

The General terms and conditions and the following terms and conditions all apply to this section. Cover under this section is given on an each and every claim or loss basis unless otherwise specified.

Please pay special attention to the notification for adjudication section in the grey box at the end of this section.

Special definitions for this section

Advertising	Advertising, publicity or promotion in or of your products or services.
Applicable courts	The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.
Business activity	Advice given and services performed in the course of your business arising from the activities stated in the schedule.
Defence costs	Costs incurred with our prior written agreement to investigate, settle or defend a claim against you .
Environmental audit	An investigation which is specifically intended to assess whether there is actual pollution present in the environment.
Pollution	Any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.
Retroactive date	The date stated as the retroactive date in the schedule.
You/your	Also includes: <ol style="list-style-type: none"> 1. any person who was, is or during the period of insurance becomes your partner or director or senior manager in actual control of your operations; 2. past or present consultants named in the proposal and stated in the schedule acting for you or on your behalf in the conduct of your business activity; and 3. any employee of yours including any sub-contractor or outsourcer acting for you or on your behalf in the conduct of your business activity.

What is covered

Claims against you including matters referred to an Ombudsman	<p>If during the period of insurance, and as a result of your business activity or advertising on or after the retroactive date within the geographical limits for clients, any party:</p> <ol style="list-style-type: none"> 1. brings a claim, including any injunctive proceedings, against you for: <ol style="list-style-type: none"> a. any civil liability, including any civil liability for which you are responsible arising from the business activity of any business you acquired before the period of insurance; b. any matter referred to an Ombudsman, including the Ombudsman for Estate Agents; or 2. refers a dispute arising directly from your breach of a duty of care to arbitration, including the Surveyors and Valuers Arbitration Scheme 1998, or to adjudication under the Housing Grants Construction and Regeneration Act 1996 or any similar or successor legislation; <p>unless excluded under What is not covered below, we will indemnify you against the sums you have to pay as compensation, including any liability for claimants' legal costs and expenses.</p>
Defence costs	We will also pay defence costs . We will not pay costs for any part of a claim not covered by this section or for any claim referred to an Ombudsman.
Avoiding a potential claim against you	<p>If:</p> <ol style="list-style-type: none"> a. your client has reasonable grounds for being dissatisfied with the work you have done or which has been done on your behalf and refuses to pay for any or all of it, including amounts you legally owe to sub-contractors or outsourcers at the date of the refusal; b. your client threatens to bring a claim against you for more than the amount owed; and

Professional indemnity for chartered surveyors

Policy wording

- c. **we** believe that it may be possible to settle the dispute with the client by **your** agreeing not to press for the disputed amount;

we may pay **you** the amount owed to **you** over and above the **excess**. If **we** do, **you** must agree not to press **your** client for the disputed amount.

Alternatively, if it is not possible to reach agreement with the client on this basis but **we** still believe that by not pressing for the disputed amount **you** will avoid a legitimate claim or counterclaim for a greater amount, **we** may pay the amount owed to **you** at that time, over and above the **excess**.

If a claim is still brought, **we** will deal with it but **our** total payment, including what **we** have already paid **you** or on **your** behalf, will not exceed the applicable limit of indemnity stated in the schedule. **You** must return the amount **we** have paid if **you** eventually recover the debt, less **your** reasonable expenses.

Once **we** agree to make any payment above, **you** will assign to **us** such rights as **you** have in relation to the amounts owed to **you**.

We will not make any payment for any money owed to **you** if the claim or threatened claim, or part of the claim or threatened claim, is not covered by this section.

Your own losses

Losses from dishonesty

If during the **period of insurance**, and in the performance of **your business activity** within the **geographical limits**, **you** discover a loss from the dishonesty of **your** past or present individual partners, directors or employees, or sub-contractors or outsourcers directly contracted to **you** and under **your** supervision, where there was a clear intention to cause **you** loss or damage and to obtain a personal financial gain over and above any salary, bonus or commission, **we** will indemnify **you** against **your** direct financial loss provided that the loss was suffered on or after the **retroactive date**.

Loss of documents

If during the **period of insurance** any tangible document of **yours** which is necessary for the performance of **your business activity** is physically lost, damaged or destroyed while in **your** possession, **we** will pay the reasonable expenses **you** incur with **our** prior written agreement in restoring or replacing it. The most **we** will pay for the total of all such expenses is the relevant amount stated in the schedule.

Hearing, tribunal or proceedings costs

We will pay 80% of the reasonable cost of representing **you** at properly constituted hearings, tribunals or proceedings first instituted in respect of any occurrence first discovered during the **period of insurance** arising out of **your business activity** which may lead to indemnity under this section.

Breach of statutory obligations

If proceedings are brought against **you** during the **period of insurance** under the:

1. Consumer Protection from Unfair Trading Regulations 2008;
2. Business Protection from Misleading Marketing Regulations 2008;
3. Estate Agents Act 1979;
4. Health and Safety at Work etc. Act 1974;
5. Health and Safety at Work (Northern Ireland) Order 1978;
6. Construction (Design and Management) Regulations 2015;
7. Corporate Manslaughter and Homicide Act 2007;
8. Bribery Act 2010; or
9. Data Protection Act 1998

or any similar or successor legislation or regulations, **we** will pay the reasonable costs incurred with **our** prior written agreement to defend **you** if, in **our** opinion, a successful defence may avoid a claim being made against **you** based on the same facts.

Additional cover

Court attendance compensation

If any person within the definition of **you**, any employee of **yours** or any other relevant party (other than expert witnesses), has to attend court as a witness in connection with a claim against **you** covered under this section, **we** will pay **you** the amount stated in the schedule as compensation for each day or part of a day that their attendance is required by **us**. The most **we** will pay for the total of all court attendances is the amount stated in the schedule.

What is not covered

	A. We will not make any payment for any claim or part of a claim or loss directly or indirectly due to:
Survey and valuation	1. any survey, inspection or valuation of real or leasehold property not carried out by a fellow or associate of the Royal Institution of Chartered Surveyors, the Incorporated Society of Valuers and Auctioneers, the Faculty of Architects and Surveyors, the Royal Institute of British Architects, the Royal Incorporation of Architects in Scotland, or by any person with more than five years' experience, or by any other person you nominate to do the work as part of their training under the supervision of someone who is a fellow or associate of one of the above professional associations.
Pollution	2. pollution , unless your liability arises from a negligent act, error or omission in the performance of your business activity . However, we will not in any event make any payment for: <ul style="list-style-type: none"> a. any claim or loss directly or indirectly due to any environmental audit; b. any such claim first brought outside the United Kingdom of Great Britain and Northern Ireland, the Channel Islands or the Isle of Man. This applies to proceedings within these jurisdictions to enforce, or which are based on, a judgment or award from outside these jurisdictions; or c. any such claim that would not be covered by the applicable RICS minimum policy wording.
Virus	3. transmission of a virus .
Discrimination and harassment	4. any discrimination, harassment or unfair treatment.
Injury	5. the death of or any bodily or mental injury or disease suffered by anyone, unless arising directly from your breach of a duty of care in the performance of a business activity .
Land, animals and vehicles	6. the ownership, possession or use of any land or building, any animal, any aircraft, any watercraft or any motor vehicle.
Property damage	7. the loss, damage or destruction of any tangible property unless arising directly from your breach of a duty of care in the performance of a business activity . This clause does not apply to your own loss under the Loss of documents cover in What is covered .
Negotiable instruments	8. the loss, damage or destruction of any bearer bonds, coupons, share certificates, stamps, money or other negotiable paper.
Directors and officers' liability	9. any personal liability incurred by a director or officer of yours when acting in that capacity or as a trustee or while managing your business , other than when performing a business activity for a client.
Product liability	10. any supply, manufacture, sale, installation or maintenance of any product.
Deliberate, reckless or dishonest acts	11. any act, breach, omission or infringement you deliberately, spitefully, dishonestly or recklessly commit, condone or ignore. This does not apply to: <ul style="list-style-type: none"> a. any claim arising from dishonesty; b. your own loss under the dishonesty cover in What is covered. <p>We will not in any event provide cover to any party who actually commits, condones or ignores any dishonesty and we will not make any payment for claims or losses arising from the dishonesty of any person after you have discovered any dishonesty by that person or have reasonable cause for suspicion of dishonesty.</p>
Pre-existing problems	12. anything, including any actual or alleged shortcoming in your work, likely to lead to a claim against you or your own loss, which you knew or ought reasonably to have known about before we agreed to insure you , and which does not fall within the terms of the special institution conditions.
Date recognition	13. date recognition .
War, terrorism and nuclear	14. war, terrorism or nuclear risks .

Asbestos	<p>15. asbestos risks. However, this exclusion does not apply to any claim directly due to any negligent valuation, assessment or survey of any property carried out in the performance of your business activity, provided that we will not in any event make any payment for any such claim:</p> <ul style="list-style-type: none"> a. directly or indirectly due to the death or any bodily or mental injury, illness or disease or the fear thereof suffered by anyone; b. arising from any valuation, assessment or survey performed outside the United Kingdom of Great Britain and Northern Ireland, the Channel Islands or the Isle of Man; c. first brought outside the United Kingdom of Great Britain and Northern Ireland, the Channel Islands or the Isle of Man. This applies to proceedings within these jurisdictions to enforce, or which are based on, a judgment or award outside these jurisdictions; or d. that would not be covered by the applicable RICS minimum policy wording.
Collateral warranties	<p>16. your agreement to take on any legal liability under any express agreement, warranty, indemnity, waiver or guarantee, unless:</p> <ul style="list-style-type: none"> a. you would be liable even if you had not given any such agreement, warranty, indemnity, waiver or guarantee; or b. the liability arises from a collateral warranty or duty of care agreement, in which case we will not indemnify you for any liability arising from: <ul style="list-style-type: none"> i. any fitness for purpose guarantee; ii. any greater or longer lasting benefit than that given to the party with whom you originally contracted; iii. any express guarantee, contractual penalty or liquidated damages; iv. any assignment of the warranty or agreement to any purchaser or tenant after the first two assignments; v. your agreement to exercise a standard of care greater than would normally be expected in your profession.
Employees	<p>17. anyone's employment with or work for you, or any breach of an obligation owed by you as an employer.</p>
Overcharging of fees	<p>18. overcharging of fees or commission by you.</p>
Environmental audit	<p>19. any environmental audit.</p>
Undeclared partners previous business	<p>20. any work carried out by any partner of yours while they were a partner of another firm, which has not been declared to and expressly accepted by us.</p>
Disputes referred to arbitration	<p>21. any dispute referred to arbitration under the Surveyors and Valuers Arbitration Scheme 1998 unless the law applied by the arbitrator is that of England and Wales, Scotland or Northern Ireland.</p>
Monetary transactions	<p>22. any monetary transaction with a value greater than £1,000, unless you required and obtained the signatures of at least two properly authorised officers or partners of yours as authorisation for such transaction.</p>
Related business in North America	<p>23. any claims arising from the business of a parent, subsidiary, associated company or related partnership of yours whose principal place of business is in the United States of America or Canada.</p> <p>24. any business activity you perform in the United States of America or Canada.</p> <p>B. We will not make any payment for:</p>
Claims brought by a related party	<p>1. any claim brought by an insured within the definition of you or any party with a financial, executive or managerial interest in you, including any parent company or any party in which you have a financial, executive or managerial interest, including any subsidiary company. This does not apply to a claim based on a liability to an independent third-party directly arising out of the performance of your business activity.</p>
Restricted recovery rights	<p>2. that part of any claim where your right of recovery is restricted by any contract.</p>

Lost profit and VAT	3. your lost profit, mark-up or liability for VAT or its equivalent.
Trading losses	4. any trading loss or trading liability including those arising from the loss of any client, account or business.
Non-compensatory payments	5. fines and contractual penalties, liquidated, aggravated, punitive or exemplary damages, and also additional damages under section 97(2) of the Copyright, Designs and Patents Act 1988 or any statutory successor to that section or damages of a similar nature imposed by the law of any country other than England and Wales.
Claims outside the applicable courts	6. any claim, including arbitration, brought outside the applicable courts . This applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts .
Adjudication costs	7. a claim referred to adjudication under the Housing Grants Construction and Regeneration Act 1996 or similar or successor legislation if: <ol style="list-style-type: none"> your contract with your client does not provide that the adjudicator is independent of the parties to the dispute; you accept a binding determination of the adjudicator without our prior written agreement; you serve a notice of intention to adjudicate, notice of adjudication, referral notice or any adjudication notice pursuant to contract without our prior written agreement; or your contract 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.

How much we will pay

We will pay up to the limit of indemnity for this section stated in the schedule unless limited below or otherwise in the schedule. **We** will also pay for **defence costs**. However, if a payment greater than the applicable limit of indemnity has to be made for a claim **our** liability for **defence costs** will be limited to the same proportion that the limit of indemnity bears to the amount paid. **You** must pay the relevant **excess** stated in the schedule.

When **we** settle a loss under **Your own losses**, Losses from dishonesty, **we** will deduct any sums **you** owe or the value of any property **you** hold belonging to the perpetrator. As part of each loss **we** will pay up to the amount stated in the schedule for accountants' fees **you** incur in investigating **your** loss.

All claims and losses which arise from the same original cause, a single source or a repeated or continuing shortcoming in **your** work will be regarded as one claim. This includes all claims which arise from a single appointment **you** have with a client or where more than one insured or claimant is involved. The dishonesty of any one person or persons acting in concert shall be treated as one claim. This includes such claims and losses arising after, as well as during, the **period of insurance**.

Special limits

Losses from dishonesty	1. The most we will pay for the total of your own losses arising from the dishonesty of your partners, directors, employees, sub-contractors or outsourcers is the amount stated in the schedule. You must pay the relevant excess stated in the schedule.
Hearing, tribunal or proceedings costs	2. The most we will pay in total under What is covered , Hearing, tribunal or proceedings costs is the amount stated in the schedule. You must pay the relevant excess stated in the schedule.
Ombudsman's awards	3. We will pay up to the amount stated in the schedule for each Ombudsman's award provided that the Ombudsman has operated within any terms of reference or rules applicable to their appointment. You must pay the relevant excess stated in the schedule.
Asbestos	4. For claims arising directly or indirectly from asbestos, the most we will pay is the amount stated in the schedule for the total of all such claims, including defence costs . You must pay the excess stated in the schedule in respect of each such claim, including defence costs .

Pollution

5. For claims arising directly or indirectly from **pollution**, the most **we** will pay in total is a single limit of indemnity, which is an aggregate limit, for the total of all such claims and their **defence costs**. **You** must pay the **excess** stated in the schedule in respect of each such claim, including **defence costs**.

Paying out the limit of indemnity

At any stage of a claim **we** can pay **you** the applicable limit of indemnity or what remains after any earlier payment from that limit. **We** will pay **defence costs** already incurred at the date of **our** payment. **We** will then have no further liability for that claim or its **defence costs**.

Your obligations

If a problem arises

1. **We** will not make any payment under this section unless **you** notify **us** of the following promptly and within the **period of insurance**, or at the latest within 14 days after it expires for any problem **you** first become aware of in the seven days before expiry:
 - a. **your** first awareness of anything, including any actual or alleged shortcoming in **your** work, which is likely to lead to a claim against **you**. This includes any criticism of **your** work even though regarded by **you** as unjustifiable.

If **we** accept **your** notification **we** will regard any subsequent claim as notified to this insurance;
 - b. any claim or threatened claim against **you**, or any referral to arbitration or any complaint to an Ombudsman;
 - c. **your** first awareness of any actual or threatened hearing or tribunal;
 - d. **your** first awareness of any actual or threatened proceedings against **you** for breach of a statutory obligation;
 - e. **your** discovery, or the existence of reasonable grounds for **your** suspicion, that any partner, director, employee, sub-contractor or outsourcer has acted dishonestly.
 - f. **your** discovery that any document, information or data of **yours** has been lost, damaged or destroyed.
2. When dealing with **your** client or a third-party, **you** must not admit that **you** are liable for what has happened or make any offer, deal or payment, unless **you** have **our** prior written agreement. If **you** do, **we** may reduce any payment **we** make under this **policy** by an amount equal to the detriment **we** have suffered as a result.

Dishonesty

1. **We** will not make any payment for claims or losses arising from dishonesty unless on discovery of any loss, **you** immediately take all reasonable steps to prevent further loss.
2. **You** must give **us** all the assistance which **we** may reasonably require to make a recovery from the perpetrator or from their personal representatives. If **you** fail to do so, **you** shall be liable to **us** for an amount equal to the detriment that **we** have suffered as a result of **your** failure to comply with this obligations, which **we** may deduct from any payment **we** make under this section.
3. **You** must have **your** annual accounts prepared and/or certified by an independent and properly qualified accountant or auditor. If **you** do not, **we** may reduce any payment **we** make under this section by an amount equal to the detriment **we** have suffered as a result.

Control of defence

We have the right, but not the obligation to take control of and conduct in **your** name, the investigation, settlement or defence of the claim or part of the claim.

Appointment of legal representation

If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. **We** may appoint **your** own solicitor but on a similar-fee basis as **our** solicitor and only for work done with **our** prior written approval. Proceedings will only be defended if there is a reasonable prospect of success and taking into account the commercial considerations of the costs of defence.

Partially covered claims

If a claim which is only partially covered by this section is brought against **you**, amounts relating to the non-covered parts of the claim will be deducted from **our** final settlement. **We** and **you** agree to use best efforts to determine a fair allocation of covered and non-covered parts of any claim. If **you** and **we** cannot agree on a fair allocation, **you** and **we** agree to refer any such dispute to a single arbitrator in accordance with the Arbitration Act then in force.

Payment of full limit of indemnity

We will not defend **you** against any claim where **we** pay **you** the applicable limit of indemnity as described in **How much we will pay**, Paying out the limit of indemnity.

Special condition

Mergers or change in partnership

You must tell **us** promptly if **you** take over or merge with another business or partnership or if any new partner joins **your** firm.

Special institution conditions

General condition 2 allows **us** to avoid this **policy** if **you** fail to comply with **your** duty to provide a fair presentation of the risk and **we** establish that **we** would not have entered into the **policy** if **you** had provided a fair presentation. However, **we** will only do this if **you** admit, or it is established by way of a final adjudication in arbitration proceedings between **you** and **us**, that **you** failed to provide a fair presentation with the intention of misleading or deceiving **us**. **We** will continue to provide cover under the terms of this **policy** until the date of such admission or final adjudication.

Where the material matter is a claim or shortcoming in **your** work or a loss which should have been notified under an earlier insurance, and where **we** are not entitled to avoid the **policy** in accordance with the paragraph above, **we** will cover **you** on the basis of either this insurance or that in force when the matter should have been notified, whichever gives the more restrictive cover.

If **you** have breached any of **your** obligations to **us** and as a result **you** have prejudiced the handling, settlement or investigation of any claim or loss, **we** will only pay as much as **we** would have paid under this insurance had the prejudice not taken place.

If there is any dispute regarding the application of these Special Institution Conditions it will be referred to the President of the Royal Institution of Chartered Surveyors (or the President's nominee) whose decision will be final.

These special institution conditions will not apply, and **we** will not be liable to make any payment under this section, if someone has taken legal control of **your business** or affairs on **your** death, incapacity, insolvency or financial difficulty and has breached any of **your** obligations under this insurance and the breach is either intentional or shows a deliberate or reckless disregard for **our** interests. The special institution conditions will also not apply to any claim which is referred to an Ombudsman or adjudication.

Royal Institution of Chartered Surveyors difference in conditions

This **policy** is designed to provide **you** with no less cover than the minimum insurance requirements of the Royal Institute of Chartered Surveyors as per the approved minimum wording.

The cover provided to **you** by this **policy** shall be no less favourable and provide no less protection to **you** than the approved minimum wording.

Any dispute between **you** and **us** as to whether the cover under this **policy** is in any way less favourable or gives **you** less protection than the approved minimum wording would, shall be referred by either party for arbitration in accordance with English law and procedure to any person nominated by the President for the time being of the Royal Institute of Chartered Surveyors, whose decision shall be binding on both parties.

Notification for adjudication

In view of the strict timetable relating to an adjudication **you** must notify **us** by email within two working days of **your** receipt of any notice of an intention to adjudicate, or of **your** intention to serve such a notice which may lead to a claim against **you** being dealt with by adjudication.

You should make this notification directly to **us**, and not through **your** insurance adviser, if **you** have one, at hicliability.claims@hiscox.com.

We will not indemnify **you** under this insurance unless **you** comply with the above.