



## **At MOFS we pride ourselves in providing tailored solutions by arranging the most comprehensive and best value cover available.**

We were approached by a top 20 UK law firm acting for a major renewable energy provider developing a windfarm in Scotland. It was a substantial development with the overall value in excess of £150m. The law firm had initially approached an insurer for terms but they would only provide cover based on the whole project and the cost of a policy was in excess of £100,000.

There were a number of risks; areas of the development to which title could not be proved, access problems and mines and minerals were reserved under the majority of the site. The development was over a vast area and multiple titles, only some of which were burdened by problems.

We helped assess realistic limits of indemnity for the client, taking into

consideration the specific areas affected and helped the insurer understand the likely circumstances should a claim occur. We built in consequential loss cover, thus ensuring the client's business would not suffer if a risk crystallised. It would protect them against delays from an interim interdict (injunction).

We helped ensure that the client was insured against the risk of a claim for compensation due to the removal of, or trespass into, a third party's minerals, rather than only providing protection if a third party is granted planning permission to extract minerals.

This is an area of increasing concern for developers especially for those developing windfarms, where excavation penetrates so far into the ground.

Even though the policy we arranged was tailored to the client's requirements and provided better protection, we still managed to make a considerable premium saving.

By helping the insurer better understand the client's losses and base insurance only on the affected areas rather than the whole project, the eventual premium was over 60% less than originally obtained by approaching an insurer directly.

**ALEX BIELINSKI CERT CII**  
Head of Legal Indemnity Insurance

This document outlines the general information that an insurer may request in order to provide a legal indemnity quotation, but further information and clarification of information may be required. If you need to discuss your matter with one of our team of brokers, please contact us on 0151 255 2600 or by email [li@mofs.co.uk](mailto:li@mofs.co.uk)

1. Names & addresses of parties to be indemnified.
2. Risk address of property.
3. Type and general description of property.
4. Describe transaction and which party you are (**development/sale/purchase/lease**).
5. Use of the property. (**current & future**).
6. If the property is to be developed, has planning permission been applied for/granted?  
**Please provide planning permission if applicable.**
7. Title number(s) of the property. **Please enclose office copies.**
8. Fully developed value of the scheme. **Estimated installation/decommissioning costs.**
9. Limit of indemnity required. Please explain if this differs from the developed value? Consequential losses can be covered such as delays during construction and loss of the income stream. **Please see 12 below.**
10. Brief details of defect/insurable risk.
11. Is cover required for freeholder or lessee?
12. Consequential losses – some insurers can include additional losses such as:  
Reduction/Loss of Feed In Tariff (FIT) or similar costs/loss of annual profit.  
  
Annual rental liability if applicable  
  
Delay cover during development – including contractual expenses during construction, additional or penalty interest on loans/standing charges/equipment hire for example.
13. Date quotation required.  
**Please supply an exchange/completion date wherever possible.**

**Additional supporting information/material facts should be supplied with your submission:**

**CONTACT:**

Email: [li@mofs.co.uk](mailto:li@mofs.co.uk)

T. 0151 255 2600 for further information.