



# Professional Indemnity Design & Engineering



## Claims examples

### Industry:

Architect

### Background

Negligent design for commercial kitchens by architect.

### Outcome

A single error (one claim under the policy) replicated multiple times throughout the project.

### Payment

Liability was clear so DUAL settled the claim as quickly as possible without incurring defence costs.  
Settlement: \$35,000.

### Industry:

Architect

### Background

Architect misinterpreted the site levels in patio area of a significant house renovation.

### Outcome

A fast solution was required to mitigate losses by not delaying the construction schedule.

### Payment

DUAL covered the cost to demolish the patio and repour it.  
Settlement: \$38,000.

## Industry:

Structural engineer

## Background

Significant design errors were discovered midway through a construction project. Those errors in the partially constructed building had to be corrected before further work could progress to completion.

## Outcome

Experts were appointed who deemed the insured's designs to be negligent.

Deconstruction and reconstruction of the affected areas was commissioned and further errors corrected so that the building construction could be completed.

## Payment

Insurers part-paid throughout the project for amounts the insured was liable for. This saved on a larger damages claim in the end. Total payments equalled \$320,000.

## Industry:

Landscape architect

## Circumstances

The insured built retaining walls and a drainage system that did not comply with council regulations, leading to necessary remedial work.

## Steps taken

Loss adjuster and lawyers engaged.

## Lessons learned

The importance of placing adequate cover for all business activities – here we had a landscape architect undertaking physical work also. Whilst the design/advice aspect of the claim was covered under the professional indemnity, any defects arising from the insured's physical work fell outside the scope of cover.

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