



Professional Indemnity Policy (Architects and Civil Engineers)

I. Insuring Agreement

Subject to the terms, limits, exclusions and other conditions contained in this policy and schedule, and in consideration of the Insured having paid or agreed to pay the premium,

Oman United Insurance Company SAOG (hereafter called "the Insurer")

agrees to indemnify the Insured, but not exceeding the aggregate limit stated in the schedule

1. up to the limit of indemnity stated in the schedule for any sum or sums which the Insured may become legally liable to pay arising from any claim being first made in writing against him during the period stated in the schedule

for breach of duty of any profession as stated in the schedule, by reason of any negligent act, error or omission committed or alleged to have been committed during the policy period (and retroactive period, if any) and within the territory stated in the schedule, of

- a) the Insured and, or
- b) any person at that time employed by the Insured

in the conduct, by or on behalf of the Insured, of any business in the professional capacity as stated in the schedule;

2. the costs and expenses incurred with the Insurer's written prior consent in the defence and/or settlement of any claim. However, if a payment in excess of the limit of indemnity available under this insurance has to be made to dispose of a claim, the Insurer's liability in respect of such costs and expenses incurred shall be in the same proportion as the amount of the indemnity available under this insurance to the total amount paid to dispose of the claim.

II. Limits of Indemnity

1. Any one Claim

The liability of the Insurer for all compensation costs and expenses payable to any claimant or number of claimants in respect of any one occurrence shall not exceed the sum stated in the schedule as the limit of indemnity for any one claim.



Claims Series Event

A claims series event as defined below shall be deemed to be one claim and the date of loss shall be the date when the first claim of the claims series event is made in writing against the Insured.

A claims series event shall be defined as follows:

- several equal or similar acts omitted or committed attributable to one and the same fault, negligent act, error or omission in design and/or supervision, resulting in damages to one or more buildings or constructions, irrespective of whether this building or construction forms a part of one and the same building project or construction project; and/or
- more than one act omitted or committed resulting in the same loss; and/or
- a claim made against the Insured and any additional Insured.

2. Aggregate Limit

The liability of the Insurer for all compensation costs and expenses payable in respect of all claims made during any one policy period shall not exceed the aggregate limit as stated in the schedule.

III. Insured's Deductible

Provided always that the Insurer is liable, in respect of each and every claim hereunder, only for that part of the claim (which for the purpose of this clause shall be deemed to include all costs and expenses incurred by the Insurer investigating and defending the claim) which exceeds the Insureds' deductible stated in the schedule; it being understood and agreed that if any expenditure is incurred by the Insurer which, by virtue of this clause, is the responsibility of the Insured, then such amount shall be forthwith reimbursed to the Insurer by the Insured on demand.

IV. Exclusions

This policy shall not cover any claim or claims arising out of:

1. any negligent act, error or omission in connection with services or activities going beyond the scope of professional services typically performed as an architect and/or consulting engineer under domestic legislation, ethical codes and rules;
2. the manufacture, construction, alteration, repair, servicing or processing of any goods or products sold, supplied or distributed by the Insured or out of any business or occupation other than that stated in the schedule, even though the same may be carried on by the Insured in conjunction with his business as stated in the schedule;



3. any contract where the Insured acts as a contractor, manufacturer or supplier, whether in conjunction with his profession as stated in the schedule or not;
4. any financial loss not connected to any property damage or bodily injury (pure financial loss);

however, impairment of, defect in or damage to the designed object itself due to faulty design (or lack of or insufficient supervision of construction) are considered property damage;

notwithstanding the foregoing no coverage shall exist as respects any consequential financial loss, which exceeds the costs for the mere repair of the particular object to make it fit for the intended purpose;

5. any neglect, error or omission by the Insured in effecting or maintaining insurance or in providing finance or advice on financial matters;
6. financial loss resulting from exceeding cost estimates and time limits;
7. claims in respect of financial loss resulting from loss of use, loss of profit, lack of performance as to the quality and quantity of products or the productivity or efficacy of any plant or equipment;
8. the costs of revising or redesigning drawings, plans, specifications or schedules of specifications as a consequence of a claim indemnifiable hereunder;

this exclusion, however, does not apply to such costs claimed by a customer;

9. infringement of patents, copyrights, trade names, trade marks or registered design or the allocation of licenses;
10. loss of documents (of any nature whatsoever) whether written, printed or reproduced by any other method, or any computer-based or electronically stored information or material property which has been lost, mislaid or destroyed while entrusted to, or in the care, custody or control of the Insured;
11. libel or slander;
12. failure to account money;
13. liability assumed by the Insured by contract or any other agreement or any express warranty or guarantee given by the Insured which increases the Insured's legal liability;

this exclusion shall, however, not apply to liability which would have attached to the Insured in the absence of such contract, agreement, warranty or guarantee;

14. any claim made against the Insured as the result of any intentional, dishonest, malicious, criminal or illegal act on the part of the Insured or his employees;



15. bodily injury sustained by any person arising out of and in the course of his employment by the Insured under a contract of service or apprenticeship with the Insured;
16. the ownership, use, occupation or lease of property, mobile or immobile, including waterborne vessel or craft or aircraft or motor vehicle, by, to, or on behalf of, the Insured;
17. any liability of whatsoever nature, directly or indirectly caused or contributed to by, or arising from, pollution of air, water or soil;
18. loss or destruction of, or damage to any property whatsoever, or any loss or expense whatsoever resulting or arising there from, or any consequential loss, or any legal liability of whatsoever nature, directly or indirectly caused by, or contributed to by, or arising from
 - ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel,
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
19. liability resulting from asbestosis or any related disease (including cancer) resulting from the existence, production, handling, processing, manufacture, sale, distribution, storage, deposit or use of asbestos, asbestos products and/or products containing asbestos;
20. any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, terrorism, rebellion, revolution, insurrection or military or usurped power;
21. liability due to force majeure (for example, but not limited to, earthquake and flood);
22. claims filed by the Insured under this policy against each other or filed by a party
 - which is directly or indirectly owned, controlled, operated or managed by an Insured,
 - in which any Insured is a partner, consultant or employee;
23. fines, penalties, punitive or exemplary damages or any other damages resulting from the multiplication of compensatory damages.



V. Conditions

This policy, any endorsement hereon and the schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this policy or of the schedule shall bear such specific meaning wherever it may appear.

1. In the event of any incident, circumstance which may give rise to a claim for indemnity under this policy, the Insured shall give immediate notice in writing to the Insurer. Such notice having been given not later than 30 days after the expiration of the policy period, any claim to which that circumstance has given rise, which may be made within 36 months after the expiration of the period specified in the schedule, shall be deemed for the purpose of this policy to have been made during the existence hereof.
2. The Insured shall not admit liability or settle or make or promise any payment in respect of any claim which may be the subject of indemnity hereunder, or incur any costs or expenses in connection therewith, without the written consent of the Insurer, which shall be entitled to take over and conduct in the name of the Insured the defence and/or settlement of any such claim, for which purpose the Insured shall give all the information and assistance that the Insurer may reasonably require.

The Insurer will not settle any claim without the consent of the Insured. If, however, the Insured refuses to consent to any settlement recommended by the Insurer and shall elect to contest or continue any legal proceedings, then the liability of the Insurer shall not exceed the amount for which the claim could have been so settled, plus the costs and expenses incurred with their consent up to the date of such refusal.

3. Where a retroactive date is specified in the schedule, this insurance does not apply to claims made against the Insured by reason of any negligent act, error or omission which occurred or was committed, or is alleged to have occurred or committed prior to the said retroactive date.
4. The Insured shall at all times
 - a) maintain accurate descriptive records of all professional services which records shall be available for inspection and use by the Insurer or their duly appointed representatives insofar as they pertain to any claim hereunder,
 - b) give to the Insurer or their duly appointed representatives such information, assistance and signed statements as the Insurer may require, and
 - c) assist in the defence of any claim without charge to the Insurer;
5. In the event of any dispute arising between the Insured and the Insurer, this insurance shall be governed by the law of the country specified in the schedule, whose courts only shall have jurisdiction in any dispute arising hereunder.



6. It is hereby agreed that if any payment is made under this insurance in respect of a claim, the Insurer is thereupon subrogated to all the Insured's rights of recovery in relation thereto.
7. If the Insured makes any claim knowing the same to be fraudulent or false, as regards amount or otherwise, this insurance shall become void and all claims there-under shall be forfeited.
8. This insurance shall not be called upon in contribution and shall only pay such loss if and so far as it is not recoverable under any other insurance.
9. The indemnity provided by this policy is restricted to apply in respect of
 - a) compensation resulting from judgement rendered by or obtained from a court of competent jurisdiction in the territory stated in the schedule
 - b) charges, expenses and legal costs incurred and recoverable in the territory stated in the schedule.
10. In the absence of a local, legal regulation regarding cancellation, this insurance may be cancelled by the Insured at any time by giving written notice to the Insurer. This insurance may also be cancelled by or on behalf of the Insurer by registered, certified or other first class mail, to the Insured's address as shown in the schedule containing written notice about when, not less than 30 days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this insurance shall terminate at the date and hour specified in such notice.
11. If this insurance is cancelled by the Insured, the Insurer shall refund the customary short rate proportion of the premium hereon.

If this insurance is cancelled by, or on behalf of, the Insurer for any reason other than non-payment of the premium or any breach of contract by the Insured, the Insurer shall refund the pro rata proportion of the premium hereon.
12. Payment or tender of any unearned premium by the Insurer shall not be a precondition for the validity of cancellation, but such payment shall be made as soon as practicable.
13. If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.