

Claims Examples

Errors and Omissions

Architectural/Engineering Technicians and Technologists

1. Architectural Technicians – New Field Failed to Meet Specifications

The insured architectural technician was retained by a municipality to plan and design the replacement of an artificial turf field. Once completed, the new field failed to meet specifications such that it was deemed unusable. The municipality sued the insured architectural technician for \$1,000,000. Counsel retained by ENCON determined that the insured architectural technician faced exposure for allowing the construction of the turf to continue after the sample test results had shown that the turf did not meet the required specifications. A settlement was reached. Legal costs totaled \$220,000.

2. Architectural Technicians – Failure to Provide Accurate Information Regarding the Location of Water Main

The insured architectural technician was retained by an engineering firm to co-ordinate core drilling in preparation of the construction of a new building adjacent to an existing strip mall. During drilling, a water main serving the strip mall was ruptured, flooding the area and forcing the water supply to the area to be shut off. A nearby restaurant was forced to close during its grand opening. The restaurant claimed \$250,000 against the insured architectural technician. ENCON retained counsel to defend the insured. It was determined that the insured architectural technician faced exposure for failing to accurately determine the location of the water main; his failure to obtain and use mechanical drawings of underground utilities contributed to his error. ENCON reached a settlement, and incurred \$20,000 in legal costs.

3. Architectural Technologists – Drawings

The insured architectural technologist was retained by the owners of a property to provide architectural drawings for the construction of a cottage. The owners required a screened-in porch located off the kitchen, connected by a breezeway wherein a barbeque was to be located.

One evening after the homeowners used the barbeque, a fire engulfed the cottage, which was completely destroyed. It was discovered that the fire originated with the barbeque. The owners of the property were compensated by their property insurer who then sued the parties involved in the construction of the cottage, including the technologist for \$1 million.

The investigation revealed that the insured technologist intended to illustrate the location of the barbeque expecting that it would be installed and approved by other qualified parties in accordance with applicable standards and regulations. Damages were assessed for the reconstruction of the cottage, including content damage. ENCON negotiated a small contribution on behalf of the technologist. ENCON paid approximately \$50,000 in defence costs and legal costs.

These Claims Examples are for illustrative purposes only. Please remember that only the insurance policy can give actual terms, coverage, amounts, conditions, and exclusions.