

## **ENGINEER'S PROFESSIONAL INDEMNITY INSURANCE**

The company will indemnify the Insured against liability at law for damages and claimant's costs and expenses in respect of claims arising out of the conduct of the business made against the Insured and notified to the Company during the Period of Insurance for

1. Breach of professional duty by reason of any neglect error or omission occurring or committed in good faith by
  - a) the Insured
  - b) any Employee
  - c) any Agent
  - d) the Predecessors
  - e) any other person firm or company acting jointly with the Insured
  
2. **Dishonesty** arising out of any dishonest or fraudulent act or omission on the part of any Employee or Agent provided that
  - a) no person committing or condoning such dishonest or fraudulent act or omission shall be entitled to indemnity
  
  - b) if the company so requests the Insured shall take all reasonable steps to effect recovery from the legal representatives of such person
  
  - c) the following shall be deducted from any amount payable under this insurance
    - i) any monies which but for such dishonest or fraudulent act or omission would be due from the Insured to the person committing or condoning such act or omission
  
    - ii) any monies held by the Insured and belonging to such person
  
    - iii) any monies recovered following action as described in 2(b) above
  
  - d) the Company shall not be liable for any claim arising from any dishonest or fraudulent act or omission committed by
    - i) any person after the discovery in relation to that person of reasonable cause for suspicion fraud or dishonesty
  
    - ii) any director of the insured
  
3. **Libel and slander** committed in good faith by any partner former partner or principal of the Insured or any Agent Employee or the Predecessors

In addition, the following insurance will be provided: -

#### **4. loss of or damage to Documents**

Notwithstanding Exclusion 3, the company will in the event of loss of or damage to Documents occurring in the course of the conduct of the Business and advised to the Company during any Period of Insurance indemnify the Insured in respect of

- a) all sums which the Insured shall become liable at law to pay in consequence of such loss or damage
- b) All costs and expenses reasonably incurred by the Insured in replacing or restoring such Documents up to a maximum of ₺1,000,000.00 during any Period of Insurance.

Provided that such loss or damage is sustained while the Documents are either in transit or in the custody of the Insured or of any person to whom the Insured has entrusted them.

#### **Limit of Indemnity applying to Insurance Clauses 1 – 4**

The liability of the Company shall not exceed the Limit of Indemnity specified in the Schedule

Provided that where the company is liable to indemnify more than one person firm company or body, the total amount of indemnity payable under this insurance shall not exceed the Limit of Indemnity.

All claims attributable to the same act error or omission or series of acts errors or omissions consequent upon or attributable to the same original cause or source will be regarded as one claim.

#### **5. Compensation for court attendance**

In the event of the legal advisers acting on behalf of the Insured with the consent of the company requiring any of the Insured to attend court as a witness in connection with a claim made against the Insured and notified under this insurance the company will provide compensation at the following rates for each day on which attendance is required

- i) any principal, partner or director of the Insured
- ii) any Employee

#### **Other Costs**

The company will in addition pay all other cost and expenses (other than costs incurred in endeavouring to effect recovery in accordance with provision (b) of Insurance Clause 2)

which are incurred by the Company or by the Insured with the company's written consent in connection with any claim made against the Insured and notified under this insurance.

Provided that if the amount of such claim exceeds the amount available under this insurance the liability of the Company for other costs and expenses shall be only that proportion which the amount available bears to the total amount payable to dispose of such claim.

The Insured's Contribution shall not apply to other costs

### **Exclusions**

The company shall not be liable in respect of

- 1) the Insured's Contribution
- 2) any liability arising out of the death disease or illness of or bodily injury to an Employee arising out of and in the course of his employment for or on behalf of the Insured
- 3) any liability arising out the death, disease or illness of or bodily injury to any other person or loss of or damage to property unless arising out of advice design specification or omission to perform a professional duty.
- 4) Any claim arising from the provision of advice design or specification where the Insured contracts to
  - a) manufacture construct erect or install or
  - b) supply materials or equipment
- 5) any claim arising from an agreement by the Insured to pay penalties or liquidated damages in so far as liability under such agreement exceeds the amount of the Insured's liability in the absence of such agreement
6. any claim arising from any breach of any obligation owed by the Insured as employer to Employee or former employee
- 7) the consequence of any circumstance
  - a) notified under any policy which was in force prior of the inception of this insurance or
  - b) known to the Insured at the inception of this insurance which might reasonably be expected to produce a claim
8. a) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or 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 any nuclear, fuel or from any nuclear 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
- b) loss destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
9. any claim or claims based upon or arising out of or relating directly to or in consequence of or in any way involving seepage pollution or contamination of any kind
10. a) damages or other monetary awards judgements or negotiated settlement claimant's costs and expenses and other costs and expenses connected with or arising out of any claim made or suit brought against the Insured before any arbitrator tribunal or Court in Ghana.
- b) the enforcement upholding or registration against the Insured by any arbitrator, tribunal or Court outside Ghana, its territories of any damages or other monetary awards judgements or negotiated settlements claimant's costs and expenses and other costs and expenses connected with or arising out of any claim made or suit brought against the Insured before any arbitrator or Court of Ghana.

## **Interpretations**

For the purposes of Professional Indemnity Insurance

### **1. Insured's Contribution**

The amount for which the Insured is responsible under Insurance Clauses 1,2 and 4 (a) of this insurance in respect of any one claim made against the Insured for damages and claimant's costs and expenses

All claims attributable to the same act, error or omission or series of acts, errors or omissions consequent upon or attributable to the same original cause or source will be regarded as one claim.

### **2. Employee**

Any person including any trainee or consultant under a contract of service with the Insured or the Predecessors at the time of any neglect, error or omission giving rise to a claim against the Insured.

3. **Agent**

Any person or firm including, sub-consultants directly appointed by the Insured or the Predecessors to act on their behalf.

4. **Predecessors**

Any person practice or other firm to which the Insured has succeeded

5. **The Insured**

The Insured as named in the Schedule. The following will be indemnified in like manner to the Insured in respect of claims arising out of the conduct of the Business or that of the Predecessors provided that each shall as though the Insured observe and be subject to the terms of this insurance so far as they can apply.

- a) any partner or former partner of the Insured or in deceased, incapacitated, insolvent or bankrupt the legal representatives thereof in respect of liability at law incurred by such partner or former partner.
- b) At the Insured's request any Employee or if deceased, incapacitated, insolvent or bankrupt the legal representatives thereof in respect of liability at law incurred by such Employee

6. **Documents**

All

- a) documents (excluding bearer bonds, coupons, bank or currency notes or other negotiable instruments)
- b) computer systems records the property of the Insured or for which the Insured is responsible

**Renewal Procedure**

Prior to Renewal Date each year, the company will request the Insured to complete a renewal declaration form.

The renewal premium (and if applicable any adjustment of premium for the past year) will be calculated on the information provided by the Insured.

Renewal will not be invited unless a satisfactory declaration is received by the company prior to Renewal Date. Failure to submit a renewal declaration form prior to renewal will cause this insurance to be lapsed from the Renewal Date.

## **Special Benefits**

1. In the event of the company being entitled to avoid this insurance from inception or from the time of any variation in cover (including at renewal) the company may at its discretion maintain this insurance in full force but exclude the consequences of any matter which ought to have been disclosed at inception or at the time of any variation in cover (including at renewal).
2. In the event of non-disclosure or misrepresentation at any renewal the company will waive its rights to avoid this insurance provided that
  - a) the Insured is able to establish to the satisfaction of the company that such non-disclosure or misrepresentation was innocent and free from any fraudulent conduct or intent to deceive
  - b) the Premium and terms shall be adjusted at the discretion of the company to those which would have applied had such circumstances been disclosed
  - c) where the Insured should have notified during a preceding Period of Insurance either a claim made against the Insured or circumstances which could give rise to a claim and the indemnity or cover to which the Insured would have been entitled was in any way more restricted than that provided at the date of notification the company shall be liable only to the extent applicable during such preceding Period of Insurance.

For the purposes of this Special Benefit this insurance shall be deemed to be a renewal of any immediately preceding Professional Indemnity policy issued by the company under which the Insured was entitled to indemnity.

3. The company shall not avoid any claim on the grounds of the breach of Conditions 1 or 2 of this Insurance subject to provision (c) in Special Benefit 2 but where in the opinion of the company the Insured has prejudiced the handling or settlement of any claim the amount payable in respect of such claim (including costs and expenses) shall be reduced to such sum as in the company's opinion would have been payable in the absence of such prejudice

## **Conditions**

1. The Insured shall give written notice to the company (regardless of the Insured's Contribution) as soon as possible after becoming aware of circumstances which might reasonably be expected to produce a claim against the Insured or loss irrespective of the Insured's view as to the validity of such claim or on receiving information of such a claim for which there may be liability under this insurance. Any such claim or loss arising from such circumstances shall be deemed to have been made in the Period of Insurance in which such notice has been given.
2. Every letter, claim, writ, summons and process shall be forward to the company immediately on receipt No. admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the company.

3. The company shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for its own benefit any claim and shall have full discretion in the conduct of any proceedings and in the settlement of any claim
4. The Insured shall give all such assistance as the company may require but the Insured shall not be required to contest any legal proceedings unless Senior Legal Practitioner to be mutually agreed between the Insured and the company shall advise that such proceedings could be contested with probability of success
5. In connection with any claim against the Insured the company may at any time pay to the Insured the Limit of Indemnity (after deduction of any sums already paid as damages or claimant's costs and expenses in respect of such claim) or any less amount for which such claim can be settled and thereupon the company shall relinquish the control of such claim and be under no further liability in connection therewith except for costs and expenses for which the Company may be responsible under this insurance in respect of matters prior to the date of such payment.
6. If at the time any claim arises under this insurance the Insured is or would but for the existence of this insurance be entitled to indemnity under any other policy or policies the company 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.
7. This insurance shall be governed by and construed in accordance with the Laws of Ghana.