

**PROFESSIONAL INDEMNITY POLICY
(ARCHITECTS)**

Whereas the person or persons named in the Schedule herein (hereinafter called "the Assured" which expression shall include any other person or persons who may at any time during the subsistence of this policy become a partner in the Firm named in the Schedule) have made to the
..... (hereinafter called the 'Company') a written proposal, bearing the date stated in the Schedule and containing particulars and statements, which it is hereby agreed are the basis of this contract and are to be considered as incorporated herein, and have paid the premium stated in the Schedule.

Now therefore, the Company hereby binds itself to indemnify the Assured, or their Executors or Administrators against liability and costs as herein provided; such payment to be made after the amount of such liability and costs is proved.

IN WITNESS WHEREOF these presents have been signed for and on behalf or

.....

.....

CHIEF EXECUTIVE OFFICER

**PROFESSIONAL INDEMNITY POLICY
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SECTION I: TABLE OF CONTENTS

This policy contains the following:

- A) COVERAGE AGREEMENTS in Section II
- B) LIMITS OF INDEMNITY in Section III
- C) EXCESS in Section IV
- D) EXCLUSIONS in Section V
- E) CONDITIONS in Section VI
- F) DEFINITIONS in Section VII

BASIS OF CONTRACT

The Insured has submitted a Written Proposal form to the Insurers which shall be the basis of this contract. In consideration of the payment of the premium and in reliance upon the information contained in the Proposal Form the Insurers agree to provide indemnity to the Insured on and subject to the terms and conditions of this policy and of any endorsements to this policy.

SECTION II: COVERAGE AGREEMENTS

- A The Insurers will indemnify the Insured above the amount of the Excess stated in Item 6 of the Schedule for such amounts as the Insured becomes legally liable to pay up to, but not exceeding, the Limit of Indemnity and arising out of:-
1. any breach of the Professional duty owed by the Insured to the Claimant, or
 2. Libel or Slander, or
 3. the loss, destruction of, or damage to, any Document in the care, custody or control of the Insured;

In each case committed by the Insured in or otherwise occurring in the performance by the Insured of Professional services for others.

- B. The Claim must be made against the Insured during the Period of Insurance stated in the Schedule.
- C. The Insurers shall have the right to designate a solicitor to investigate and/or defend the Claim, even if any of the allegations of the Claim are groundless, false or fraudulent.

Insurers shall be entitled, if they so desire, to take over and conduct in the name of the Insured the investigation, defence or settlement of any Claim and shall have full discretion in the conduct of the matter. The insured shall not be required to contest any Legal Proceedings unless a Senior Legal Practitioner shall advise that such proceedings could be contested with a probability of success.

- D. The Insurers will in addition pay Claims Expenses which are reasonably incurred in the investigation or defence of a Claim payable under the terms of this policy.

If a payment greater than the Limit of Indemnity is required to be made to dispose of a Single Claim, the Insurers' liability to pay Claims Expenses shall be limited to such proportion Of the Claim Expenses as the Limit of Indemnity available for the Single Claim bears to the total amount required to dispose of the Single Claim.

E. if the Insurers make any payment in respect of a Claim or Claims Expenses greater than its obligation to pay a Claim or Claims Expenses under this policy, then the Insured shall reimburse the Insurers for such payments upon demand.

SECTION III: LIMITS OF INDEMNITY

A. The Limit of Indemnity shown in Item 6 of the Schedule is the maximum amount that the Insurers will pay as damages for a Single Claim.

B. All Claims arising out of a Single Claim will be dealt with by the policy under which the claim was first made.

C. The Insurers' liability in respect of all Claims arising out of the same neglect omission or error or series of neglects omission or errors consequent upon or attributable to the same cause or original source shall be limited in the aggregate during the Period of Insurance to the amount stated in the Schedule.

SECTION IV: EXCESS

A. The Insured shall have the obligation to pay the Excess as shown in Item 5 of the Schedule for each and every Single Claim.

B. The Excess does not apply to Claims Expenses unless otherwise stated in an endorsement to this policy

SECTION V: EXCLUSIONS

The Insurers shall not defend or pay any Claim or any Claims Expenses

A. arising directly out of the insolvency or bankruptcy of the Insured;

B. Injury, disease, sickness or death of any person arising out of and in the course of their employment by the Insured under a contract of service or apprenticeship with the Insured;

C. arising from the giving by the Insured of any express guarantee (including without limitation any express warranty of fitness for purpose) or from any agreement on the part of the Insured to indemnify or hold harmless any other party; this exclusion shall not apply to liability which would have attached to the Insured in the absence of such express guarantee or agreement;

D. arising from any service rendered on a project where the Insured (or any holding, subsidiary, or associated company of the Insured or any party with whom the Insured is in partnership or any other party acting in the capacity of subcontractor or subconsultant to the Insured) performs any

construction, fabrication, installation, assembly or the manufacture or sale of equipment or materials incorporated therein unless endorsed hereon.

- E. arising out of the design or manufacture of any goods or products sold or supplied by the Insured (or by others under licence from the Insured) including but not limited to any designs produced by others using computer aided design systems or software supplied by or licensed from the Insured;
- F. made against the Insured by any holding, subsidiary or associated company of the Insured, or by any party with whom the Insured is in partnership, or in any other case by any Insured against any other Insured.
- G. arising out of Professional Services provided by the Insured as part of a consortium, partnership or joint venture unless endorsed hereon;
- H. directly or indirectly caused by or contributed to by any dishonest, fraudulent or criminal act, error or omission on the part of any director, partner or principal of the Insured.
- I. arising out of Professional Services in connection with Projects located or Professional Services rendered outside Ghana unless endorsed hereon.
- J. fines, penalties of punitive, exemplary or liquidated damages
- K. arising out of the ownership, use, occupation or leasing of property, mobile or immobile, by the Insured;
- L. arising from a Claim or circumstance likely to give rise to a Claim which in either case was known to the Insured on the Effective Date (and whether notified to previous insurers or not and notwithstanding the disclosure of such Claim or circumstance in any proposal form submitted to the Insurers prior to the Effective Date);
- M. arising out of any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:-
 - 1. ionising radiations or contamination by radioactivity from nuclear fuel or from any waste from the combustion of nuclear fuel
 - 2. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- N. Made against the Insured in any Court outside Ghana or any arbitration proceedings outside the jurisdiction of Ghana
- O. arising out of any survey and/or valuation report rendered by or on behalf of the Insured unless the Insured has complied with the following conditions:

the report is made in writing and the survey and/or valuation is made by

- 1. a partner, director or principal in the Insured or a member of the Insured's staff who is a Registered Architect or a member of the Ghana Institute of Surveyors who has not less than one year's experience in undertaking structural surveys and/or valuation work, such experience being related to the subject matter of the report, and the nature of the survey and/or valuation, or

staff who has not less than 5 years experience in undertaking structural surveys and/or valuation work, such experience being related to the subject matter of the report and the nature of the survey and/or valuation;

SECTION VI: CONDITIONS

- A. In the event of a Claim or any circumstances likely to give rise to a Claim the Insured must
1. notify the Insurers in writing as soon as possible; this notice must:
 - a) be given during the Period of Insurance.
 - b) be addressed to: Metropolitan Insurance Company Limited, P O Box 20084, Accra.
 - c) contain details which identify the injured party and give full particulars concerning the time; place and other details of the Claim.
 2. immediately forward to the Insurers any writ, summons, notice, demand or other similar document;
 3. not admit any liability, assume any obligation, make any payment or incur any expense without prior written consent from the Insurers;
 4. give all such information and assistance as the Insurers may reasonably require in its investigation, defence or settlement of a Claim and in enforcing any rights of contribution or indemnity or subrogation against any other party.
- B. In respect of any circumstance notified pursuant to Section VI paragraph A (or if during the Period of Insurance, the Insured shall otherwise give notice in writing to the Insurers of any circumstances which may give rise to a Claim), then in either case any Claim subsequently made against the Insured arising out of the circumstances so notified shall be deemed to have been made on the date when such notice was given and will therefore be dealt with in accordance with the terms and conditions of the policy in force at that time, provided that any such notice shall include full particulars of the circumstances made against the Insured arising from a circumstance which was properly notified in accordance with Section VI paragraphs A or B above, the Insured must notify the Insurers in writing immediately but in no event later than 7 days after such Claim is made.

Where the Insured is in breach of or has failed to comply with the provisions of Section VI paragraphs A or B above, the Insurers shall have no liability to indemnify the Insured under Section II paragraph A, or to pay Claims Expenses in relation to any Claim which is the subject of such breach or non-compliance, if, notwithstanding such breach or non-compliance, the Insurers elect, at their sole discretion, to provide indemnity and to pay any Claim Expenses as aforesaid the Insurers' total obligation in this regard shall be reduced to such sum or sums as in the Insurers' opinion would have been payable in the absence of such breach or non-compliance and of any resultant prejudice to the handling or settlement of the Claim.

- C. If the Insured notifies any Claim or circumstance knowing that it is fraudulent or false as regards the amount or otherwise this policy shall become void and all the Insured's right thereunder shall be forfeited.
- D. The Insured shall maintain records, and when requested by the Insurers, supply details, of gross fees, reimbursable expenses, and contract values certified. Such records shall be made available for inspection by the Insurers should they so require.

- E. In the event of non-disclosure or misrepresentation of information in the written proposal, and to the extent that Section V paragraph L does not apply thereto, the Insurers will not exercise its right to avoid this policy provided that:-
1. the Insured is able to establish to the satisfaction of the Insurers that such non-disclosure or misrepresentation was innocent and free of any fraudulent conduct or intent to deceive;
 2. be adjusted at the discretion of the Insurers to those which would have applied had such information been accurately and fully disclosed;
 3. Where the Insured should have notified a Claim or circumstance likely to give rise to a Claim under a period of insurance which precedes the Period of Insurance and the limit of indemnity or scope of cover to which the Insured would have been entitled under that preceding period of insurance was in any way more restricted than that provided under this policy, then the Claim will be dealt with under this policy but the Insurers shall be liable only to the extent applicable under the policy for such preceding period of insurance; and
 4. Where the Insured's breach of or non-compliance with any condition of this policy has prejudiced the handling or settlement of any Claim, the Insurers' total obligation to indemnify the Insured and pay Claims Expenses shall be reduced to such sum or sums as in the Insurers' opinion would have been payable in the absence of such prejudice.
- F. Where the provisos to paragraph E above cannot be satisfied, in the event of the Insurers being entitled to avoid this policy or of this policy otherwise becoming void, the Insurers may at their sole discretion, maintain it in force but exclude the consequences of the Insured's non-compliance or breach of the policy terms and conditions so that inter alia the Insurers shall have no obligation to indemnify the Insured or pay any Claims Expenses in relation to any Claim which in the opinion of the Insurers is effected by or directly or indirectly related to such non-compliance or breach.
- G. If any payment is made under this Policy for a Claim or Claims Expenses, the Insurers shall be subrogated to all the Insured's rights of recovery in relation thereto. The Insurers shall not exercise any such right against any employee of the Insured unless the Claim has been brought about or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of the employee.
- H. Under this policy for which the Insured is also entitled to indemnity under any other policy, the Insurers shall not be liable except in respect of any excess beyond the amount which would have been payable under such other policy, the Insurers shall not be liable except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this insurance not been effected.
- I. This Policy shall be governed by and construed in accordance with the laws of Ghana and, subject to Section II paragraph C, any dispute or difference between the Insured and the Insurers shall be referred to a Senior Legal Practitioner to be mutually agreed between the Insurers and the Insured or, in the event of disagreement.

- J. The first Insured named in Item 1 of the Schedule shall be the sole agent and act for all Insureds. Any notice given by the Insurers to that entity will serve as notice to every Insured.
- K. Either the Insurers or the Insured may cancel this policy by sending 60 days notice by registered letter to the other at its last known address and in such event the Insured shall become entitled to a return of premium, computed on a pro rata basis.

SECTION VII: DEFINITIONS

In this policy the words set out below are defined as follows and apply as if the definition was actually included in each place where the defined term appears. Words in the singular include the plural and words in the plural include the singular.

- A. Claim shall mean a demand for, or an expressed intention to demand, money or services from the Insured arising out of the performance of Professional Services for which cover is granted under Section II: Coverage Agreements.
- B. Claimant shall mean a person making a Claim against the Insured.
- C. Claims Expenses shall mean all legal and all other fees, costs and expenses resulting from the investigation, defence and settlement of a Claim and incurred by the Insurers or by the Insured with the Insurers' consent, but shall not include any other salaries, fees, costs or expenses of the Insured's partners, directors, principals or employees or other normal overhead expenses.
- D. Documents shall mean written or printed documents, drawings, books or forms of any nature (excluding any bearer bonds or coupons, bank or currency notes or other negotiable paper) and magnetic tape or other like means of recording information for use with any computer system.
- E. Effective Date shall mean the inception date of the first policy for the Insured issued by and continuously renewed by the Insurers.
- F. The expressions holding company and subsidiary and associated company shall have the meaning attributed to them under section 2 Act 179 of Ghana Companies Code, 1963.
- G. Insured shall mean
 - 1. the party or parties named in Item 1 of the Schedule;
 - 2. any past, present or future partner, principal or director of, or any full or part-time employee of, or any self-employed person engaged by, the party or parties named in Item 1 of the Schedule but in each case only while acting within the scope of their duties in carrying out Professional Services on behalf of such party or parties;
 - 3. the estate of any person held to be legally liable for the parties or person referred to in this definition.
- H. Libel and Slander shall mean libel, slander or slander of title, slander of goods or injurious falsehood published by the Insured in the performance of Professional Services for others but excluding publication made in any journal, magazine or newspaper or by means of radio and/or television.
- I. Limits of Indemnity shall mean limit of indemnity specified in Item 6 of the Schedule.

- J. Period of Insurance shall mean the period of insurance referred to in Item 2 of the Schedule.
- K. Premium shall mean the premium shown in Item 10 of the Schedule.
- L. Professional Services shall mean those services the Insured is qualified to perform for others in the capacity of Architect or Engineer, or as endorsed onto this policy. Professional Services also includes those services performed by other specialist designers, consultants or sub-consultants acting on the Insured's behalf and for whom the Insured is responsible.
- M. Proposal Form shall mean the written proposal dated as shown in Item 7 of the Schedule and all other information supplied to the Insurers for the purposes of this policy.
- N. Schedule shall mean the Schedule attached to this policy.

In witness whereof, I, being a representative of the Company and authorised by the Companies named in Item 11 of the Schedule to sign this Policy on their behalf, have hereunto subscribed my name this
day of 20