



**PROFESSIONAL INDEMNITY INSURANCE
PROPERTY PROFESSIONALS (NON-RICS)
Any One Claim excluding Defence Costs
POLICY WORDING**

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Introduction

Your Policy

Thank you for choosing Arch Insurance. This **Policy** has been prepared according to **Your** instructions. It is a single legal contract and comprises this **Policy** Wording, the **Statement of Fact**, the **Schedule** and any endorsements.

Please read **Your Policy** documents carefully to ensure that:

1. all details are accurate;
2. the **Policy** meets **Your** needs;
3. **You** are familiar with **Your** obligations under the **Policy**; and
4. **You** understand the rights and remedies available to us if **You** do not comply.

You should contact **Your** insurance agent immediately if:

1. **You** have questions about any aspect of the insurance;
2. **You** require a printed copy of **Your Policy** documents;
3. any information recorded in the **Policy** documents is inaccurate;
4. any change takes places which might affect the **Policy**;
5. **You** are unable to comply with any term of the **Policy**; or
6. the **Policy** does not meet **Your** needs.

Changes and cancellation

If **You** provide new information or request a change to the **Policy**, **We** will advise of any alterations which **We** require to terms, conditions and premium. No changes will take effect until **We** confirm them in writing.

If **You** wish to cancel the **Policy**, please refer to the General Conditions.

Policy terms and conditions

It is important that **You** are familiar with the terms of the **Policy** and what is required of **You**. In the event of **Your** non-compliance with any obligation, **We** are entitled by law and the **Policy** to exercise certain remedies.

Depending on the particular term with which **You** have failed to comply, these remedies may include:

1. avoiding the **Policy** or any relevant variations or renewals;
2. terminating the **Policy** or applying different terms; and/or
3. refusing to pay, or reducing the amount to be paid on, a claim.

This is a claims made policy. It only covers Claims or Losses first made against You and reported to Us during the Period of Insurance.

Our Promise to You

Our goal is to provide excellent service to all **Our** customers but sometimes things go wrong. **We** take complaints seriously and aim to resolve **Our** customers' problems promptly. If **You** are unhappy with the service that **You** receive, please tell **Us** straight away. Information about how to complain is shown in the How to Complain section at the end of the **Policy**.

Insurer

This **Policy** is underwritten by Arch Insurance (UK) Limited in consideration of payment of the premium by **You**, as set out in the **Schedule**.

Arch Insurance (UK) Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. FCA Register No 229887. Registered Office: 5th Floor, 60 Great Tower Street, London EC3R 5AZ. Registered in England and Wales: No. 04977362.

You can check this information on the Financial Conduct Authority register by visiting the FCA's website www.fca.org.uk/register or by contacting the Financial Conduct Authority on 0800 111 6768. Information relating to the Prudential Regulation Authority can be found at www.bankofengland.co.uk/pr



Steve Bashford
For the Insurer
Chief Executive of Arch UK Regional Division
A division of Arch Insurance (UK) Limited

Telling Us about a Claim or Circumstance

Your insurance agent should be able to help **You** to notify **Us** of a claim or incident.

To report a **Claim** or notify an incident or **Circumstance**, email or post full details, including **Your** policy number to:

Email: Piclaims@archinsurance.com

Registered Post: Arch Insurance (UK) Ltd,
Claims Department,
5th Floor,
60 Great Tower Street,
London EC3R 5AZ

If possible, please include:

1. A copy of **Your Policy**;
2. A copy of the complaint/claim;
3. Copies of any contractual documentation setting out **Your** role/involvement;
4. A summary of the background including dates; and
5. The identity of the potential claimant and any other parties involved.

If **You** have additional needs, please contact **Us** on 020 7621 4500 and ask to speak to someone in the Professional Indemnity Claims team. **We** can then note **Your** policy records which will enable **Us** to provide **You** with the appropriate assistance.

Failure to Make a Fair Presentation

Part 2 of the Insurance Act 2015 requires **You** to make a fair presentation of the risk before the commencement of the cover and the agreement of any variations or renewals.

A fair presentation of the risk includes, but is not limited to:

1. ensuring that every material representation as to a matter of fact is substantially correct;
2. ensuring that every material representation as to a matter of expectation or belief is made in good faith; and
3. disclosing to **Us** every material circumstance which **You** know or ought to know.

If **You** are in doubt as to any aspect of **Your** duties under the Insurance Act 2015, **You** should speak to **Your** insurance agent.

If **You** are in doubt as to the materiality of a representation or **Circumstance**, **You** should disclose it to **Us**.

If **You** fail to make a fair presentation of the risk, the Insurance Act 2015 entitles **Us** to exercise remedies which include:

1. avoiding the **Policy** or any relevant variations or renewals;
2. applying different terms; and/or
3. reducing the amount to be paid on a **Claim**.

If **We** avoid the **Policy**, **We** will usually return the premium unless **Your** conduct has been deliberate or reckless.

Interpretation

In this **Policy**:

1. reference to a statute, order or regulation includes reference to that instrument as revised or replaced;
2. reference to an entity created by statute, order or regulation includes a successor to that entity;
3. words importing the singular include the plural and vice versa;
4. reference to persons includes corporate and unincorporated entities;
5. reference to a gender includes all genders;
6. if a term, condition, exclusion or endorsement or part of the **Policy** is invalid or unenforceable, the remainder of the **Policy** will remain in full force and effect; and
7. headings are for reference only and must be disregarded when interpreting the **Policy**.

Definitions

The following Definitions apply to the whole **Policy**. These words and phrases have the meanings shown below where they appear capitalised and in bold.

Adjudication Notice

A written notice that a dispute is being referred to adjudication.

Asbestos Survey

A management survey or a refurbishment or demolition survey as described in HSG264 published by the Health and Safety Executive in connection with Regulation 4 of the Control of Asbestos Regulations 2006, or any comparable survey or inspection, whether of commercial or residential land or property.

Circumstance

An incident, occurrence, fact, matter, act or omission that might give rise to a **Claim**.

Claim

A demand made by a third party against **You** (whether oral or in writing) consisting of a:

1. demand (or an assertion of a right) for damages or compensation;
2. notice of intention to commence legal proceedings;
3. written communication invoking any pre-action protocols; and/or
4. notification of litigation, arbitration, adjudication, mediation or any other recognised formal dispute resolution proceedings.

Computer System

A computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including similar systems or configuration of the aforementioned and including associated input, output, data storage device, networking equipment or back up facility.

Connected With

Relating to the specified event, incident or state of affairs, in that:

1. the specified event, incident or state of affairs was a direct or indirect cause of the related event, incident, state of affairs, injury, damage or loss;
2. the specified event, incident or state of affairs wholly or partly contributed to the related event incident, state of affairs, injury, damage or loss; and/or
3. the specified event, incident or state of affairs increased the risk of the related event, incident, state of affairs, injury, damage or loss occurring.

Cyber Act

An unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, or the threat or hoax thereof, involving access to, processing of, use of or operation of a **Computer System**.

Data

Information, facts, concepts, code or other information recorded, converted or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

Data Protection Law

Applicable data protection and privacy legislation or regulations in any country, province, state, territory or jurisdiction which govern the use, confidentiality, integrity, security and protection of personal data or guidance or codes of practice relating to personal data issued by a data protection regulator or authority from time to time.

Documents

Data, deeds, wills, agreements, maps, plans, records, books, letters, policies, forms and documents whether written, printed or reproduced by any other method (other than bearer bonds, coupons, bank notes, currency notes and negotiable instruments) which are **Your** property or in **Your** custody or control.

Employee

A person, including any trainee or consultant, other than a director, member, partner or principal in the **Insured** named in the **Schedule**, who is or has been under a contract of service or apprenticeship with You and is or has been under **Your** control or supervision in connection with the **Professional Business**.

Excess

The first amount of each **Claim** or **Loss** as shown in the **Schedule** or any applicable endorsement for which **You** are responsible.

Financial Services Work

Regulated activities as more fully described in the Financial Services and Markets Act 2000 or the Central Bank and Financial Services Authority of Ireland Act 2004 or similar or successor legislation and regulations.

Limit of Indemnity

The amount specified in the **Schedule** being the maximum amount payable (including costs and expenses payable under Insuring Clause 2) by **Us** in respect of any one **Claim** or **Loss** in the **Period of Insurance** irrespective of the number of claimants or number of **Insureds**.

Loss

All damages, compensation and interest, including claimants' costs and expenses, payable by **You** whether by judgment, arbitration award or other settlement.

Ombudsman Award

An award made by an ombudsman under any recognised scheme.

Period of Insurance

The Period specified in the **Schedule**.

Policy

The following documents which together comprise the contract of insurance:

1. this policy wording;
2. the **Proposal Form** and/or **Statement of Fact**;
3. the **Schedule**; and
4. any amendments and endorsements.

Pollution

Seepage, pollution or contamination by naturally occurring or man-made substances, forces or organisms.

Professional Business:

Professional services performed for or professional advice given to a third party by **You** or on **Your** behalf and in relation to the activities declared in the **Proposal Form**.

Schedule

The Schedule attached to this **Policy**.

Statement of Fact or Proposal Form

A record of the information that **You** provided to **Your** insurance agent upon which **Your** insurance is based.

We, Us, Our

The Insurer as set out in the section of the **Policy** headed Insurer.

You, Your, Insured:

Any of the following:

1. the person, company or organisation named in the **Schedule** as the insured and the predecessors in business, as disclosed to and accepted by **Us**;
2. those persons named in the **Proposal Form** and any other person or persons who have subsequently become director/partner/principal/member in the insured named in the **Schedule** prior to the expiry of the **Period of Insurance**;
3. any former director/partner/principal/member of the insured named in the **Schedule** in respect of services performed for and on behalf of the insured named in the **Schedule** including a director/partner/principal remaining as a consultant to the insured named in the **Schedule**;
4. any **Employee**; and/or
5. legal representatives of any of the persons noted under 2., 3. or 4. above in the event of their death, incapacity, insolvency, or bankruptcy.

Insuring Clauses

In consideration of the payment of the Premium shown in the **Schedule** and subject to all terms, conditions and exclusions of this **Policy**, **We** will provide the insurance described below, provided that **We** will not pay more than the **Limit of Indemnity**.

1. Civil Liability

We will pay up to the **Limit of Indemnity** for a **Loss** or **Claim** first made against **You** during the **Period of Insurance** and notified to **Us** in accordance with the Claims Conditions for any civil liability incurred in the course of the **Professional Business**.

This Insuring Clause includes liability which **You** may incur in respect of any **Claim** first made against **You** during the **Period of Insurance** as a result of:

- a. a decision by an adjudicator appointed to resolve a dispute in accordance with the Scheme for Construction Contracts as contained in the Housing Grants Construction and Regeneration Act 1996 or an adjudication clause or rules contained in a contract; or
- b. an award by an arbitrator or tribunal of arbitrators (whether under The Royal Institute of Chartered Surveyors Dispute Resolution Service or otherwise).

2. Defence Costs and Expenses

We will pay for reasonable and necessary costs and expenses incurred **Our** prior written consent in the defence or settlement of a **Claim** under Insuring Clause 1 or 8 of this **Policy**. However, if a payment in excess of the **Limit of Indemnity** has to be made to dispose of a **Claim**, **Our** liability for costs and expenses will be the same proportion as the **Limit of Indemnity** bears to the amount paid to dispose of that **Claim**.

3. Loss of Documents

We will pay for reasonable and necessary costs and expenses incurred with **Our** prior written consent in replacing or restoring **Documents**, having been discovered during the **Period of Insurance** to have been destroyed, damaged, lost or mislaid and which after diligent search by **You** cannot be found provided that:

- a. for **Data**, a back- up copy has been made and stored separately off site; and
- b. the maximum **We** will pay for all costs and expenses will not exceed GBP 50,000 for any one **Claim** and GBP 150,000 in the aggregate during the **Period of Insurance** which will be included and not in addition to the **Limit of Indemnity**.

4. Data Protection Prosecution Defence Costs

We will pay for reasonable and necessary costs and expenses incurred with **Our** prior written consent in the defence of any criminal proceedings brought against **You** during the **Period of Insurance** arising out of any alleged offence under **Data Protection Law**, provided that:

- a. such alleged offence arises out of services performed in the course of the **Professional Business**; and
- b. the maximum **We** will pay for any such costs and expenses will not exceed GBP 100,000 in the aggregate in any **Period of Insurance** which will be included and not in addition to the **Limit of Indemnity**.

5. Prosecution Defence Costs

We will pay for reasonable and necessary costs and expenses incurred with **Our** prior written consent, in the defence of any threatened or issued criminal proceedings brought against **You**, and notified to **Us** during the **Period of Insurance**, under:

- a. the Consumer Protection from Unfair Trading Regulations 2008;
- b. the Business Protection from Misleading Marketing Regulations 2008;
- c. the Estate Agents Act 1979;
- d. the Health and Safety at Work etc Act;
- e. the Health and Safety at Work (Northern Ireland) Order 1978;
- f. the Construction (Design and Management) Regulations 2015;
- g. the Corporate Manslaughter and Corporate Homicide Act 2007;
- h. the Bribery Act 2010;
- i. the Consumers, Estate Agents and Redress Act 2007; and/or

- j. the Property Misdescriptions Act 1991; or similar prior or successor legislation provided that:
 - i. such alleged breach arises during the course of the **Professional Business**;
 - ii. **We** reasonably believe that representation could protect **You** against a **Claim** or **Loss** or assist **You** in the defence of any subsequent or concurrent **Claim**, which would otherwise be covered under the **Policy**; and
 - iii. the maximum **We** will pay for costs and expenses will be GBP 100,000 in the aggregate in any **Period of Insurance** which will be included and not in addition to the **Limit of Indemnity**.

6. Legal Representation Costs

We will pay for reasonable and necessary costs and expenses incurred with **Our** prior written consent, which are not otherwise indemnified as costs and expenses under Insuring Clause 2, for representation at any properly constituted hearing, tribunal or proceeding having the power to compel **Your** attendance and notified to **Us** in accordance with the Claims Conditions, provided that:

- a. **We** reasonably believe that representation could protect **You** against a **Claim** or **Loss** or assist **You** in the defence of any subsequent or concurrent **Claim**, which would otherwise be covered under this **Policy**; and
- b. the maximum **We** will pay for all costs and expenses will not exceed GBP 100,000 in the aggregate in any **Period of Insurance** which will be included and not in addition to the **Limit of Indemnity**.

7. Compensation for Court Attendance

We will pay compensation to **You**:

- a. If **Your** legal advisers, with **Our** prior written consent, require **You**, any director, partner, principal or member or an **Employee** of **Yours** to attend any court, tribunal, arbitration, adjudication, mediation or other hearing as a witness; or
- b. If **We** request the attendance of any director, partner, principal, member or **Employee** of **Yours** as an interested party at any mediation in connection with a **Claim** made against **You** and notified under this **Policy**.

We will provide compensation to **You** at the following rates for each day on which attendance is required:

- i. directors, partners, principals or members GBP 250
- ii. **Employees** GBP 100

8. Ombudsman Awards

We will pay for an **Ombudsman Award** arising from a **Claim** first made against **You** during the **Period of Insurance** for any civil liability incurred in the course of the **Professional Business**, provided that:

- a. **You** have notified **Us** in accordance with the Claims Conditions;
- b. the ombudsman is operating within the ombudsman's Terms of Reference; and
- c. the maximum **We** will pay for all **Ombudsman Awards** (including costs and expenses under Insurance Clause 2) will not exceed GBP 25,000 for any one **Claim** and GBP 250,000 in the aggregate (or the **Limit of Indemnity**, whichever is the lesser) during the **Period of Insurance**, which will be included and not in addition to the **Limit of Indemnity**.

Where an ombudsman makes an award which is rejected by the claimant who then pursues the matter through the courts, both the complaint to the ombudsman and all subsequent court proceedings shall be treated as a single **Claim**, made at the date of the first **Claim** against **You**.

Excess Clause

1. **We** will only be liable for that part of each and every claim made under the Policy which exceeds the **Excess**.
2. **You** will reimburse **Us** on demand for any such amount of the **Excess** paid by **Us**.
3. The **Excess** will be as specified in the **Schedule** for Insuring Clauses 1 and 5 and will apply to each and every **Claim** or **Loss**.
4. The **Excess** will not be applicable to costs and expenses payable under Insuring Clause 2.

5. In respect of Insuring Clauses 3, 4, 6 and 8 the **Excess** will be GBP 1,000 which will apply to each and every loss under Insuring Clause 3, each and every prosecution under Insuring Clause 4, each and every hearing, tribunal or proceeding under Insuring Clause 6 and each and every award or determination under Insuring Clause 8.
6. In respect of Insuring Clause 7 the **Excess** will be nil.

Exclusions

We will not pay for:

Adjudication

1. A decision made against **You** by an adjudicator who was not independent of the parties to the dispute; or
2. A **Claim Connected With** any adjudication arising from an adjudication clause in a contract which contains timetable provisions for adjudication which are more onerous to **You** than those contained in the Scheme for Construction Contracts referred to in the Housing Grants Construction and Regeneration Act 1996

Arbitration

An arbitration award (whether made under The Royal Institute of Chartered Surveyors Dispute Resolution Service or otherwise) made in respect of any **Claim** or counterclaim where the seat of the arbitration was located outside England, Wales, Scotland or Northern Ireland unless that seat was agreed to by **Us**.

Asbestos

Liability **Connected With** asbestos or any product or materials containing asbestos or asbestos fibres.

This Exclusion will not apply where such **Claim** or **Loss** arises from a negligent act, negligent error or negligent omission in the conduct of the **Professional Business**, provided that:

1. **We** will not pay for a **Claim Connected with Death or Injury**; and
2. **We** will not pay more than GBP 250,000 in the aggregate for all **Claims** (including costs and expenses under Insuring Clause 2) made in the **Period of Insurance** and this amount will be included and not in addition to the **Limit of Indemnity**.

Asbestos Survey

A **Claim** or **Loss Connected With** an **Asbestos Survey** carried out by **You**.

Contractual Liability and Collateral Warranties

A **Claim** or **Loss Connected With** liability assumed by **You** under any contractual agreement unless:

1. the liability assumed by **You** does not exceed the liability **You** would have at law without the contractual agreement; or
2. the liability arises from a collateral warranty or duty of care agreement except that **We** will not pay a **Claim** or **Loss** where **You** have agreed:
 - a. any warranty or agreement under which **You** assume a standard of care greater than the standard of reasonable skill and care normally expected in **Your** profession;
 - b. any acceptance or warranty or guarantee of fitness for purpose;
 - c. any warranty or agreement which provides greater or longer lasting benefit than that given to the party with whom **You** originally contracted; or
 - d. any express guarantee contractual penalty or liquidated damages.

Notwithstanding this Exclusion **We** will pay a **Claim** or **Loss** under Insuring Clause 1 and costs and expenses under Insuring Clause 2 in respect of liability assumed under the standard Warranty Agreements published by the British Property Federation or the Construction Industry Council or the Scottish Building Contract Committee.

Controlling Interest

A **Claim** brought by or on behalf of

1. **You**; or
2. a firm, company or organisation controlling **You** or of which any director, partner, principal or member of **Yours** has control

unless such **Claim** originates from an independent third party.

Cyber

A **Claim**, **Loss**, costs, expense, fines, penalties, mitigation costs or any other amount **Connected With**:

1. a **Cyber Act**;
2. partial or total unavailability or failure of a **Computer System**;
provided the **Computer System** is owned or controlled by **You** or any other party acting on **Your** behalf;

3. receipt or transmission of malware, malicious code or similar by **You** or a party acting on **Your** behalf;
4. the failure or interruption of service provided;
 - a. to **You** or a party acting on **Your** behalf by an internet service provider, telecommunications provider or cloud provider, but not including the hosting of hardware and software owned by **You**;
 - b. by any utility provider where such failure or interruption of service impacts a **Computer System** owned or controlled by the **You** or a party acting on **Your** behalf;
5. costs of reconstituting or recovering lost, inaccessible or damaged **Data**.

Except as expressly provided in this Exclusion, or by other restrictions in this **Policy** specifically relating to the use of, or inability to use, a **Computer System**, no cover otherwise provided under this **Policy** will be restricted solely due to the use of, or inability to use, a **Computer System**.

Data Protection Law

Any **Claim**, **Loss**, damages, fines, penalties, mitigation costs or any other amount not covered under Insuring Clause 4 for actual or alleged breach of **Data Protection Law** by **You** or any other party acting on **Your** behalf.

Death or Injury

A **Claim** or **Loss Connected With** human death, disease, illness or bodily or mental injury (other than emotional distress arising from any libel or slander), of any person, unless directly arising from negligent advice, design, specification or omission to perform a professional duty in the course of the **Professional Business**.

Directors and Officers and Trustees Liability

A **Claim** against **You** in **Your** capacity as a director, member, officer or trustee in respect of the performance or non-performance of duties as a director, member, officer or trustee.

Dishonesty &/or Fraud

A **Claim** or **Loss Connected With**:

1. any dishonesty and/or fraud of any person after **You** discover that dishonesty or fraud, or have reasonable cause for suspicion of dishonesty or fraud; or
2. any person committing or condoning such dishonesty or fraud.

In the event of a **Claim** or **Loss** being sustained as a result of any dishonest or fraudulent act or omission, the amount of indemnity under this Policy will be reduced by an amount equal to:

- a. the amount which but for such dishonesty or fraud would be due to any person from **You**; and
- b. any amount held by **You** on behalf of any person committing or condoning such dishonesty or fraud.

Employment

A **Claim** or **Loss Connected With**:

1. a dispute between **You** and an **Employee** or a person to whom **You** have offered employment, in connection with such employment; or
2. the death, bodily injury, disease, psychological injury, emotional distress, anguish, shock or sickness of an **Employee**.

EWS 1 Form (External Wall System)

A **Claim** or **Loss** where **You** have relied upon the EWS 1 form (or as revised) and the valuation report does not exclude liability to the lender or any person deriving title to the mortgage for any losses or potential losses arising directly and solely from the valuation being provided in reliance upon the EWS 1 form.

Excess

The **Excess** specified in the **Schedule** and payable by **You**.

Fines, Penalties and Punitive Damages

Taxes, fines, penalties, punitive, exemplary, aggravated or other non-compensatory damages where such damages can be identified separately within any award of a court or tribunal.

Goods and Products

A **Claim** or **Loss Connected With** the supply of any goods by **You** or on **Your** behalf or products manufactured, constructed, altered, repaired, treated, sold, supplied, or distributed by **You** or on **Your** behalf.

This Exclusion will not apply to project models or displays.

Insolvency

A **Claim** or **Loss Connected With Your** insolvency or bankruptcy.

Joint Venture

1. A **Claim** or **Loss Connected With** any joint venture conducted with any third party other than in respect of any **Claim** or **Loss** in connection with the **Professional Business**; or
2. A **Claim** made by the other party to the joint venture unless such **Claim** originates from an independent third party.

Jurisdictional Limits

A **Claim** brought against **You**:

1. in the United States of America or Canada or their territories or possessions (whether for enforcement of judgement brought in another jurisdiction or otherwise) or in which it is contended that the laws of any country state or political sub-division of the United States of America or Canada or their territories and possessions Canada should apply; or
2. outside the United States of America or Canada or their territories or possessions for the enforcement of judgement brought in the United States of America or Canada or their territories or possessions.

Market Fluctuation/Investment/Insurance/Financial Services Work

A **Claim** or **Loss Connected With**:

1. the financial return of any investment or the depreciation or loss of investments when such financial return depreciation or loss is as a result of fluctuations in any financial stock commodity or other markets;
2. a warranty or guarantee relating to the financial return of any investment;
3. investment of, or direct advice on the investment of, third party funds;
4. the effecting or maintenance of insurance and/or in connection with the provision of finance and/or advice on financial matters, or any arrangement fee(s), interest, or finance charges of whatsoever nature, that **You** may be obligated or liable to pay in connection with any bank loans, overdrafts, mortgages, or financial arrangements obtained by **You** for whatever reason;
5. **Financial Services Work**.

Other Insurance

A **Claim** or **Loss** which:

1. is covered wholly or partly under any other insurance policy except for any amount over and above the amount which would have been covered under that insurance had this **Policy** not been put in place; or
2. should be indemnified by a more specific policy of insurance.

Patent and Trade Secrets

A **Claim** or **Loss Connected With** infringement or alleged infringement of a patent and/or use of a trade secret.

Pollution

A **Claim** or **Loss** (including loss of value) **Connected With Pollution**.

This Exclusion will not apply where such **Pollution** is caused by a sudden, unintended and unexpected happening during the **Period of Insurance** and the **Claim** or **Loss** is caused by negligent advice, design, specification or omission to perform a professional duty in the course of the **Professional Business** carried on by **You** or on **Your** behalf.

Environmental Audits

A **Claim** or **Loss** Connected With an environmental audit or investigation carried out by **You** which is specifically intended to assess whether there is **Pollution** present.

Prior Awareness

A **Claim** or **Circumstance** or **Loss**:

1. which has been notified under any policy of insurance attaching prior to the inception of this **Policy**;
2. disclosed to Us in the **Proposal Form/Statement of Fact**; or
3. known to **You** or which should have been known to You at the inception of this **Policy**.

Property

A **Claim** or **Loss Connected With**:

1. **Your** ownership, occupation, and/or control of any buildings, premises or land or that part of any building owned, leased, occupied or rented by **You**; or
2. loss of or damage to property, unless directly arising from negligent advice, design, specification or omission to perform a professional duty in the course of the **Professional Business**.

Ombudsman Awards

An **Ombudsman Award Connected With**:

1. sexual discrimination;
2. racial discrimination; and/or
3. a dispute over professional fees.

Radiation

A **Claim** or **Loss Connected With**:

1. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

Reckless Act

A **Claim** or **Loss Connected With** any conduct committed by **You** or by any party on **Your** behalf that is malicious or is in reckless disregard of another party.

This exclusion will not apply to Insuring Clause 1.

Retroactive Date

A **Claim** or **Loss** where the cause of such **Claim** or **Loss** occurred or was alleged to have occurred prior to the Retroactive Date specified in the **Schedule**.

Surveys and Valuations

A **Claim** or **Loss** Connected With any survey and/or any valuation unless it was undertaken by the following:

1. Fellow or Professional Member or Technical Member of the Royal Institution of Chartered Surveyors (RICS);
2. Fellow or Associate of the Incorporated Society of Valuers and Auctioneers (ISVA);
3. Fellow or Associate of the Architects and Surveyors Institute (ASI);
4. Fellow or Associate of the Faculty of Architects and Surveyors (FFAS);
5. Fellow or Associate of the Royal Institute of British Architects (RIBA);
6. Fellow or Associate of the Royal Incorporation of Architects in Scotland (RIAS);
7. An architect registered with the Architects Registration Board (ARB);
8. person at least five years' experience of such work;
9. a RICS Registered Valuer in accordance with the RICS Valuation Standards;
10. any other person delegated by **You** to undertake such work as part of their training subject to the work being supervised by a person in any categories a) to i.) above, or prior written agreement having been obtained from **Us**.

Specialist Sub-contractors/Consultants

A **Claim** or **Loss Connected With** the actual or alleged failure on **Your** part to:

1. ensure that rights of recourse against specialist designers, consultants or sub-contractors are not waived or otherwise impaired; and
2. obtain written evidence that the specialist designers, consultants or sub-contractors have in place Professional Indemnity Insurance cover to a limit of indemnity to at least a level equivalent to the **Limit of Indemnity**.

Territorial Limits

A **Claim** or **Loss Connected With** work and/or contracts carried out in the United States of America, Canada or their territories or possessions.

Terrorism

A **Claim** or **Loss Connected With** the action, threat of action, or attempt at action, by individual(s) or group(s) of individuals or body/bodies or organisation(s), whether acting alone, on behalf of, or in concert with any other body, organisation, or government, where such action, threat, or attempt is designed to influence, intimidate, or coerce, a government or international governmental organisation or the population or a section of the population, or a community, and the action, threat, or attempt, is made for the purpose of advancing a political, religious, or ideological cause. Including, but not limited to:

1. the use of violence against a person;
2. the causing of loss of, or damage to, property;
3. acts which endanger a person's life;
4. acts involving the use of biological or chemical materials or weapons, or a nuclear device, nuclear material, or radioactive substance;
5. acts which create a risk to the health of an individual, the public, or a section of the public; and
6. acts designed or intended to interfere with, disrupt, or cause the malfunction of, electronic or mechanical equipment.

Trading Losses

A **Claim** or **Loss Connected With** any trading losses or trading liabilities incurred by **You** or any business managed or carried on by **You** including loss of any client account or business.

War and Government Action

A **Claim** or **Loss Connected With**:

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution or military or usurped power; and/or
2. any action taken in controlling, preventing suppressing or in any way relating to war or the acts described in 1. above; and/or
3. martial law, confiscation, nationalization, requisition or destruction of property by or under the order of a government or local authority; and/or
4. civil commotion in Northern Ireland.

Vehicles

A **Claim** or **Loss** Connected With the use of any motor vehicles, aircraft, watercraft or hovercraft by **You**, or any party acting for **You** or on **Your** behalf.

Series Conditions

Where a series of **Claims** or **Losses** arise from a breach of or repeated breaches of a single duty or identical duties owed and arising from a single cause, all **Claims** and **Losses** within that series will be treated as a single claim for the purpose of the **Limit of Indemnity** and the **Excess**.

Claims Conditions

We will not pay a **Claim** or **Loss** unless **You** comply with the following conditions:

Adjudication Clauses (Housing Grants, Construction and Regeneration Act 1996)

1. Special provisions relating to Notification and Conduct

We will not pay for a **Claim Connected With** an adjudication clause in a contract unless **You** comply with the following conditions. **You** will:

- a. notify **Us** within one working day of any of the following:

- i. the receipt by **You** of any **Adjudication Notice**;
- ii. the service by **You** of any **Adjudication Notice** on any other party;
- iii. upon **You** having reasonable grounds to believe that an **Adjudication Notice** may be served on **You**;

provided that, in each such case, the subject matter of the **Adjudication Notice** (or any part thereof) may, or does, give rise to a **Claim** against **You** which is likely to be indemnified under this **Policy**;

- b. provide **Us** with all information and documentation relating to any dispute referred to in the adjudication including the **Adjudication Notice**, the Referral Notice and all documents served thereunder;
- c. allow **Us** to appoint solicitors and/or experts to handle any adjudication on **Your** behalf and to have conduct (including the right but not obligation to take over the conduct) of the adjudication;
- d. permit **Us** and/or **Our** appointed solicitors and/or experts immediate and unfettered access to all documents in **Your** possession which are relevant to the subject matter of the **Adjudication Notice**;
- e. cooperate fully with **Us** and/or **Our** appointed solicitors and/or experts in relation to all matters that are required to be performed or done to comply with the requirements of the adjudicator and to respond to the matters referred to in the **Adjudication Notice**;
- f. not at any time agree with any other party that an adjudication will finally determine any dispute unless **We** have given **Our** written consent; and
- g. cooperate with **Us** and/or **Our** appointed solicitors and/or experts and take all practicable steps to assist **Us** to pursue legal or arbitration or any other necessary proceedings to determine finally the matters referred to in the **Adjudication Notice** (or any part thereof) and/or to challenge the validity of any adjudicator's decision and/or to provide for any stay of proceedings.

Subject to the provisions of Condition 2: Mixed Awards below and the application of any costs-inclusive **Excess** payable by **You**, **We** will pay all reasonable and necessary costs and expenses incurred in the appointment of solicitors and/or experts.

Our acceptance of any notification under these provisions and the instruction of solicitors and/or experts to handle any adjudication on **Your** behalf will in all cases be without prejudice to the Policy terms and will not be construed as a waiver of **Our** rights to refuse indemnity to **You** in respect of any part of an adjudicator's decision which does not fall within the scope of the Insuring Clauses of this Policy.

2. Mixed Awards

- a. For the purposes of this Condition:
 - i. **Award** means the sum which **You** become liable to pay by reason of any adjudicator's decision; and
 - ii. **Insured Part** means that part of the **Award** which is covered under the **Policy**.
- b. If only part of the **Award** is covered under the Policy, **We** will only be required to indemnify **You** in respect of the **Insured Part**.
- c. If the **Insured Part** exceeds 50% of the **Award**, **We** will pay all reasonable and necessary costs and expenses incurred in handling the adjudication.
- d. If the **Insured Part** equals or is less than 50% of the **Award**, **We** will pay only a rateable part of the costs and expenses incurred in handling the adjudication, to be calculated in the same proportion as the **Insured Part** bears to the total amount of the **Award**.

3. Jurisdiction

Cover will apply only to adjudications which take place pursuant to construction contracts entered into in the United Kingdom and which are subject to the appropriate United Kingdom law.

Admission of Liability

You will not admit liability for, or settle, any **Claim**, **Loss** or **Circumstance**, or incur any costs or expenses for such **Claim**, **Loss** or **Circumstance**, without **Our** prior written consent.

Claims Control

1. **We** will be entitled, but not obliged, at any time to take over and conduct the investigation or settlement of a **Claim**, **Loss** or **Circumstance** in **Your** name.
2. If a common course of action with regard to the contesting of any legal proceedings (whether defence or prosecution) cannot be agreed between **Us** and **You**, the dispute will be resolved by reference to King's

Counsel of the English Bar, to be mutually agreed between **Us** and **You**, who will advise whether such proceedings should be contested with a probability of success of more than 50%.

3. King's Counsel's decision will be binding.
4. In the event of disagreement regarding the appointment of King's Counsel, the King's Counsel will be appointed by the Chairman for the time being of the Bar Council. The costs of such an exercise will be allocated by the agreed or appointed party on a fair and equitable basis.

Co-operation

1. **You** will give to **Us** all such information and assistance as **We** may reasonably require and is in **Your** power to provide.
2. **You** will co-operate with **Us** and **Our** appointed representatives:
 - a. by providing all such information, assistance, signed statements or depositions as may be required to facilitate compliance with all and any Civil Procedure Rules, Practice Directions and Pre-Action Protocols as may be issued;
 - b. by assisting them to present the best possible defence of a **Claim**;
 - c. by ensuring access to all and any information that **We** or **Our** representatives may require in the defence of a **Claim** or in the investigation of any **Circumstance** or **Loss**, whether or not privileged;
 - d. by making payment on demand of the **Excess** in order to comply with the terms of any settlement agreed by **Us**;
 - e. by providing all such information, assistance, signed statements or depositions as may reasonably be required to permit **Us** to exercise rights of subrogation; and
 - f. by ensuring that all documents of any description (whether kept in paper, magnetic or electronic form) relevant to any **Claim**, **Circumstance** or **Loss** are preserved in their entirety.

Defence and Settlement of Claims

If **We** feel it is necessary, **We** will appoint our adjuster, solicitor or other appropriate person to deal with a **Claim**. If **You** ask **Us**, **We** may agree to appoint **Your** solicitor, but only if **We** are satisfied that **Your** solicitor has the necessary expertise to undertake this work, only on a similar fee basis as **Our** solicitor and only for work done with **Our** prior written approval.

Dishonesty and Fraud

1. At **Our** request and expense **You** will take all reasonable steps to obtain reimbursement from any person, or from their estates or legal representatives, committing or condoning any dishonest or fraudulent act or omission;
2. If **You** make fraudulent claim under this Policy, **We** may:
 - a. recover from **You** any sums paid by **Us** to **You** in respect of the fraudulent claim, and
 - b. by notice to **You** treat this Policy as terminated with effect from the date of the fraudulent act.

If **We** exercise our rights under a. and b. above, **We** will not be liable to **You** in respect of a genuine **Claim**, **Circumstance** or **Loss** which occurs after the time of the fraudulent act and **We** need not return any of the premium paid.

Notification

As soon as reasonably practicable and in any event within 30 days of expiry of the **Period of Insurance**, **You** must provide **Us** with details in writing if:

1. **You** receive any **Claim**, made against **You** or any **Insured** during the **Period of Insurance**; and/or
2. **You** become aware of any facts, errors, omissions, incidents or circumstances which may give rise to a **Claim** against **You** or any **Insured**;
3. **You** receive notice of any intention to make a **Claim** against **You** or any **Insured**;
4. **You** become aware or have suspicion of dishonesty or fraud on the part of **You** or any **Insured** whether giving rise to a **Claim** or not;
5. **You** become aware of any potential requirement to make a claim under any Insuring Clause.

Notifications made under 2 and 3 above which subsequently give rise to a **Claim** will in each case be deemed to have been notified to **Us** during the **Period of Insurance**.

General Conditions

Cancellation

This **Policy** may be cancelled:

1. by **Us** pursuant to the Premium Payment Condition for non-payment of premium; or
2. by **You**, with immediate effect upon **Our** receipt of **Your** written notice of such cancellation, provided that:
 - a. If **You** have notified **Us** of a **Claim** or **Circumstance**, **You** will not be entitled to the return of the premium
 - b. If **You** have not notified **Us** of a **Claim** or **Circumstance**, **You** will be entitled to the return of a proportionate part of the premium in respect of the unexpired term of this **Policy**; or
3. by mutual agreement between the **Us** and **You**.

If **You** wish to cancel this **Policy**, **You** should first contact the insurance agent who arranged this **Policy** for **You**.

Choice of Law

This **Policy** will be subject to and construed solely in accordance with the Law of England and Wales.

Disputes and Jurisdiction

1. Any dispute between **Us** and **You**:
 - a. as to the correct interpretation of this **Policy**, or
 - b. regarding the application of the Failure to Make a Fair Presentation Clausewill be referred by either party for arbitration in accordance with the law and procedure of England and Wales to King's Counsel, whose decision will be binding on both parties.
2. In resolving the dispute, the King's Counsel will have due regard to the interests of both **You** and **Us**.
3. In the event of disagreement regarding the appointment of King's Counsel, the King's Counsel will be appointed by the Chairman for the time being of the Bar Council. The costs of such an exercise will be allocated by the agreed or appointed party on a fair and equitable basis.
4. Save as aforesaid, the Courts of England and Wales are to have exclusive jurisdiction for hearing and determining any dispute arising out of or in connection with this **Policy**.

Contracts (Rights of Third Parties) Act 1999

A person or entity not a party to the Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce a term of this Policy.

Entity to act as Agent

All persons falling within the definition of the **Insured** agree that the first named entity in the **Schedule** is their agent for all purposes in connection with this Policy. This Policy may be varied or rescinded by agreement between **Us** and that entity without requiring the consent of any other person falling within the definition of the **Insured**.

Premium Payment

1. **We** will not pay any **Claim** or **Loss** unless **You** have paid the premium shown in the **Schedule**. If **We** have agreed that **You** may pay the premium using an instalment facility, **We** will not pay any **Claim** or **Loss** unless **Your** instalment payments are up to date.
2. **You** must pay the premium in full to **Us** within 60 days of the start of the **Period of Insurance**. If the premium has not been paid, **We** will have the right to cancel this Policy completely. **We** will give **You** at least 14 days written notice of cancellation via **Your** broker. If **You** pay the premium in full before the notice period expires, cancellation will be automatically revoked

Relinquish Control by Payment of Claim

We may at any time free ourselves from further liability for a **Claim** or **Loss** under this Policy by paying to **You** the **Limit of Indemnity** or lesser amount for which a **Claim** can be settled, after deducting payments already made. **We** will pay costs and expenses incurred with **Our** prior consent up to the date of such payment.

Sanctions

The provision of any cover, the payment of any **Claim** and the provision of any benefit will be suspended, to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **Us** to any sanction, prohibition or restriction under any:

1. United Nations' resolution(s); or
2. the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Such suspension will continue until such time as **We** would no longer be exposed to any such sanction, prohibition or restriction.

Subrogation

Where a payment is made under this **Policy** in respect of a **Claim** or **Loss**, **You** will grant **Us** all rights of recovery that **You** would have had against any parties from whom a recovery may be made. **You** will take all reasonable steps to preserve and not prejudice those rights.

We will not take any steps to seek recovery from an **Employee** unless such claim has been caused by the dishonest, fraudulent, criminal or malicious act /omission of the **Employee**.

You must not enter into any contract or other agreement that restricts **Your** rights of recovery in respect of any **Claim** that may be covered by this **Policy**.

VAT

All payments to **You** under the **Policy** will be exclusive of VAT unless **You** are unable to reclaim VAT from HMRC.

How to Complain

Our aim is to ensure that all aspects of **Your** insurance are dealt with promptly, efficiently and fairly. **We** are committed to providing the highest standard of service at all times.

If **You** have an enquiry about **Your Policy**, please contact **Your** insurance agent who arranged the **Policy** for **You**.

If **You** have cause to make a complaint, **You** can do so at any time by contacting **Us**:

Email: complaints@archinsurance.com

Tel: 0333 207 2268

Post: Complaints Manager
Arch Insurance (UK) Limited
5th Floor
60 Great Tower Street
London EC3R 5AZ

If **We** do not succeed in resolving **Your** complaint, or if **You** have not received a final response within 8 weeks of the complaint being made, **You** may have the right to refer **Your** complaint to the Financial Ombudsman Service (FOS).

You can contact the FOS at:

Tel: 0800 023 4567 (calls to this number are free from “fixed lines” in the UK)

or

0300 123 9123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK)

Post: The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Web: www.financial-ombudsman.org.uk/make-complaint

Email: complaint.info@financial-ombudsman.org.uk

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. **You** can find more information on the FOS at www.financial-ombudsman.org.uk.

Following this procedure does not affect **Your** right to take legal action.

Financial Services Compensation Scheme (FSCS)

Arch Insurance (UK) Limited is covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from FSCS if **We** are unable to meet our obligations to **You** under this insurance.

If **You** are entitled to compensation from the FSCS, the level and extent of compensation will depend on the nature of this insurance. Further information about FSCS is available on their website: www.fscs.org.uk or **You** can write to them at PO Box 300, Mitcheldean, GL17 1DY.

Privacy Notice

Arch Insurance (UK) Limited (“Arch”) is committed to safeguarding the privacy and security of all personal information held by **Us**. This notice explains who **We** are, the types of personal information **We** hold, how and why **We** use it, who **We** share it with, how long **We** keep it and **Your** data protection rights. Further details can be found within **Our** full privacy notice which is available on **Our** group website www.archcapgroup.com/privacy.

Who We are

Arch is part of the Arch Capital Group Ltd. group of companies and is registered with the Information Commissioner’s Office, registration number Z2421416. Arch is the Data Controller of the information **You** provide to **Us** for the products and services **We** provide to **You**.

Further information about Arch can be found at **Our** website listed above.

What personal information we collect about You

We will collect personal information which may include **Your** name, telephone number, email address, postal address, occupation, date of birth, prior insurance history (including previous claims), details of the insurance product or service **You** wish to use and payment details (including bank account number and sort code). **We** may collect credit and anti-fraud information such as **Your** credit history.

We may also need to request and collect sensitive personal information about **You**, such as details of relevant criminal offences and convictions or **Your** medical history. **We** will only collect and process sensitive personal data where it is critical for the delivery of a product or service and without which the product or service cannot be provided.

How and why We use Your personal information

We will use **Your** personal information to:

- Provide quotations and set up **Your** policy.
- Manage **Your** policy and provide the products or services **You** have requested.
- Process claims, including the defence or prosecution of legal claims, and to investigate and prevent fraud.
- Develop new products and services.
- Undertake statistical analysis.

We may process **Your** personal information for the following reasons:

- For the purpose of managing **Your** insurance and any claims **You** make.
- It is necessary to meet the terms of an insurance contract with **You** or a third party on **Your** behalf.
- It is necessary to meet an obligation **We** have by law.
- It is in **Our** or a third party’s legitimate interest, such as to prevent and detect fraud, performing data analytics for risk modelling purposes and for any sale, merger or takeover of all or part of Arch.

How We collect Your personal information

We may collect information about **You** from various sources, including:

- **You** or a representative such as a family member, **Your** insurance agent or employer.
- Other insurance companies or their representatives.
- Credit reference agencies.
- Anti-fraud databases or sanctions lists providers.
- Government agencies such as HM Revenue & Customs and the Driver and Vehicle Licensing Agency.
- Publicly available sources such as court judgments and electoral registers.
- Third-party service providers (such as a loss adjustor) or any third parties involved with a claim.

Who We share Your personal information with

We may share **Your** information with:

- Third parties who help **Us** deliver **Our** products and services to **You**. This can include claims handlers, loss adjustors, legal representatives and data-storage providers.
- **Your** insurance agent/broker.
- Other insurers and reinsurers.

- Credit reference bureaus and other financial firms involved in any financial payments.
- National anti-fraud databases and fraud prevention agencies including the Claims and Underwriting Exchange and the Motor Insurers Anti-Fraud and Theft Register.
- Auditors, regulators, police or law enforcement bodies and statutory or regulatory authorities, including but not limited to the Employer's Liability Tracing Office and the Motor Insurers' Bureau
- Companies within the Arch Capital Group Ltd group of companies to help deliver **Our** products and services.

When **We** use third parties to deliver **Our** products and services, **Your** personal information will only be used for the provision and administration of the services provided to **You**. We require third parties to take all steps which are reasonably necessary to ensure that **Your** data is treated securely and in accordance with this notice.

The data **We** collect about **You** may be transferred to, and stored at, a destination outside of the United Kingdom ("UK") or the European Economic Area ("EEA"). We will ensure that such transfers of personal information are protected by appropriate contractual clauses and that the transfer of information complies with all relevant data protection laws.

How long We keep Your personal information for

We will not keep **Your** personal information for any longer than is necessary for the purpose for which it was provided, unless **We** are required to by law.

We will normally keep information for at least seven years after the termination or cancellation of a product, contract or service that **We** provide. In certain cases, **We** will keep **Your** information for longer, particularly for types of insurance for which a claim could potentially be made by **You** or a third party at a future date, even after **Your** contract with **Us** has ended.

Your rights relating to Your personal information

Under data protection law **You** have several data protection rights. These include the right to request a copy of **Your** personal information, request to have **Your** information updated or corrected, request to have **Your** information deleted (right to be forgotten), object to how **We** are using **Your** information (including **Our** legitimate interests mentioned above), or request to have **Your** information sent directly to a third party.

These rights may not apply in all cases or there might be restrictions to how these apply. If **You** wish to exercise any of **Your** rights, please contact **Our** Data Protection Officer whose contact details are below.

If **You** have any concerns about how **We** may use or have used **Your** personal information, please contact **Us** and **We** will try to resolve **Your** concerns. **You** may also contact the UK Data Protection Regulator - the Information Commissioner's Office, whose details can be found on their website www.ico.org.uk.

How to contact Us

You can contact **Us** for any data protection queries by email: DPO@archinsurance.com or by writing to The Data Protection Officer, 4th Floor, 10 Fenchurch Avenue, London, EC3M 5BN.