

## **Introduction:**

Project Shield Liability Insurance is a specialized liability solution designed to protect design professionals against the high financial risks associated with their professional advice and structural planning. This policy specifically covers legal liability arising from **negligent acts, errors, or omissions** committed during the performance of professional services, such as faulty blueprints, incorrect material specifications, or structural design failures.

## **Who is providing the Coverage?**

Royal Sundaram General Insurance Co. Limited is providing the coverage under this Policy.

## **Who can avail "Project Shield Liability Insurance"?**

The product can be availed by professionals and organizations involved in construction projects.

## **What is the coverage under the policy?**

The Policy pays for damages or compensation which the insured becomes legally liable to pay due to:

- **Professional negligence**
- **Errors or omissions**
- **Breach of professional duty**
- **Incorrect advice, design, specification, or certification**

committed during the period of insurance by

- (i) the Insured
- (ii) the persons in respect of whom insurance coverage is expressly provided in the Policy Schedule
- (iii) any person at any time employed by the Insured or by such persons in their professional capacity and in respect of whom insurance coverage is expressly provided in the Schedule.

The policy also pays for Legal Defence Costs, Lawyer fees, Court costs and Expenses.

## **What are the major exclusions under the policy?**

The key exclusions under the policy are

- Claims stemming from Contractual Liability
- Losses resulting from Known claims / circumstances
- any personal injury suits such as libel, slander, false arrest, wrongful conviction, wrongful detention, defamation



- Fraud, Dishonesty, and Criminal Acts
- Claims related to professional services rendered before the established "retroactive date" in the policy
- Liability directly or indirectly caused by or contributed to by asbestos or environmental pollution
- claims for damage caused by motor vehicles, sea vessels or aircraft
- Personal injury or property damage that does not arise from a breach of professional duty, such as general site accidents.
- Deliberate failure to comply with statutory regulations or professional standards
- War and allied perils
- Nuclear weapons and ionising radiations

#### **What is the duration of the policy?**

The duration under the policy is project specific and not annual. It is designed to match the entire risk life cycle of a particular project.

#### **What is the procedure for cancellation of the policy?**

The Company may at any time, cancel this policy, by giving 7 days' notice in writing by Registered post/Acknowledgement Due post to the Insured at his last known address in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation. The Insured may also give 7 days' notice in writing, to the Company, for the cancellation of this policy, in which case the Company shall cancel the policy from the date of receipt of notice and retain the premium for the period this policy has been in force at the Company's short period scales.

<b>Period (Not Exceeding)</b>	<b>Rate of Annual Premium retained</b>
1 Month	25% of the Annual rate
2 Months	35% of the Annual rate
3 Months	50% of the Annual rate
4 Months	60% of the Annual rate
6 Months	75% of the Annual rate
8 Months	85% of the Annual rate
Exceeding 8 Months	Full Annual Premium

The Company shall refund the premium for the unexpired policy period, in respect of a policy with a term of more than one year, and the risk coverage for such policy years has not commenced.

In case of any claim under the Policy, no refund of premium shall be allowed.



## What is the Claims procedure?

### 1. Claim intimation:

The insured should notify us as soon as practically possible to

Royal Sundaram General Insurance Co. Limited  
Vishranthi Melaram Towers", 2/319, Rajiv Gandhi Salai, Karapakkam, Chennai 600 097.

### 2. Claim Process:

- a) The insurer will appoint a Panel Counsel (investigator) for the settlement of claims who may seek for additional information/evidence or clarification.
- b) The insured should provide all requested information and documents and co-operate with the Insurer in all matters pertaining to the Loss; and
- c) If the insured negotiates with claimant for settlement, it is mandatory to obtain prior consent of us.
- d) If the liability is established or settlement approved, we then pay damages / compensation including legal and defense costs subject to Limits of indemnity and deductibles under the policy.

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## Section 41 in the Insurance Act, 1938

### 41. Prohibition of rebates

(1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer: Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.

(2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

***Note: In case of any conflict, the terms and conditions mentioned in the policy document shall prevail.***