cover** – claims arising out of any fitness for purpose warranty solely with respect to the design and/or specification of any works. Provided that the fitness for purpose warranty is in accordance with practice conventionally accepted as appropriate at the time of the execution of the works having regard to the size, scope and complexity of the project.

Significant Exclusions or Limitations

- **Claims Made Wording**
 - the insurance covers claims first made against you, and/or circumstances that may lead to a claim, notified to us during the period of insurance
 - claims or circumstances which might give rise to a claim must be notified to us in writing as soon as reasonably possible and during the period of insurance
- **Adjudications**
 - must be notified within two working days of your receipt of any notice of intention to adjudicate or at least 30 days before service by you of any notice of intention to adjudicate
 - immediate notice must be given to us of an ombudsman's review of a case connected with your professional services
- **Limit of Liability**
 - the Limit of Liability is specified in the Schedule and applies on an "any one claim" basis without aggregate limitation in the period of insurance (unless stated otherwise in the Schedule).
 - Defence Costs are payable in addition to the Limit of Liability.
- **Retention** – the insurance will be subject to a retention, shown in the Schedule, which is the amount you must contribute towards settlement of a claim. No retention applies to Defence Costs or Court Attendance Cover.
- **Statement of Fact** – the statement of fact and any information supplied by you forms the basis of and is incorporated into the contract of insurance
- **Cover exclusions:**
 - Asbestos arising out of, based upon or attributable to:
 - i) Bodily injury resulting from the presence or release or possible release of asbestos or asbestos containing materials in whatever form or quantity; or
 - ii) Asbestos inspections carried out by you.
 - Bodily injury/property damage unless arising from an actual or alleged failure to achieve the legally required standard of care, diligence and expertise in performing your professional services.
 - Contractual Liability except to the extent such liability would have attached to you in the absence of such contractual duty, term or agreement.
 - Failure to make an accurate pre-assessment of the cost of performing your professional services.
 - Claims which should be insured under other types of insurance such as Directors' and Officers' Liability, Employers' Liability and Employment Practice Liability
 - Software, mechanical or electrical failure or telecommunications or satellite systems failure outside your direct control
 - Insolvency, liquidation, administration or receivership of your business.
 - Manufacturing defect in any product.
 - Fitness for purpose arising out of, based upon or attributable to any of the following:
 - i) where the contract for the works has not defined the intended purpose and use of such works;
 - ii) any unforeseen ground conditions;

Key Features and Benefits

- **Health & Safety Legislation Cover** – reasonable costs and expenses incurred with our prior written consent for defence of any proceedings first brought against you under the Health & Safety Legislation by any regulatory body or similar body where in our opinion defending such proceedings could prevent a concurrent or subsequent claim. Provided that we shall not be liable to pay:
 - a) unless the proceedings shall have arisen from a wrongful act committed by you in the performance of your professional services; or
 - b) where there is a subsequent plea of finding of guilt on the part of you; or
 - c) where in our opinion on the balance of probabilities the proceedings are unlikely to be defended successfully.Cover is subject to a Sub-limit of Liability of 80% of the Defence Costs incurred up to a maximum amount of £250,000 in the period of insurance.
- **Pollution Cover** – claims arising out of the actual, alleged or threatened, sudden or accidental presence, discharge, dispersal, release, migration or escape of pollutants other than asbestos, nuclear or radioactive material of any sort.
- **Joint Ventures Cover** – covers you against liability arising out of your professional services in respect of any joint venture, provided that you have previously declared to us all fees/turnover received from any joint venture subject to specific requirements.
- **Automatic Acquisitions Cover** – extends cover during the period of insurance to include another entity where you obtain control of the composition of the board of directors or more than half of the voting power; or a holding of more than half of the issued share capital subject to specific requirements.
- **Defence Costs Cover** – covers defence costs incurred with our prior written consent
- **Innocent Non Disclosure Condition** – we will not exercise our rights to avoid the insurance cover for innocent non-disclosure or innocent misrepresentation.

Significant Exclusions or Limitations

- iii) process engineering other than where the process engineering relates to the structured integrity of the works;
 - iv) Pollution; or
 - v) defective workmanship or materials
- This exclusion shall only apply in respect of any fitness for purpose warranty.
- Surveys and valuations unless undertaken by, or under the direct supervision of, a properly qualified person.
 - Adjudications where the adjudicator is not independent or which do not allow for the adjudicator's decision to finally determine the dispute or allow the adjudicator to disregard the legal entitlements of the parties or which place any conditions upon the timing of commencement of proceedings
 - Previous claims or circumstances
 - Prior Acts (before the Retroactive Date stated in your Schedule).
 - Trading debt incurred or guarantee given by you for a debt.
 - Claims brought in the United States of America or Canada.
 - War or Terrorism

Additional Information

Notifying a Claim

If an accident, loss or damage occurs or any circumstances arise which may cause a claim to be made:

You should notify
Essential Business Insurance Claims
Allianz Insurance plc
500 Avebury Boulevard
Milton Keynes
MK9 2XX

Tel: 0844 893 9580

- promptly, if an incident occurs that may lead to you making a claim
- immediately, in the event of a serious accident, loss or damage
- please provide your policy number and as much information as possible about the claim

Lines are open Monday to Friday.

How do I make a complaint?

If you have a complaint contact our Customer Satisfaction Manager at:

Essential Business Insurance Centre
PO Box 2934
Bristol
BS1 9ES

Tel: 0844 893 9590

Email: csm@essentialbusinessinsurance.co.uk

If we are unable to resolve the problem we will provide you with information about the Financial Ombudsman Service.

Using our Complaints Procedure or referral to the Financial Ombudsman Service does not affect your legal rights.

Full details of our complaints procedure will be found in your policy documentation.

Would I receive compensation if Allianz is unable to meet its liabilities?

You may be entitled to compensation from the FSCS if we are unable to meet our liabilities.

Further information about compensation scheme arrangements is available from:

Financial Services Compensation Scheme
7th Floor, Lloyds Chambers
Portsooken Street
London E1 8BN

Tel :020 7892 7300

Fax:020 7892 7301

Email:enquiries@fscs.org.uk

www.fscs.org.uk

Policy Limits

Higher limits may be available on request. Please ask the Essential Business Insurance Centre for details.

Law Applicable & Policy Language

Unless agreed otherwise we will apply English Law.

The language of the policy and all communications with you will be in English.

Data Protection Act

We may use the personal and business details you have given us, or which are supplied by third parties, including any details of directors, officers, partners and employees whose consent you must obtain to allow us to provide you with a quotation; deal with your policy; to search credit reference and fraud agencies who may keep a record of the search; to share with other insurance organisations to help offset risks, to help administer your policy and to handle claims and prevent fraud; to support the development of our business by including your details in customer surveys, and for market research and compliance business reviews which may be carried out by third parties acting on our behalf. All motor policy details will be added to the Motor Insurance Database (MID), run by the Motor Insurers' Bureau. This may be consulted by the Police in order to establish who is insured to drive the vehicle. If you are involved in an accident (in the UK or abroad), other UK insurers and the Motor Insurers' Bureau may search the MID to ascertain relevant policy information.

We may need to collect data relating to Insured Persons, which under the Data Protection Act is defined as sensitive (such as medical history of Insured Persons) for the purpose of evaluating the risk or administering claims which may occur. By signing this form you consent to such information being processed by us. You must also ensure that you make this fact known to the Insured Persons and obtain their explicit prior consent to pass this information to us for these purposes.

We may share your details with other companies within the Lloyds TSB Insurance Services Ltd and Allianz group of companies or pass them to third parties so that we may tell you by telephone, email or post of products and services which we think may be of interest you. If you do not want to know about these products and services, please write to: Customer Satisfaction Manager, Essential Business Insurance Centre, PO Box 2934, Bristol, BS1 9ES to let us know. Your details will not be kept for longer than is necessary.

Under the Data Protection Act 1998 individuals are entitled to a copy of all the personal information Allianz Insurance plc holds about them. Please contact the Customer Satisfaction Manager at the address above. Persons with a valid claim in respect of a road traffic accident (including citizens of other countries) may also obtain relevant information which is held on the MID.

Personal details provided may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of English law.

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