



## **Naturesave Policies Ltd Professional Indemnity Insurance**

Professional indemnity insurance protects you against a claim for an alleged negligent act, error or omission resulting in financial loss to someone else. Professional Indemnity insurance also provides cover for defence costs, which in today's litigious environment is an invaluable protection for your business.

### **Examples of Professional Indemnity Claims**

- An accountant acted as an auditor for a client who was the proprietor of a firm of solicitors. The client did not operate his incoming and outgoing funds correctly and instead of having two accounts, one for his clients and one for his office, in accordance with the statutory regulations, he used only the one account. The client was also in fact responsible for misappropriating funds. This led to an official investigation and the client was struck off. The client then pursued the accountant for failing to advise that he was dealing with the accounts incorrectly and for the loss of livelihood. The legal costs of defending the claim were met by the Accountant's PI policy.
- It was alleged that this private School had failed in its duty to provide the student with a full and proper education with the result that that he had failed to obtain the anticipated level of examination success.
- A housing Association tenant was seriously assaulted by another tenant, and suffered knife wounds in the attack. The claimant sued the Housing Association alleging negligence in housing the attacker without carrying out sufficient checks his background.
- The Insured recruited an employee from a competitor. The new employee introduced a database system for processing data. The employee's previous employer claimed the insured infringed their intellectual property rights because the employee devised the system working for them. The insured's defence and settlement costs were met.
- An Independent Financial Advisor provided advice to a client regarding the transfer of his pension into an income drawdown scheme. The client agreed to this but then lost money as a result. The client claimed for the amount required to reinstate the financial position he would have been in had the transfer not taken place.
- An environmental consultant had advised on the design of an energy efficient house. However, it failed to achieve the anticipated cost savings. Therefore, a claim was made in respect of the additional work required to achieve the original aim.
- An engineer designed a heating system for a large hotel reception area but did not consider the size adequately. Therefore, the heating system did not perform to the client's requirements and the system had to be removed and redesigned.
- An architect failed to adequately supervise building contractors and other professionals working on a large commercial building. The building was late being finished and failed to fully meet the client's requirements.
- An event organiser sent invitations out in respect of a seminar, without the date that the seminar would be taking place. The professional Indemnity Policy reimbursed the costs of re-printing and posting the amended invitations.
- A landscape garden designer designed a garden, which led to problems with a property's drainage. A claim was made for the cost of rectifying the problem.