

## Architects & Engineers and Construction Consultancy

### Professional Indemnity

#### Target Market Statement

##### Product Type

This is an insurance product for customers who are professional individuals or businesses domiciled in the UK offering architectural, engineering and construction design and consultancy services.

The product helps protect a customer's business and reputation from claims made against them arising from their negligent and/or alleged negligent acts or omissions, including costs incurred in defending a third party claim. The product also includes cover for Ombudsman Awards, arising from complaints made to an Ombudsman regarding a customer's professional services.

This product provides compliant cover to meet the regulatory requirements of the following professional bodies: Architects Registration Board (ARB), Royal Institute of British Architects (RIBA) and Royal Incorporation of Architects in Scotland.

##### Characteristics of the target market (who is the product designed for?)

- This product is designed for customers located in the UK, Channel Islands and the Isle of Man who provide construction consultancy services which include, but are not limited to:

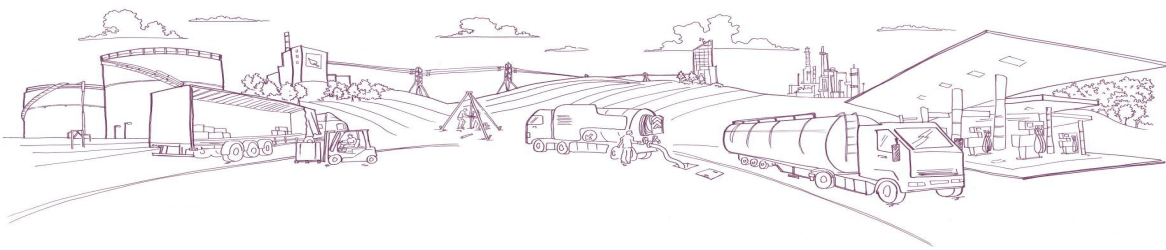
Structural/Non-Structural Refurbishment	Feasibility studies & Expert Witness
Town Planning	Architectural Consultancy
Interior Design	Landscape Architecture
Quantity Surveying	Principal Designer
Civil Engineering	Structural Engineering
Mechanical Engineering	Electrical Engineering
Process Engineering	HVAC Engineering

- Cover is provided to a varying size of professional business from micro SMEs to those with an income upwards of £10 million per annum.

This product may be sold to vulnerable customers.

##### Objectives, needs and interests of the target market (considering the key features and benefits of the product)

Customers will benefit from the following policy features:



- **Civil Liability** – Cover for claims made against the customer for civil liability arising from their professional services. This includes negligence, breach of contract, and breach of fiduciary duty.
- **Liability for Loss of Documents** – Cover for physical loss of or damage to documents suffered in connection with the insured's professional business, for reasonable costs and expenses incurred in replacing or restoring documents owned by any third party but which at the time of loss were the insured's responsibility.
- **Ombudsman Awards** - Cover for any final and binding compensatory awards (including an award of costs) made against the insured by any ombudsman under any recognised scheme applicable to the insured's professional business.
- **Asbestos and Pollution** – Cover for asbestos and pollution related claims against the customer arising from the customer's professional services.
- **Legal Representation Costs** - Cover for legal costs incurred with our prior written consent to enable the insured to be represented at any inquiry or other type of proceeding.
- **Defence Costs and Expenses** – Incurred in defending a claim made against the insured.
- **Own Copyright Protection** - Cover for any legal costs incurred with pursuing a claim for infringement of copyright.
- **Court Attendance Expenses** – Cover for the insured and their employees to attend any court or other judicial tribunal.
- **Run-off Cover** – Provides protection after a firm ceases trading and claims made during a specific period after closure.

### Who is this product not designed for?

This product is not appropriate for customers or businesses:

- Domiciled outside the United Kingdom, Channel Islands and the Isle of Man.
- Who are not providing architectural, engineering or construction related consultancy services.
- Who are contractors, manufacturers or installers.

### How do we expect this product to be distributed?

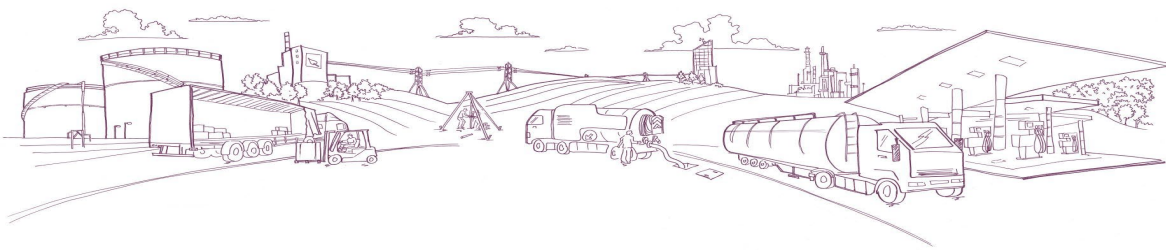
This product should be sold with the active assistance and guidance of an insurance intermediary to select the appropriate level of cover. The product will only be distributed through brokers to customers with whom Pen has an agency and not directly by Pen to customers.

This product is suitable to be distributed via a variety of intermediated sales channels, such as face to face, telephone, email, or by postal application by an intermediary with whom Pen have an agency.

Consideration should be given to the vulnerability of customers by the intermediary who should provide any support they may need.

### What are the distributor value considerations?

Pen Underwriting Limited is authorised and regulated by the Financial Conduct Authority (FCA number 314493). Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales. Company Number: 5172311. [www.penunderwriting.co.uk](http://www.penunderwriting.co.uk)



We expect all distributors in the chain to consider the following when selling Pen's products:

- The impact on product value of offering other products alongside this one, especially those with proportionally greater remuneration. For example, an ancillary product, elements of which may duplicate existing cover, or premium finance charged at an elevated rate of APR.
- Additional commission, fees or charges added as part of distribution processes must be proportionate to the service provided, in line with those charged elsewhere, and not affect the overall value offered by the product.
- Distributors must ensure there is no duplication of cover as a result of any add-on products sold, where appropriate cover is already provided by the policy.
- Distributors should consider the demands and needs of the customers and the Consumer Duty requirements when dealing with customers.
- Distributors must provide full details on all risks submitted on a suitable proposal form.

### **Scope**

This document is intended to provide an indicative summary of the target market for this product and is not a summary of coverage. Please refer to separate policy documentation for full details of the coverage provided by the product.

### **Product Approval Process**

Pen has a product approval process in place to ensure that there is appropriate oversight of all products where Pen is either a co-manufacturer or a distributor. The process includes a risk assessment process where due consideration is given to the impact of the product on the target market and the value of the product.

A diagram of Pen's product approval process can be found on the Pen website [here](#).

### **Important Information**

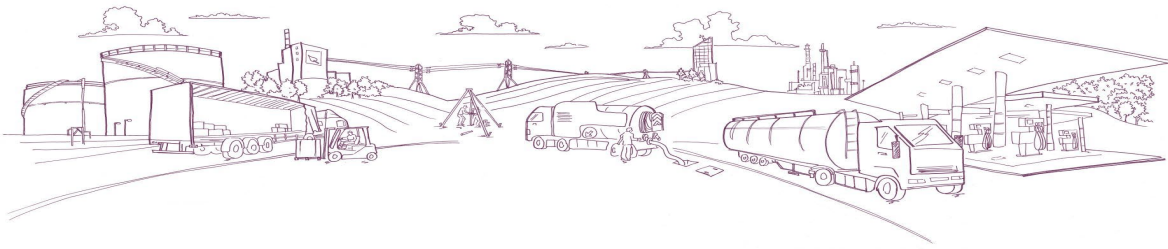
This target market statement should be used by all (co-)manufacturers and distributors of this product. (Co-)manufacturers and distributors should not create their own variation of this document. Where any party using this document has concerns about the accuracy or completeness of the information included, this should be raised to Pen urgently for discussion.

### **Valid From**

31/10/2024

### **Next Review Date**

On or before 31/10/2025



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