

**Policy Wordings****Financial Institution Professional Indemnity Policy****Schedule**

This Schedule along with the Policy and any Endorsement attached to this Policy shall constitute the contract of insurance between the Company and the Insurer. All Items appearing in bold in this Schedule are defined terms of this Policy.

|     |  |   |
|-----|--|---|
| 1.  | Details  |   |
| 1.1 | Policy Number  | Xxxxxxxxxxxxxx  |
| 1.2 | Policyholder   |   |
|     | Policyholder   | Xxxxxxxxxxxxxx  |
|     | Address:   | Xxxxxxxxxxxxxx  |
|     | Xxxxxxxxxxxxxx   |   |
|     | Xxxxxxxxxxxxxx   |   |
|     | Country:   | Xxxxxxxxxxxxxx  |
|     | GST No#  | Xxxxxxxxxxxxxx  |
| 1.3 | Policy Period  |   |
|     | Period of Insurance:   | From: Xxxxxxxxxxxxxx  |
|     |  | To: Xxxxxxxxxxxxxx  |
|     |  | (Both days inclusive at the local standard time (item 1.2)) |
| 1.4 | Insurer  |   |
|     | Insurer:   | Xxxxxxxxxxxxxx  |
|     | Address:   | Xxxxxxxxxxxxxx  |
|     | Country:   | Xxxxxxxxxxxxxx  |
| 2.1 | Currency:  |   |
| 2.2 | Local Publication Rate:  |   |
| 2.3 | Limit of Liability   |   |
|     | INR XXXXXXXXXXXXXXX in the aggregate per Policy Period for all Financial Loss covered under this Policy. |   |
| 3.  | Extensions of cover  |   |

| Sr. No. | Extensions of Cover         | Operative | Sub-Limit of Liability |
|---------|-----------------------------|-----------|------------------------|
| 2.1     | Professional Investigations | Yes / No  | INR XXXXXXXX           |
| 2.2     | Employee Dishonesty         | Yes / No  | INR XXXXXXXX           |
| 2.3     | Loss Mitigation             | Yes / No  | INR XXXXXXXX           |
| 2.4     | Loss of Documents           | Yes / No  | INR XXXXXXXX           |
| 2.5     | Defamation                  | Yes / No  | INR XXXXXXXX           |
| 2.6     | Emergency Costs             | Yes / No  | INR XXXXXXXX           |

|      |   |          |               |
|------|---|----------|---------------|
| 2.7  | Heirs, Estates, Legal Representatives and Domestic Partners | Yes / No | INR XXXXXXXXX |
| 2.8  | Vicarious Liability   | Yes / No | INR XXXXXXXXX |
| 2.9  | Civil and Administrative Fines and Penalties                | Yes / No | INR XXXXXXXXX |
| 2.10 | Extended Reporting Period                                   | No       | N / A         |

|     |                                      |  |
|-----|--------------------------------------|--|
| 4.  | Retention                            | INR XXXXXXXXXXXXXXXX each and every Claim and/or Financial Loss  |
| 5.  | Retroactive Date:                    | XXXXXXXXXXXXXX   |
| 6.  | Applicable Law and Jurisdiction      |  |
|     | Applicable Law:                      | Indian Law   |
|     | Exclusive Jurisdiction:              | XXXXXXXXXXXXXX   |
| 7.  | Territorial Scope of Cover:          | XXXXXXXXXXXXXX   |
| 8.  | Premium:                             | INR XXXXXXXXXXXXXXXX per Period of Insurance, net of all applicable taxes, duties and levies                         |
| 9.  | Notifications to the Insurer         | Notifications of Claims, circumstances and other insured events to the Insurer under this Policy to be addressed to: |
|     | Name:                                | XXXXXXXXXXXXXX   |
|     | Address:                             | XXXXXXXXXXXXXX   |
|     | Country:                             | XXXXXXXXXXXXXX   |
| 10. | Endorsements attached to this Policy |  |
|     | Endorsement 1                        | XXXXXXXXXXXXXX   |
|     | Endorsement 2                        | XXXXXXXXXXXXXX   |
|     | Endorsement 3                        | XXXXXXXXXXXXXX   |
|     | Endorsement 4                        | XXXXXXXXXXXXXX   |
| 11. | Authorisation                        |  |

<Location>, Date  
On behalf of the Policyholder,

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Authorized Representative

<Location>, Date  
On behalf of the Insurer,

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Authorized Representative



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## **Policy**

In consideration of the payment of the premium, and in reliance upon the statements made in the **Proposal**, and subject to the terms and conditions of this Policy (including any endorsement hereto), coverage under this Policy is afforded solely for **Financial Loss** resulting directly from **Claims** first made against the **Insured**, or **Professional Investigations**, Loss Mitigation or other Extensions of Cover first occurring during the **Period of Insurance** or the **Extended Reporting Period** (if applicable) and notified to the **Insurer** as required by Section 6.1 of this Policy.

### **1. Insurance Clause**

The **Insurer** shall indemnify the **Insured** for **Financial Loss** resulting directly from a **Claim** first made against the **Insured** during the **Period of Insurance** or the **Extended Reporting Period**, if applicable, for a **Wrongful Professional Act**, occurring on or after the **Retroactive date**, in the rendering of or failure to render **Professional Financial Services**.

### **2. Extensions of Cover**

Subject to all the terms, conditions, exclusions and limitations of this Policy, cover is extended as follows:

#### **2.1. Professional Investigations**

The **Insurer** shall indemnify the **Insured** for all **Professional Investigation Costs** resulting directly from a **Professional Investigation** arising from the rendering of or failure to render **Professional Financial Services**.

The cover provided under this Extension shall be subject to both the applicable **Retention** and the **Sub-Limit of Liability** specified in Item 2.1 of the Schedule.

#### **2.2. Employee Dishonesty**

The **Insurer** shall indemnify the **Company** for any **Financial Loss** resulting from a **Claim** for **Employee Dishonesty** first made during the **Period of Insurance** or the **Extended Reporting Period**, if applicable, and arising from the rendering of or failure to render **Professional Financial Services**.

The cover provided under this Extension shall be subject to both the applicable **Retention** and the **Sub-Limit of Liability** specified in Item 2.2 of the Schedule.

#### **2.3. Loss Mitigation**

The **Insurer** shall indemnify the **Insured** for **Mitigation Costs** incurred during the **Period of Insurance** provided that:

2.3.1 notification of the relevant **Wrongful Professional Act** or **Employee Dishonesty** is made to and accepted by the **Insurer** in accordance with clause 6.1.2 of this Policy;

2.3.2 if the **Wrongful Professional Act** or **Employee Dishonesty** notified in clause 2.3.1 above were to give rise to a **Claim**, such **Claim** would be covered under this Policy;

2.3.3 as a condition precedent to the payment of **Mitigation Costs** and before incurring any

**Mitigation Costs**, the **Insured** demonstrates to the **Insurer** the reasonableness and necessity of the proposed actions and costs to mitigate or avoid a covered **Claim**, and the **Insurer** provides its express prior written consent for such **Mitigation Costs**, except as provided for in Extension 2.6 Emergency Costs; and

2.3.4 as a condition precedent to the payment of **Mitigation Costs**, the **Insurer** shall be entitled to associate fully with the **Insured** in relation to the proposed actions before they are undertaken and shall be kept fully updated on the potential **Claim**.

The burden of proving that the potential **Claim** would be covered under this Policy shall rest with the **Insured**.

The cover provided under this Extension shall be subject to both the applicable **Retention** and the **Sub-Limit of Liability** specified in Item 2.3 of the Schedule.

Coverage under this Extension shall not extend to any fact or circumstance based upon, arising from or in consequence of any **Wrongful Professional Act** or **Employee Dishonesty** or the same or related **Wrongful Professional Acts** or **Employee Dishonesty** where all or any part of such acts or conduct occurred prior to the inception date of this Policy, or any fact or circumstance which any **Insured** had knowledge as of the inception date of this Policy.

#### **2.4. Loss of Documents and Data**

The **Insurer** shall indemnify the **Insured** for the reasonable and necessary fees, costs and expenses incurred, with the prior written consent of the **Insurer**, in connection with replacing or restoring **Documents** belonging to a third party for which the **Insured** is legally liable for their custody and safekeeping and which during the **Period of Insurance** have been destroyed, damaged, lost, distorted, or erased provided that such loss or damage is sustained while the **Documents** are in the custody of an **Insured** or of any person to whom an **Insured** has entrusted them in the course of rendering **Professional Financial Services**;

The **Insurer** shall not be liable under this Extension for any costs and expenses directly or indirectly arising out of or in connection with a **Cyber Event**, operational wear and tear, gradual deterioration, moth or vermin.

The burden of proof that the **Documents** have been the subject of a diligent search shall remain with the **Insured**.

The cover provided under this Extension shall be subject to both the applicable **Retention** and the **Sub-Limit of Liability** specified in Item 2.4 of the Schedule.

#### **2.5. Defamation**

The **Insurer** shall indemnify the **Insured** for **Financial Loss** resulting from a **Claim** first made against the **Insured** during the **Period of Insurance** or the

**Extended Reporting Period**, if applicable, based upon libel, slander, offence or injurious falsehood committed unintentionally by an **Insured** on or after the **Retroactive Date** and prior to the end of the **Period of Insurance** within the provision of **Professional Financial Services**.

The cover provided under this Extension shall be subject to both the applicable **Retention** and the **Sub-Limit of Liability** specified in Item 2.5 of the Schedule.

## 2.6. Emergency Costs

The **Insurer** shall indemnify the **Emergency Costs** incurred by the **Insured**.

The cover provided under this Extension shall be subject to both the applicable **Retention** and the **Sub-Limit of Liability** specified in Item 2.6 of the Schedule.

## 2.7. Heirs, Estates, Legal Representatives and Domestic Partners

The estates, heirs, legal representatives, assigns, spouses and natural person qualifying as a domestic partner of an **Employee** under the provisions of any applicable law or under the provisions of any formal program established by the **Insured**, shall be considered an **Employee** under this Extension, but only for a **Claim** solely arising out of their status as such and resulting from a **Wrongful Professional Act** of an **Employee**, and in the case of a spouse or domestic partner, where such **Claim** seeks damages from marital community property, jointly held property or property transferred from the **Employee** to the spouse or domestic partner.

No coverage is provided for any wrongful act or omission of an estate, heir, legal representative, assign, spouse or domestic partner. All terms and conditions of this policy applicable to **Financial Loss** incurred by the **Employee** shall also apply to loss incurred by such estates, heirs, legal representatives, assigns, spouses and domestic partner.

## 2.8. Vicarious Liability

The **Insurer** shall indemnify the **Insured** for **Financial Loss** resulting from any **Claim** first made against the **Insured** during the **Period of Insurance** or the **Extended Reporting Period**, if applicable, but based upon a **Wrongful Professional Act** of an **Outside Service Provider** involved in the provision of or failure to provide **Professional Financial Services** of or on behalf of the **Insured** and for whom the **Insured** is held vicariously liable.

The cover provided under this Extension shall be subject to both the applicable **Retention** and the **Sub-Limit of Liability** specified in Item 2.8 of the Schedule.

## 2.9. Civil and Administrative Fines and Penalties

The **Insurer** will pay **Civil Fines and Penalties** imposed on an **Employee** that arise from a covered **Claim** or **Professional Investigation**, but only to the extent that

such **Civil Fines and Penalties** are insurable under both the law applicable to this Policy and the jurisdiction in which such **Civil Fines and Penalties** are imposed.

The cover provided under this Extension shall be subject to both the applicable **Retention** and the **Sub-Limit of Liability** specified in Item 2.9 of the Schedule.

## 2.10. Extended Reporting Period

### 2.10.1 Cancellation or Non-Renewal

In the event this Policy is cancelled for any reason other than non-payment of premium, or this Policy is not renewed by either the **Insurer** or the **Policyholder**, the **Policyholder** shall be entitled to an **Extended Reporting Period** as follows:

- (a) automatically for thirty (30) days at no additional premium; or
- (b) subject to the **Policyholder** making a written request for such **Extended Reporting Period** no later than thirty (30) days after the expiry of the **Period of Insurance**, such request being granted by the **Insurer**, and paying the applicable required additional premium.

For purposes of this section, the **Insurer** providing renewal cover on terms which are more restrictive than this Policy, including in respect of **Limit of Liability** and **Retention**, does not constitute non-renewal.

### 2.10.2 Change in Control

In the event of a **Change in Control**, the **Policyholder** does not have the right to elect an **Extended Reporting Period** as set out under clause 2.10.1 above, but shall be entitled to request an offer from the **Insurer** for an **Extended Reporting Period**, subject to the **Policyholder** making a written request for such **Extended Reporting Period** no later than thirty (30) days after the **Change in Control**, unless a period extension is otherwise granted through a different provision of this Policy, and paying the applicable required premium.

This Extension of cover shall not apply to **Mitigation Costs**.

An **Extended Reporting Period** shall terminate immediately upon its expiry or the effective date of either of the following events (whichever occurs first):

- (i) the renewal of this Policy by the **Insurer**; or
- (ii) the replacement of this Policy by any other insurance policy, issued by the **Insurer** or any other insurance company, covering wholly or substantially or partially the same risk.

The additional premium for any **Extended Reporting Period** shall be deemed fully earned at the inception of the **Extended Reporting Period**.

### **3. Changes in Risk**

#### **3.1. Changes in Subsidiary**

If an entity ceases to be a **Subsidiary** during the **Period of Insurance**, cover for any **Claim** made against the **Insured** for **Wrongful Professional Acts** as is provided under this Policy with respect to such **Subsidiary** and its **Employees** shall continue until termination of this Policy, provided always that:

- 3.1.1 such **Claim** results from **Wrongful Professional Acts** committed or events taking place in their entirety prior to the date of such cessation or liquidation; and
- 3.1.2 such **Claim** is first made during the **Period of Insurance**; and
- 3.1.3 only the **Insured**, not the relevant **Subsidiary**, remains legally or contractually liable for such **Claim**.

#### **3.2. New Subsidiaries**

Cover under this Policy is automatically extended to any **Subsidiary** which the **Policy holder**, either directly or indirectly through one or more of its **Subsidiaries**, first acquires or creates after the effective date of this Policy unless such **Subsidiary**:

- 3.2.1 has annual revenues for the last complete accounting period prior to the acquisition which are greater than fifteen (15) percent of the consolidated total annual revenue that the **Policyholder** declared at the inception of this Period of Insurance or reported in the latest audited annual report, or
- 3.2.2 is incorporated, domiciled or providing **Professional Financial Services** in the United States of America or Canada or any of their territories; or
- 3.2.3 perform professional services that significantly differ from the **Professional Financial Services** which the **Policyholder**, either directly or indirectly through one or more of its **Subsidiaries**, provided prior to such acquisition or creation; or
- 3.2.4 had during the last five (5) years any loss or claim that may have been covered under this Policy for an amount exceeding fifty per cent (50%) of the applicable **Retention** under this Policy.

If a newly acquired or created **Subsidiary** falls into clause 3.2.1 to 3.2.4 above, such entity will be covered under this Policy, but only for a period of thirty(30) days from the date the **Policyholder** either directly or indirectly through one or more of its **Subsidiaries** first acquired or created such **Subsidiary**, or until the end of the **Period of Insurance**, whichever occurs first, provided the **Policyholder** pays any additional premium required by the **Insurer** in connection with such new **Subsidiary**.

The **Insurer** may in its sole discretion extend coverage for any such beyond the thirty (30) day period if during the thirty (30) day period, the **Policyholder**:

- (a) requests an extension of this Policy for such **Subsidiary** in writing to the **Insurer**; and
- (b) gives the **Insurer** sufficient details to permit the **Insurer** to assess and evaluate the potential increase in exposure; and
- (c) agrees to any additional premium and amendments to the Policy required by the **Insurer** at its sole discretion.

Unless otherwise agreed in writing and attached as an endorsement to this Policy, cover under this Policy for such **Subsidiary** first acquired or created after the inception of this Policy shall only apply for **Wrongful Professional Acts** or other acts, facts or event covered under this Policy, committed or occurring or taking place after such entity is first acquired or created and whilst remaining a **Subsidiary** of the **Policyholder**.

#### **3.3. Change in Control**

The cover provided by this Policy shall only apply in respect of **Wrongful Professional Acts** or other events covered by this Policy committed or occurring prior to the effective date of a **Change in Control**.

As a condition precedent to coverage under this Policy, the **Policyholder** shall give written notice to the **Insurer** of such **Change in Control** as soon as reasonably practicable, however no later than thirty (30) days after the **Change in Control**.

Notwithstanding the effect on cover caused by such **Change in Control** there shall be no entitlement to cancellation of this Policy by any party (other than for non-payment of premium) and the entire premium for this Policy shall be deemed to have been fully earned as of the date of such **Change in Control**.

### **4. Definitions**

The **bold** printed terms in this Policy, whether in the singular or in the plural, shall have the following meaning. Any other term that it is not herewith, or in any other section of this Policy, specifically defined shall be interpreted in accordance with the applicable laws, legal codes and regulations in force in the country set forth in the Applicable Law section of the Schedule:

#### **4.1. Bodily Injury**

**Bodily Injury** means disease, illness, injury, sickness or death of any person.

#### **4.2. Breach Costs**

**Breach Costs** means all fees, costs, charges, and expenses incurred by the **Company** (whether voluntarily or otherwise) for the purposes of retaining any one or more of an accountant, attorney, lawyer,

forensics firm, payment card industry forensics investigator, public relations consultant, and other third party to:

- 4.2.1 conduct computer forensic analysis to investigate the **Company's Computer System**
- 4.2.2 determine indemnification obligations under any written contract with respect to a **Wrongful Professional Act** by an **Outside Service Provider**;
- 4.2.3 determine if the **Insured** is obligated to notify potentially affected individuals or applicable regulatory agencies;
- 4.2.4 effect compliance with any (i) **General Data Protection Regulation Proceeding**, or (ii) **Privacy Regulation**;
- 4.2.5 notify potentially affected individuals or applicable regulatory agencies and establish new account numbers for the **Company's** potentially affected individuals;
- 4.2.6 plan, implement, execute, and manage a public relations campaign to attempt to counter or minimize any actual or anticipated adverse effects of negative publicity, or to attempt to protect or restore the **Company's** business reputation in response to negative publicity,
- 4.2.7 provide credit and identification monitoring services, identification restoration services, and identification theft insurance (provided the **Insurer** shall have no obligation to apply for or furnish such insurance) for potentially affected individuals; or
- 4.2.8 provide call centre services to handle inquiries from potentially affected individuals.

in responding to or in connection with any **Cyber Event**.

### 4.3 Change in Control

**Change in Control** means

- 4.3.1 any event wherein any person, entity or group:
  - (i) acquires more than 50% of the **Policyholder's** share capital;
  - (ii) acquires the majority of the voting rights in the **Policyholder**;
  - (iii) assumes the right to appoint or remove the majority of the board of directors (or equivalent position) of the **Policyholder**;
  - (iv) assumes control pursuant to a written agreement with other shareholders over the majority of the voting rights in the **Policyholder**;
  - (v) merges with the **Policyholder**, such that the **Policyholder** is not the surviving entity; or
  - (vi) is appointed as a trustee in bankruptcy, administrator, receiver, liquidator,

conservator, rehabilitator (or equivalent official or person in the applicable jurisdiction) for the **Policyholder**, or the **Policyholder** becomes a debtor-in-possession (or equivalent status in the applicable jurisdiction).

- 4.3.2 the nationalisation of the **Policyholder** by the taking of the **Insured's** assets directly or indirectly, in whole or in substantial part, into state or government ownership;
- 4.3.3 any government, quasi-government or government agency (including the International Monetary Fund), other regulatory agency, body or funding entity or financial stability fund:
  - (i) assuming the voting control of a shareholders' meeting of the **Policyholder**,
  - (ii) dismissing the Board of Directors of the **Policyholder**,
  - (iii) appointing a management committee of the **Policyholder**,
  - (iv) taking over the operations of the **Policyholder** either in part or in whole, or disposing of such an undertaking, either in part or in whole.

### 4.4 Circumstance

**Circumstance** means those events reported to and accepted by the **Insurer** per clause 6.1.2 of this Policy.

### 4.5 Civil Fines and Penalties

**Civil Fines and Penalties** means civil monetary penalties and fines directly assessed by an **Official Body** against an **Employee** for personal civil liability arising out of the provision or failure to provide **Professional Financial Services**, but only if such fines and penalties are not relating to or resulting from a knowing, wilful or criminal violation of law.

### 4.6 Claim

**Claim** means:

- 4.6.1 a written demand, commenced by the **Insured's** receipt of such demand, for monetary, non-monetary or injunctive relief or other legal remedy, except where such demand is made by an **Outside Service Provider** or an **Insured** other than an **Employee** acting in the capacity as customer of an **Insured**;
- 4.6.2 a civil proceeding, commenced by the service of a complaint or similar pleading; or
- 4.6.3 a regulatory or administrative proceeding, commenced by the filing of a notice of charges or similar document;
- 4.6.4 an arbitration proceeding against any **Insured**, or mediation or other dispute resolution process;

brought by, on behalf of or for the benefit of a third-party client of any **Insured** seeking compensation for a specified **Wrongful Professional Act** of an **Insured**.

In respect of Extension 2.2 Employee Dishonesty, **Claim** shall solely mean a civil proceeding commenced by a third-party client of the **Insured** or a regulatory or arbitration proceeding commenced on behalf of a third party client of the **Insured** for compensatory damages resulting from such **Employee Dishonesty**.

For the purposes of Sections 5, 6 and 7 only, **Claim** shall also mean **Professional Investigation**, **Potential Claim** and the event insured under Extension 2.4 Loss of Documents and Data.

#### 4.7 Company

**Company** means:

- 4.7.1 the **Policy holder**; and
- 4.7.2 any **Subsidiary**;

**Company** does not mean any **Investment Entity**.

#### 4.8 Company's Computer System

**Company's Computer System** means a **Computer System**:

- 4.8.1 owned, leased or operated by the **Company**;
- 4.8.2 which an **Outside Service Provider** operates for and on behalf of the **Company**;
- 4.8.3 which is owned by the **Company's Employees** and operated by them on behalf of the **Insured** for the purpose of obtaining remote access to the **Company's Computer System** or otherwise operated pursuant to the **Insured's** Bring Your Own Device policy to provide **Professional Financial Services**.

#### 4.9 Computer System

**Computer System** means computer hardware and **Software** and the **Electronic Data** stored there on including associated input and output devices, data storage devices, networking equipment, components, firmware and electronic backup facilities including systems available through the internet, intranets, extranets or virtual private networks.

#### 4.10 Cyber Event

**Cyber Event** means:

- 4.10.1 a **Privacy Event**; or
- 4.10.2 a **Security Event**.

#### 4.11 Defence Costs

**Defence Costs** means reasonable and necessary fees (including but not limited to attorneys' fees and experts' fees), costs, charges and expenses (other than regular or overtime wages, salaries, remuneration or fees of a **Directors or Officer** of the **Company** or an **Employee**), incurred with the prior written consent of the **Insurer**, after a **Claim** is made against the **Insured**:

4.11.1 by or on behalf of the **Insured**, in the investigation, defence, discharge, dismissal, adjustment, settlement of such **Claim**; or

4.11.2 by or on behalf of the **Insured**, in conducting any proceeding for indemnity, contribution or recovery relating to such **Claim**; or

4.11.3 by or on behalf of the **Insured**, in the pursuit of any appeal from a final award of a court, tribunal or alternative dispute resolution process binding on the **Insured** and resulting from such **Claim**; or

4.11.4 by any accredited expert retained through defence lawyers, on behalf of the **Insured** to prepare an evaluation, report, assessment, diagnosis or rebuttal of evidence in connection with the defence of a **Claim**;

**Defence Costs** shall not include:

- (I) **Professional Investigation Costs**; or
- (II) any fees, costs, charges and expenses incurred by the **Company** in connection with any direction or request by an **Official Body** to provide them with a report on a matter or appoint a person to provide them with a report on a matter under Section 166 or 166A of the Financial Services and Markets Act 2000 (as enacted in the United Kingdom) or any equivalent or similar legal or regulatory provision in any other jurisdiction.

#### 4.12 Director or Officer

**Director or Officer** means any natural person who is a past, present or future director or officer duly elected or appointed as a director, management committee member, member of the board of managers, supervisory board member, management board member, trustee or governor, or equivalent, of the **Company**, including a non-executive director or independent director of the **Company**.

#### 4.13 Documents

**Documents** mean records or documents of any nature, including computer records and **Electronic Data**.

**Documents** does not include any bill of exchange, cheque, currency, draft, draft, letter of credit, money order, promissory note, cryptographic or digital assets or currency, cryptographic key material providing access to digital currency systems, or other negotiable instruments including any records thereof.

#### 4.14 Electronic Data

**Electronic Data** means information stored or transmitted in digital format. **Electronic Data** does not include **Software** or cryptographic or digital assets or currency and/or cryptographic key material providing access to digital currency systems.

#### **4.15 Emergency Costs**

**Emergency Costs** means that part of **Defence Costs**, **Mitigation Costs**, or **Professional Investigation Costs**, incurred by the **Insured** prior to receiving the **Insurer's** written consent when such prior written consent cannot reasonably be obtained in a timely manner in relation to a **Claim**, and for which the **Insurer** shall provide retroactive approval, provided that notification is made to the **Insurer** within seven (7) days of such costs being incurred and in accordance to Section 6.4 of this Policy.

#### **4.16 Employee**

**Employee** means

- 4.16.1 a natural person who during the **Period of Insurance** or after the **Retroactive Date** performs **Professional Financial Services** on behalf of the **Company**, in the ordinary course of the **Company's** business and whom the **Company** compensates by salary, wages and/or commissions and has the right to govern, instruct and direct in the performance of such **Professional Financial Services**; or
- 4.16.2 a natural person seconded to the **Company**, or guest student pursuing studies or duties or any person engaged in work experience or on a training scheme with the **Company** while working under their direct control and supervision;

The definition of **Employee** shall not include any:

- (i) **Director or Officer** of the **Company**, unless when
  - a) performing acts within the scope of the usual duties of an employee (other than a **Director or Officer**) providing **Professional Financial Services** to or for the **Company** under a contract of employment and under the **Company's** direct control and supervision, or
  - b) while acting as a member of a committee duly elected or appointed by resolution of the board of directors of the **Company** to perform specific **Professional Financial Services**, as distinguished from general directorial acts, on behalf of the **Company** and working under the direct control and supervision of the **Company**; or
- (ii) **Outside Service Provider**
- (iii) independent contractor or independent agents or broker, independent financial adviser, tied agent or any similar agent or independent representative remunerated on sales or commission basis, external lawyers or solicitors or employees of independent valuation firms.

#### **4.17 Employee Dishonesty**

**Employee Dishonesty** means fraudulent or dishonest intentional conduct by an **Employee** with the intent to obtain an improper personal financial gain for himself or herself, but only if such conduct

- 4.17.1 was not committed by or condoned, either expressly or implicitly, by the **Company** or any of its **Directors or Officers**; and
- 4.17.2 results in liability of the **Company** to others which is established by a judgment or other final, non-appealable adjudication or proceeding.

Salary, fees, commission, bonuses, any similar employee benefit earned in the normal course of employment, including salary increases, promotions, profit sharing or other emoluments, do not constitute improper personal financial gain.

#### **4.18 Extended Reporting Period**

**Extended Reporting Period** means the period immediately following the **Period of Insurance** during which the **Insured** may notify the **Insurer** of any **Claim** first made during such period for a **Wrongful Professional Act**, or a **Professional Investigation**, first occurring or arising prior to the expiration of the **Period of Insurance**.

#### **4.19 Extortion Payments**

**Extortion Payments** means:

- 4.19.1 any monies and cryptographic or digital assets or currency paid by the **Insured** for the purpose of terminating an extortion threat; and
- 4.19.2 all expenses incurred by an **Insured** relating to an extortion threat.

#### **4.20 Financial Loss**

**Financial Loss** means

- 4.20.1 the total amount the **Insured** is legally liable to pay for:

- (i) compensatory, punitive, exemplary or multiple damages (to the extent insurable under the law of this Policy and the law of the jurisdiction in which the payment is to be made) and related costs (including pre-judgment and post-judgment interest, plaintiff's or claimant's legal fees, attorney's fees and expenses, court costs, accountant's costs and loss adjuster's costs) awarded pursuant to a judgment or other adjudication of a court or tribunal by whose jurisdiction the **Insured** is bound, or following arbitration or other alternative dispute resolution processes whose findings are binding upon the **Insured**;
- (ii) compensation for damages awarded by an **Official Body**, or

- (iii) a settlement negotiated by the **Insured** with the **Insurer's** prior written consent; or
- 4.20.2 **Professional Investigation Costs** resulting from a **Professional Investigation**; or
- 4.20.3 **Defence Costs**; or
- 4.20.4 the fees, costs, expenses and amounts covered under Extension 2.3 Loss Mitigation, 2.4 Loss of Documents and Data and 2.9 Civil and Administrative Fines and Penalties, in Section 2 of this Policy.
- Notwithstanding the foregoing, **Financial Loss** does not include any of the following:
- (a) wages, salaries or other remuneration or any employment related benefits paid by or to any **Insured**;
  - (b) social or pension benefits or contributions or other employment related benefits;
  - (c) any amount for which the **Insureds** are absolved from payment by reason of any covenant, agreement or court order;
  - (d) any amount that constitutes return by the **Insured** of fees, commissions, or royalties, no matter whether claimed as restitution of specific funds, forfeiture, financial loss, setoff or otherwise, and injuries that are a consequence of any of the foregoing; or re-performance of services by the **Insured** or under the **Insured's** supervision;
  - (e) any amount that constitutes loss or deprivation of fees, income or profits by the **Insured**, including interests and dividends or loss or rights and privileges;
  - (f) the cost, fees or expenses to comply with any injunctive, declaratory, affirmative, or other non-monetary relief or any agreement to provide any such relief;
  - (g) non-compensatory, punitive, exemplary, multiple or aggravated damages and the multiplied portion of multiplied damages;
  - (h) taxes and levies of any type, fines or penalties, including but not limited to such imposed as a result of a **GDPR proceeding** or any other similar legal or administrative proceeding in relation to data protection legislation in any other jurisdiction, imposed upon any **Insured**, except as provided under Extension 2.9 Civil and Administrative Fines and Penalties;
  - (i) **Breach Costs**;
  - (j) **Extortion Payments**;
  - (k) Disgorgement, reimbursement or restitution of any kind;
  - (l) amounts that constitute contractual penalties or **Liquidated Damages**; or
  - (m) any sum payable pursuant to a financial support direction or contribution notice issued by a pension regulator;
  - (n) benefits due or owed under any contract;
  - (o) any punitive, exemplary, compensatory or consequential damages and costs or settlements incurred by the **Insured** outside or in excess of its insured's or reinsured's limit of indemnity arising from a **Wrongful Professional Act**; or
  - (p) amounts or loss which are deemed uninsurable under the law pursuant to which this Policy shall be construed or in the jurisdiction where the **Claim** is made or brought

#### 4.21 Fund

**Fund** means any trust, investment trust, investment fund, investment management company (open or closed ended), managed investment scheme, partnership, undertaking for collective investment, private equity or venture capital fund, real estate fund, other fund, sub-fund, compartment, mandate or other similar entity sponsored, created or promoted by a **Company**, but does not include any employee benefit, pension, welfare benefit, share option or share saver plan or charitable fund or foundation maintained by the **Company** for the benefit of the past, present and or future employees or their respective beneficiaries on or after the inception date of this Policy.

#### 4.22 GDPR

**GDPR** means the General Data Protection Regulation (Regulation (EU) 2016/679) and any amendment thereto. **GDPR** shall also include any state, provincial, territorial, local, or federal regulations enacted in furtherance of or pursuant to implementation of the General Data Protection Regulation (Regulation (EU) 2016/679) and any amendment thereto.

#### 4.23 General Data Protection Regulation Proceeding

**General Data Protection Regulation Proceeding** means a formal investigation of or an administrative adjudication proceeding against an **Insured** concerning the **GDPR** by an administrative or regulatory agency, including an appeal thereof, commenced by the **Insured's** receipt of a subpoena, investigative demand, complaint or similar document.

#### 4.24 Insured

**Insured** means any:

- 4.24.1 **Company**; or
- 4.24.2 **Employee**.

#### 4.25 Insurer

**Insurer** means the company specified in Item 1.4 of the Schedule.

#### **4.26 Interrelated Wrongful Professional Acts**

**Interrelated Wrongful Professional Acts** means all **Wrongful Professional Acts** that have as a common nexus any fact, act circumstance, transaction, cause or series of causally connected facts, acts, circumstances, events, transactions, or causes.

#### **4.27 Investment Entity**

**Investment Entity** means

- 4.27.1 any not-for-profit entity; or
- 4.27.2 any entity in which one or more **Funds** holds or held securities (convertible bond, debenture, share, stock, ADR or other equity security), whether registered and traded or not in a public market or other debt or equity interest, or is performing or has performed due diligence in anticipation of making an investment of its capital in such entity; or
- 4.27.3 any special purpose vehicle (SPV), special purpose entity (SPE) or structured investment vehicle (SIV).

#### **4.28 Limit of Liability**

**Limit of Liability** means the amount specified in Section 2 of the Schedule.

#### **4.29 Liquidated Damages**

**Liquidated Damages** means damages that are specified and/or agreed in a contract or written agreement, including but not limited to penalty clauses for late completion or delivery, or any other compensation for breach of contract specifically agreed under a warranty or similar clause.

#### **4.30 Mental Anguish**

**Mental Anguish** means mental injury, mental distress, emotional distress, emotional pain, and emotional suffering or shock, whether or not resulting from **Bodily Injury**.

#### **4.31 Mitigation Costs**

**Mitigation Costs** means the reasonable and necessary:

- 4.31.1 fees or direct costs, expenses; or
- 4.31.2 other loss

incurred by the **Insured**, with the **Insurer's** prior written consent, following the first discovery of a **Wrongful Professional Act** or **Employee Dishonesty** during the **Period of Insurance** in order to mitigate, minimize, prevent or avoid **Financial Loss** that would otherwise be covered under this Policy if a **Claim** were to be made against the **Insured** arising from such **Wrongful Professional Act** or **Employee Dishonesty**.

**Mitigation Costs** does not include:

- (a) costs related to any liability which would not otherwise be covered under this Policy;
- (b) any increase in the liability of or the **Financial**

**Loss of the Insured** arising from taking such actions;

- (c) **Breach Costs**;
- (d) **Extortion Payments**;
- (e) the remuneration of any **Employee**, the costs of their time or any other costs, profits or overheads of any **Company**;
- (f) any payment which exceeds the coverage provided under this Policy if the **Claim** had been made against the **Insured** by the potential claimant;
- (g) the amount of any applicable **Retention**; or
- (h) costs or expenses or other amounts covered under Extension 2.4 Loss of Documents and Data.

#### **4.32 Official Body**

**Official Body** means any government, governmental or administrative body or agency or similar public body with authority over the **Professional Financial Services** of the **Insured**, that has the legal authority to regulate, control, supervise, conduct **Professional Investigations**, perform audits, assess and levy fines and penalties, issue orders or directives, or to undertake other actions or measures; as well as, any other public or administrative agency or self-regulatory body or professional body that is empowered by statute or statutory regulation to perform the above functions.

#### **4.33 Outside Service Provider**

**Outside Service Provider** means any person or financial institution or other entity providing services to financial institutions that is not an **Insured** and that performs **Professional Financial Services** of or on behalf of the **Insured**, at the direction of the **Insured** and pursuant to a written contract or agreement which defines the scope of the **Professional Financial Services** to be performed.

#### **4.34 Period of Insurance**

**Period of Insurance** means the period specified in Item 1.3 of the Schedule, including any extension thereto agreed in writing by the **Insurer**.

#### **4.35 Personal information**

**Personal information** means any information from which an individual may be uniquely and reliably identified including an individual's name, telephone number, national insurance number, social security number, medical or healthcare data or other protected health information, driver's licence number or passport number, bank account number, credit card number, debit card number, access code or password that would permit access to that individual's financial account or any other non-public personal information as defined in any privacy regulation applicable to the individual.

**Personal Information** does not include information lawfully available to the general public for any reason, including information from foreign, national or local government records.

#### 4.36 Policyholder

**Policyholder** means the entity specified in Item 1.2 of the Schedule.

#### 4.37 Pollutants

**Pollutants** means any air emission, odour, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, silica, noise, fungus (including mould, mildew and any myco toxins, spores, scents or by-products produced or released by fungi, but not any fungi intended by the **Insured** for consumption) and electric or magnetic or electromagnetic field. Such matters shall include, without limitation, solids, liquids, gaseous, thermal, biological, nuclear or radiological irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials.

#### 4.38 Potential Claim

**Potential Claim** means a **Claim** that, if made against the **Insured**, would be covered under this Policy in respect of which the **Insured** incurs **Mitigation Costs** under Extension 2.3 Mitigation Costs in order to mitigate, minimize, prevent or otherwise avoid **Financial Loss** that would otherwise be covered under this Policy.

#### 4.39 Privacy Event

**Privacy Event** means an actual or alleged:

4.39.1 unauthorised disclosure, loss or theft of:

- (i) **Personal Information** in the care, custody or control of any **Insured**; or
- (ii) corporate information in the care, custody or control of any **Insured** that is specifically identified as confidential and protected under a non-disclosure agreement or similar contract;

4.39.2 violation of any **Privacy Regulation** by an **Insured**; or

4.39.3 failure by the **Insured** to comply with that part of its public declaration of its policy for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to **Personal Information** that specifically:

- (i) prohibits or restricts the **Insured's** disclosure, sharing or selling of **Personal Information**;
- (ii) requires the **Insured** to provide an individual access to **Personal Information** or to correct incomplete or inaccurate **Personal Information** after a request is made; or
- (iii) mandates procedures and requirements to prevent the loss of **Personal Information**.

provided the **Insured** has in force, at the time of such failure, such a policy for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to **Personal Information**.

#### 4.40 Privacy Regulation

**Privacy Regulation** means any legislation, regulation or by-law, including any amendments thereto, associated with the control and use of personally identifiable financial, medical or other sensitive information, or any other legislation, regulation or by-law associated with identity theft or privacy.

#### 4.41 Professional Investigation

**Professional investigation** means any formal civil, administrative or regulatory investigation, hearing, examination or inquiry commenced or brought by an **Official Body** concerning the affairs of the **Company** in the provision of or failure to provide **Professional Financial Services**; or

an **Employee** acting in his capacity as such,

where no **Wrongful Professional Act** has been specified, once an **Employee of the Company** is identified in writing and receives formal written notice from an **Official Body** requiring such **Employee** to cooperate or attend, or to produce documents, provided that:

- (a) such formal written notice from an **Official Body** first arises during the **Period of Insurance** or **Extended Reporting Period** (if applicable);
- (b) the **Professional Investigation** concerns acts or conduct or a **Wrongful Professional Act** that occurs after the inception date of this Policy and the **Retroactive Date**; and
- (c) the **Insured** has notified the **Insurer** of such formal written notice from an **Official Body** in accordance with Section 6.2 of this Policy

**Professional Investigation** does not mean any routine regulatory supervision, inspection or compliance reviews, or any industry wide investigation, hearing, examination or inquiry which focuses on five (5) or more industry actors rather than the **Insured**.

#### 4.42 Professional Investigation Costs

**Professional Investigation Costs** means reasonable and necessary fees, costs, charges and expenses incurred, with the prior written consent of the **Insurer** (except as provided for under Extension 2.6 Emergency Costs) for or on behalf of an **Employee** or the **Employee's** legal representative:

in preparing for, attending or producing documents to a **Professional Investigation**; or  
in responding to a raid on, or on-site visit to, any **Insured** by an **Official Body** that involves the production, review, copying or confiscation of files or interviews of any **Insured**,

**Professional Investigation Costs** shall not mean any fees, costs, charges or expenses incurred by the **Company** in connection with a **Professional Investigation**, remuneration of **Employees**, costs of their time or costs of overheads of the **Company**.

#### **4.43 Professional Financial Services**

**Professional Financial Services** means any financial services provided by or on behalf of the **Insured** to a third party client pursuant to a written contract or agreement with such third party client for compensation, or in conjunction with services for compensation, including any related service or operation of the **Insured** to support the provision of such services ; provided, however, that

- (i) such **Professional Financial Services** are declared in the **Proposal** and listed in the Schedule to this Policy;
- (ii) the **Professional Financial Services** are allowed under applicable laws, statutes, rules, regulations issued by any **Official Body** having jurisdiction over the **Insured**; and
- (iii) the **Insured** providing such **Professional Financial Services** is duly authorised, licensed and/or approved to provide such **Professional Services**.

**Professional Financial Services** do not include the rendering or failure to render tax services to an **Investment Entity**.

#### **4.44 Property Damage**

**Property Damage** means any damage to or destruction of any tangible property or loss of use of such property, and any direct consequential loss resulting there from.

#### **4.45 Proposal**

**Proposal** means any information and/or statements or materials supplied to the **Insurer** including any application form completed and signed by the **Policyholder** and any attachments thereto.

#### **4.46 Retention**

**Retention** means the applicable amounts specified in Section 4 of the Schedule.

#### **4.47 Responsible Officer**

**Responsible Officer** means any natural person who has been, now is, or shall become a partner, **Director or Officer**, general counsel, head of legal, risk manager, insurance manager, head of information and data security, or equivalent of the **Company**.

#### **4.48 Retroactive Date**

**Retroactive Date** means the date specified in Section 5 of the Schedule.

#### **4.49 Security Event**

**Security Event** means any unauthorized access to introduction of malware or malicious software into or

denial of service attack upon the **Company's Computer System** resulting in:

4.49.1 an actual and measurable interruption, suspension, failure, degradation or delay in the performance of the **Company's Computer System**; or

4.49.2 the, alteration, modification, corruption or destruction of corporate information in the care, custody or control of any **Insured** that is not available or known to the public.

#### **4.50 Software**

**Software** means operations and applications, codes and programs by which **Electronic Data** is electronically collected, transmitted, processed, stored or received, provided always that **Software** does not include **Electronic Data**.

#### **4.51 Sub-Limit of Liability**

**Sub-Limit of Liability** means the limit of **Insurer's** liability under this Policy for certain covers and extensions and which is within and forms part of, and is not in addition to, the **Limit of Liability**. The amount of the **Sub-Limit of Liability** for each respective cover and extension is the aggregate and specified in the Schedule.

#### **4.52 Subsidiary**

**Subsidiary** means any entity or organisation, including any joint venture or partnership, in which on or before the inception date of this Policy (or for the purpose of Section 3.3, during the **Period of Insurance**), the **Policyholder**, directly or indirectly through one or more **Subsidiary**:

4.52.1 controls the composition of the board of directors, or has the right to elect or appoint a majority of the board of directors (or equivalent in any other country);

4.52.2 controls more than 50% of the shareholder or equity voting rights; or

4.52.3 holds more than 50% of the issued share capital or equity.

For the purposes of determining cover, an entity shall only be deemed a **Subsidiary** with respect to **Wrongful Professional Acts** committed subsequent to the date that such entity first became a **Subsidiary** and prior to the date such entity ceased to be a **Subsidiary**.

#### **4.53 Wrongful Privacy Act**

**Wrongful Privacy Act** means any act, error, omission, neglect, or breach of duty actually or allegedly committed or attempted by an **Insured** in the course of rendering **Professional Financial Services** that results in or arises from a **Privacy Event**.

#### **4.54 Wrongful Professional Act**

**Wrongful Professional Act** means

4.54.1 any act, error, omission, misrepresentation,

misstatement, misleading statement, neglect, or breach of duty;

#### 4.54.2 a **Wrongful Security Act**; or

#### 4.54.3 a **Wrongful Privacy Act**.

actually or allegedly committed or attempted by an **Insured**, in connection with the rendering or failure to render **Professional Financial Services** to others.

### 4.55 Wrongful Security Act

**Wrongful Security Act** means any act, error, omission, neglect, or breach of duty actually or allegedly committed or attempted by an **Insured** that results in or arises from a **Security Event**.

### 5. Exclusions

The **Insurer** shall not be liable under any of the terms or conditions of this Policy to make any payment for **Financial Loss** in connection with any **Claim** or extension set out in Section 2 of this Policy:

#### 5.1 Anti-Trust

arising from, based upon, in connection with, attributable to or as a consequence of any actual or alleged violation of any anti-competitive, anti-trust, unfair competition, or restraint of trade law, legislation or regulation.

#### 5.2 Assumed Liability, Guarantee, Warranty

alleging, arising from, based upon, in connection with, attributable to or as a consequence of any:

5.2.1 liability assumed or accepted by an **Insured** or an **Outside Service Provider** under any contract or agreement except to the extent that actual legal liability would have attached to an **Insured** or **Outside Service Provider** in the absence of such contract or agreement as a matter of civil or common law as applicable; or

5.2.2 guarantee or warranty.

#### 5.3 Bodily Injury and Property Damage

alleging, arising from, based upon, in connection with, attributable to or as a consequence of, directly or indirectly, **Bodily Injury**, **Mental Anguish**, **Property Damage** or the violation of any person's right of privacy; provided, that this exclusion shall not apply to

5.3.1 Loss of **Documents** or data, in accordance with Extension 2.4 Loss of Documents and Data; or

5.3.2 Mental Anguish

- (i) in accordance with Extension 2.5 Defamation; or
- (ii) arising from a **Wrongful Privacy Act**.

#### 5.4 Conduct

alleging, arising from, based upon, in connection with, attributable to or as a consequence of:

5.4.1 an **Insured** or an **Outside Service Provider**

gaining any profit, remuneration or financial or non-financial benefit or advantage to which such **Insured** or **Outside Service Provider** was not legally entitled;

5.4.2 any **Wrongful Professional Act** which was deliberately committed;

5.4.3 the committing of any criminal, dishonest, fraudulent or malicious acts or omission by an **Insured** or an **Outside Service Provider**; or

5.4.4 any knowing or wilful violation or breach of any statute, regulation or law by an **Insured** or an **Outside Service Provider**.

where the conduct referred to in clauses 5.4.1 to 5.4.4 above is determined by:

(a) a formal written admission by the **Insured** or the **Outside Service Provider**;

(b) a judgment or other final, non-appealable adjudication or proceeding adverse to the **Insured** or the **Outside Service Provider**; or

(c) evidence establishing that the conduct did in fact occur.

Until such admission or determination, **Defence Costs** shall be advanced by the **Insurer** pursuant to Section 6.2. Further, the conduct referred to in clauses 5.4.1 to 5.4.4 committed by any **Company** or **Outside Service Provider** shall not be attributed to any **Employee** unless such **Employee** was complicit in such conduct.

This exclusion shall not apply to Extension 2.2 Employee Dishonesty.

#### 5.5 Governmental Regulatory Action

arising from, based upon, in connection with, attributable to or as a consequence of any action or investigation brought by, in the right of, on behalf of or at the behest of, or instigated or maintained against an **Insured** by an **Official Body** or any other government, regulatory or licensing authority or commission, whether directly or indirectly, and whether brought in its capacity as an **Official Body** government, regulatory or licensing authority or commission, or as a receiver, conservator, liquidator, securities holder or assignee of an **Insured**, provided, that this exclusion shall not apply to:

5.5.1 a **Claim** by such entity when acting solely in its own interests in its capacity as a customer or client of an **Insured**;

5.5.2 a **Claim** brought by such entity by, on behalf of or for the benefit of a third party client of any **Insured** seeking compensation for a specified **Wrongful Professional Act** of an **Insured**;

5.5.3 **Civil Fines or Penalties** covered under clause 4.20.4 of the definition of **Financial Loss**; or

5.5.4 Professional Investigation Costs covered under Extension 2.1 Professional Investigations.

## 5.6 Insolvency

arising from, based upon, in connection with, attributable to or as a consequence of the bankruptcy, insolvency, financial default, liquidation, receivership or liquidation of an **Insured** or an **Outside Service Provider**.

## 5.7 Insured vs Insured

brought or instigated by or on behalf of, or for the benefit of:

- 5.7.1 any **Insured**, or successors or assigns of any **Insured**;
- 5.7.2 any entity owned, controlled, operated or managed by the **Insured** at the time the **Wrongful Professional Act** giving rise to such **Claim** was committed (or alleged to have been committed); or
- 5.7.3 the **Policyholder's** parent company, or any subsidiary or affiliate or other entity that is operated or controlled by the **Policyholder's** parent company at the time the **Wrongful Professional Act** giving rise to such **Claim** was committed (or alleged to have been committed);

unless such **Claim**:

- (a) is brought by or on behalf of an **Employee** solely in the capacity as a client or customer of the **Company** and is instigated and maintained totally independent of, and totally without the solicitation, assistance, active participation or intervention of any other **Insured**;
- (b) is brought by or on behalf of an **Insured**, other than a **Fund**, for contribution, indemnity or recovery, if such **Claim** directly results from another **Claim** originating from an independent third party which is otherwise covered under this Policy and as long as such **Claim** is instigated and maintained totally independent of, and totally without the solicitation, assistance, active participation or intervention by any other **Insured**. Cover under this Policy shall be limited to that part of **Financial Loss** which consists of compensation for damages incurred by that third party and for which the **Insured** is legally liable, and shall exclude any other or additional **Financial Loss**, costs or expenses incurred by the **Insured**; or
- (c) is brought by a **Fund** for contribution or indemnity, if such **Claim** directly results from another **Claim** originating from an independent third party, as long as such **Claim** is instigated and maintained totally independent of, and totally without the solicitation, assistance, active participation or intervention by any other **Insured**, and where failure to make such a **Claim** would have otherwise resulted in the **Fund** incurring a statutory liability or a subsequent **Claim** by a third party;

5.7.4 entity that controls, operates or manages or wholly or partly owns the **Insured** at the time the **Wrongful Professional Act** giving rise to such **Claim** took place; or

5.7.5 shareholder, bondholder or a holder of any similar corporate securities, benefit or obligation of the **Insured** in their capacity as such, unless brought as a client or customer of the **Insured**.

## 5.8 Outside Service Providers

brought or instigated by or on behalf of, or for the benefit of any **Outside Service Provider** in relation to contractual agreements, indemnification, compensation, or disputes over the services provided by such **Outside Service Provider** or with respect to the scope of **Professional Financial Services** performed by such **Outside Service Provider** as defined in the contractual agreement with the **Insured**.

## 5.9 Intellectual Property

alleging, arising out of, based upon, in connection with, attributable to or as a consequence of:

- 5.9.1 the invalidity, infringement, violation, breach or misappropriation of any patent, intellectual property right, copyright, trade or service mark; or
- 5.9.2 the misappropriation of any trade secret.

## 5.10 Nuclear and Pollution

alleging, arising out of, based upon, in connection with, attributable to or as a consequence of:

- 5.10.1 the hazardous properties of nuclear material including but not limited to the actual, alleged, threatened or potential:
  - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
  - (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

5.10.2 the actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of **Pollutants** at any time; or

5.10.3 any claim, suit, direction or request that any **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so.

This exclusion applies whether or not such **Pollutants** have any function in the **Insured's** business, operations, premises, site or location and regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to any **Financial Loss** associated with such **Pollutants**.

## **5.11 Prior and Pending Claims or Notifications**

alleging, arising out of, based upon, in connection with, attributable to or as a consequence of:

- 5.11.1 any act, fact, same or related **Wrongful Professional Act, Professional Investigation, Employee Dishonesty**, fact, event, **Circumstance**, situation, or **Claim** which has been the subject of any written notice given under any insurance policy or any policy of which this Policy is a direct or indirect renewal or replacement, or any policy expiring prior to the inception date of this Policy;
- 5.11.2 any act, error or omission or **Wrongful Professional Act, Professional Investigation, Employee Dishonesty**, fact, event, **Circumstance**, situation, or **Claim** occurring, initiated, committed or commenced prior to:
  - (i) the inception date of this Policy or of any policy issued by the **Insurer** to the **Policyholder** of which this Policy is a continuous renewal or replacement, which a **Responsible Officer** became aware, knew or could have reasonably foreseen that could give rise to a **Claim** or coverage under this Policy; or
  - (ii) the **Retroactive Date**;
- 5.11.3 any written demand, suit or proceeding, order, decree or judgment entered, against any **Insured**, or **Professional Investigation** pending or initiated or commenced on or prior to the inception date of this Policy or of any policy issued by the **Insurer** to the **Policyholder** of which this Policy is a continuous renewal or replacement;
- 5.11.4 any **Interrelated Wrongful Professional Act or Professional Investigation, Employee Dishonesty** or Loss of Documents and Data (as covered under Extension 2.4) which has the same originating cause as any item referenced in clauses 5.10.1, 5.10.2 or 5.10.3 above; or any **Mitigation Costs** relating to the foregoing.

## **5.12 Uncontrollable events**

alleging, arising out of, based upon, in connection with, attributable to or as a consequence of the inability of the **Insured** or an **Outside Service Provider** to render **Professional Financial Services** as a consequence of:

- 5.12.1 civil unrest, including but not limited to protests, striking employees and riots;
- 5.12.2 war, terrorism, invasion, act of foreign enemy, hostilities or warlike operations (whether war has been declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportion of or amounting to a popular uprising, military or usurped power,

martial law, riot or the act of any lawfully constituted authority;

- 5.12.3 emergency governmental actions, including but not limited to embargos, quarantines, lockdowns, travel restrictions, and curfews, or any seizure, confiscation, expropriation, nationalisation or destruction of a **Computer System** by such governmental authority;
- 5.12.4 failure, interruption, or outage to Internet access provided by the Internet service provider to the **Insured** or any **Outside Service Provider** and/or any resulting lack of functionality in any online services, failure of telephone lines, data transmission lines, satellites, or other infrastructure comprising or supporting the Internet unless such infrastructure is under the **Insured's** operational control;
- 5.12.5 fire, smoke, explosion, lightning, wind, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, pandemic; epidemic, or act of God, or any other similar event however caused;
- 5.12.6 mechanical or electrical failure or interruption caused by a third party, acting independently of the **Insured** or **Outside Service Provider**, or by an event outside of the **Insured** or **Outside Service Provider's** control, including any electrical power interruption or surge, brownout, blackout, short circuit, over voltage, or power fluctuations; or
- 5.12.7 any actual and measurable interruption, suspension, voluntary or regulatory shutdown, failure, degradation or delay in the performance of an **Outside Service Provider's Computer System** arising or resulting from a **Cyber Event**, including any liability to the **Outside Service Provider** itself.

## **5.13 Fees and Commissions**

alleging, arising out of, based upon, in connection with, attributable to or as a consequence of

- 5.13.1 reimbursement, restitution or disgorgement of fees, profits, commissions, premiums, taxes, costs or other compensation paid to, payable to, owed, due to or claimed for any **Professional Financial Services** rendered or required to be rendered by an **Insured** or an **Outside Service Provider**, or that portion of any settlement or award in an amount equal to such fees, profits, commissions, premiums costs or other compensations or that constitutes restitution or reimbursement.
- 5.13.1 the actual or alleged charging of excessive, undisclosed or otherwise improper fees, profits, commissions, premiums, taxes, costs or other compensation by the **Insured** or an **Outside Service Provider**.

## **5.14 Merger and Acquisition**

arising from, based upon, in connection with, attributable to or as a consequence of any actual or attempted:

- 5.14.1 merger, consolidation, purchase or acquisition of another business by the **Insured**, or
- 5.14.2 divestment or sale of assets or business by the **Insured**; or
- 5.14.3 purchase or sale transactions in the shares of the **Policyholder**, the **Insured's** parent company or any **Subsidiary**

except when the **Insured** is acting on behalf of a client of the **Insured**, or where the **Insured** has authority to manage the funds of a client.

## **5.15 Money Laundering or Related Financial Crime**

arising out of, based upon, in connection with, attributable to or as a consequence of, directly or indirectly, any actual or alleged money laundering or related financial crime which the **Insured** knew or reasonably should have known constituted money laundering or related financial crime. For the purposes of this exclusion, money laundering or related financial crime has the meaning given to that term (or the term used for an equivalent offence) under any statute, law, rule regulation, or international treaty, convention or accord pertaining to the movement of illicit cash or cash equivalent proceeds.

## **5.16 Tax Planning**

arising out of, based upon, in connection with, attributable to or as a consequence of relating to or involving, directly or indirectly, any actual or alleged tax planning, tax evasion, tax investment advice or tax shelter arrangements.

## **5.17 Business Risk**

alleging, arising out of, based upon, attributable to or as a consequence of:

- 5.17.1 any transaction or change in value of any account, where the **Insured** is acting on its own behalf or as principal, including any proprietary trading loss, financial loss or a business loss; or
- 5.17.2 any liability under a contract of insurance or reinsurance to pay benefits or indemnity due to an **Insured's** capacity as the insurer or re-insurer of such contract of insurance or reinsurance.

## **5.18 Diminution in Value**

alleging, arising out of, based upon, attributable to, as a consequence of or in any way involving, directly or indirectly:

- 5.18.1 diminution in value (or failure to appreciate) of any investments including **Securities**, securities, money, currencies, options, futures

transactions, commodities, **Property**, property or any other item of value, or

- 5.18.2 any actual or alleged representation, advice, guarantee or warranty provided by or on behalf of the **Insured** as to the performance of any such investments, or

- 5.18.3 the loss of value, surrender value or cancellation value of any leased product or service,

except when such diminution or loss of value (or failure to appreciate) is caused solely by a **Wrongful Professional Act** of an **Insured** in the execution or implementation of **Professional Financial Services**.

## **5.19 Directors and Officers**

arising out of, based upon, in connection with, attributable to or as a consequence of the **Insured's** performance or non-performance of their functions and duties in their capacity as a **Director or Officer**, manager, trustee, partner, employee or member of any entity other than a **Company**, except where a **Claim** is made against an **Insured** for a **Wrongful Professional Act** arising from the provision of directorial services, including but not limited to the provision of individuals or corporate entities to act as directors to third party companies, but only where such services constitute **Professional Financial Services**.

## **5.20 USA Specific Exclusions**

alleging, arising out of, based upon, relating to or attributable to any actual or alleged:

- 5.20.1 violation, by the **Insured or Outside Service Provider**, of the Racketeer Influenced and Corrupt Organisations Act 18 USC Section1961 as amended, and regulations promulgated there under;

- 5.20.2 violation, by the **Insured or Outside Service Provider**, of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, and any regulations promulgated there under where the **Insured** is acting as a trustee, fiduciary or administrator of any pension, profit sharing or employee benefit plan maintained by the **Insured** for the benefit of its past, present and future **Employees** or their respective beneficiaries;

- 5.20.3 violation, by the **Insured or Outside Service Provider**, of the Securities Act of 1933, or the Securities and Exchange Act of 1934 as amended, and regulations promulgated there under; or

- 5.20.4 violation, by the **Insured or Outside Service Provider**, of the Fair Credit Reporting Act (FCRA) and any amendment of or addition to such law including the Fair and Accurate Credit Transactions Act (FACTA);

(when such **Claim** or **Professional Investigation** is brought or commenced (or for the purposes

of Extension 2.3 Loss Mitigation, would likely be commenced) in whole or in part within the jurisdiction of or pursuant to the laws of the United States of America or its territories or possessions.

## 6. Notification, Defence, Settlement and Indemnification

### 6.1 Notification of Claims or Circumstances

- 6.1.1 The **Insurer** shall only be liable under this Policy for **Claims** that have been reported to the **Insurer** in writing as soon as reasonably practicable after a **Responsible Officer** first becomes aware of such **Claim** but no later than thirty (30) days after the expiry of the **Period of Insurance** or within the **Extended Reporting Period** (if applicable).

Written notice under this section shall include, but not be limited to, a description of the **Claim**, the nature of the alleged or potential **Financial Loss**, the details of the actual or potential claimants, and the date and manner in which the **Insured** first became aware of the **Claim** or **Professional Investigation**.

- 6.1.2 If during the **Period of Insurance** a **Responsible Officer** shall become aware of any **Wrongful Professional Act** or other circumstance which may reasonably be expected to give rise to a **Claim** being made against an **Insured**, they shall give written notice to the **Insurer** of such **Wrongful Professional Act** or circumstance. If such notice is accepted by the **Insurer**, any **Claim** which is subsequently made against such **Insured** and reported to the **Insurer** which alleges, arises out of, or is based upon or attributable to such **Wrongful Professional Act** or circumstance which is the same as or related to any **Wrongful Professional Act** or circumstance reported in that notification, shall be considered made at the time such notice was received by the **Insurer** and such **Claim** shall be subject to the terms, conditions and remaining **Limits of Liability**, if any, of this Policy.

Written notice under this section shall include, but not be limited to, the reasons for anticipating such a **Claim** with full particulars as to dates, persons and entities involved, the nature of the **Wrongful Professional Act** and any actual or possible injury or damages, if known; and the date and manner in which the **Insured** first became aware of the **Wrongful Professional Act**.

- 6.1.3 If an **Insured** is unable to notify the **Insurer** as set forth in clauses 6.1.1 above as a result of a specific direction or prohibition from disclosing information by an **Official Body**:

- (a) the **Insured** shall notify the circumstance to the **Insurer** as set forth in clauses 6.1.2 above; and

- (b) the **Insured** shall advise the **Insurer** of the existence of the non-disclosure agreement and provide full disclosure of relevant information as permitted by an **Official Body** within thirty (30) days from being allowed to make such disclosure by the **Official Body**; and

- (c) the **Insured** shall always keep the **Insurer** informed as set forth in clauses 6.1.1 and 6.1.2 to the fullest extent permitted by the **Official Body** during this disclosure limitation and afterwards provide full details as requested by the **Insurer** once this limitation is removed.

- 6.1.4 Written notice hereunder shall be given to the **Insurer** in the Schedule at the address specified in the Schedule and shall be effective from the date of receipt at such address.

- 6.1.5 The details of any other insurance policy which may apply to any **Financial Loss** covered under this Policy shall be reported to the **Insurer** within a reasonable time of any notification.

### 6.2 Defence and Settlements, Cooperation and Defence Costs

- 6.2.1 Each **Insured** will have the right and duty to defend and contest any **Claim** made against them. The **Insurer** will be entitled to participate fully in the defence of any **Claim** (even where such **Claim** falls within the **Retention**) and in the negotiation of any settlement that involves or appears reasonably likely to involve the **Insurer**.

- 6.2.2 It shall be a condition precedent to cover under this Policy that the **Insured** will not admit or assume any liability, enter into any settlement agreement, consent to any judgment, or incur any **Financial Loss** without the prior written consent of the **Insurer**, except where the **Financial Loss** is not reasonably expected to exceed 50% of the applicable **Retention**, and except as provided under Extension 2.6 Emergency Costs and subject to Section 6.4 below. Save as provided above, only those settlements, consent judgments, **Defence Costs**, or other **Financial Loss** that have been consented to by the **Insurer** shall erode the **Retention** and/or be recoverable under the terms of this Policy. Where the **Insurer's** consent is required under this Policy (including for the incurring of reasonable and necessary fees, costs and expenses under an applicable Extension) such consent will not be unreasonably withheld or delayed.

- 6.2.3 Each **Insured** will, at their own cost (unless otherwise agreed by the **Insurer** or expressly provided for in this Policy):

- (a) take all reasonable steps to prevent or minimise a **Financial Loss**;

- (b) render all reasonable assistance to and cooperate with the **Insurer** in the defence of any **Claim** and the assertion or indemnification and contribution rights; and
- (c) give all information and assistance to the **Insurer** as it may reasonably require to enable it to investigate any matter under which the **Insured** seeks coverage under this Policy or to determine the **Insurer's** liability under this Policy.

6.2.4 Except to the extent that the **Insurer** has denied coverage, and subject to the **Limit of Liability**, **Sub-Limit of Liability** and **Retention**, the **Insurer** shall advance **Defence Costs** as and when incurred by the **Insured**, with respect to any **Claim** prior to the final resolution of such **Claim**.

Any payments of **Financial Loss** to any **Insured** that have been made by the **Insurer** shall be repaid to the **Insurer** by the person and/or entity (jointly or severally) to whom or on whose behalf such payments have been made in the event that any such payments are ultimately determined not to be covered by this Policy and/or such person or entity is ultimately determined not to be entitled under this Policy to the payment of such **Financial Loss**.

### 6.3 Duty to Defend

It shall be the duty of the **Insured** against whom a **Claim** is made to take all reasonable steps to defend such **Claim** and not to do anything to prejudice the position of the **Insurer**. The **Insurer** shall have no duty to defend any **Claim** made against any **Insured**.

The **Insurer** will accept as reasonable the retention of separate legal representation to the extent required by a conflict of interest between any **Employees** or between any **Employee** and the **Company**.

### 6.4 Emergency Costs

The **Insurer** shall provide retroactive approval for that part of **Emergency Costs** incurred by the **Insured** prior to receiving the **Insurer's** written consent, when the **Insured** is in compliance with all of the following requirements:

- 6.4.1 notification is made to the **Insurer**, in accordance to Sections 6.1 through 6.3 of this Policy, within seven (7) days of such costs being incurred, and
- 6.4.2 the **Insured** can satisfactorily prove to the **Insurer** that the actual or potential **Claim** and **Financial Loss** are or would have been covered under this Policy, and
- 6.4.3 the **Insured** can satisfactorily prove to the **Insurer** the reasonableness and necessity of the actions undertaken and of the costs incurred or the effective prevention, reduction, limitation or mitigation of such **Claim** and **Financial Loss**.

Once notification to the **Insurer** is made, in accordance to Section 6.1 and clause 6.4.1 above, the prior consent of the **Insurer** is always required in respect of any further action undertaken or **Emergency Cost** incurred by the **Insured**, after such notification, in relation to the same actual or potential **Claim**.

## 6.5 Single Claims / Interrelated Acts or Events

All **Claims** arising out of the same:

6.5.1 **Wrongful Professional Act or Interrelated Wrongful Professional Acts**; or

6.5.2 facts, acts or events,

shall be deemed a single **Claim**, and such **Claim** shall be deemed to be first made on the date the earliest of such **Claims** is first made against any **Insured**, regardless of whether such date is before or during the **Period of Insurance** and regardless whether such **Claim** involves the same or different claimants, **Insured** or legal causes of action.

## 6.6 Allocation

The **Insurer** shall not be liable to make any payment or to provide any service in connection with any **Claim**, except to the extent that such payment or service relates to the defence or settlement of a **Claim** or other events for which coverage is provided under this Policy to an **Insured** in its capacity as such.

Where the handling or defence of a **Claim** or other events involves both covered and uncovered matters and parties, the **Insurer** shall only be liable for such costs, payments and services which relate exclusively to the defence and settlement of a **Claim** or other covered event on behalf of the **Insured** in their capacity as such, and the **Insurer** and the **Insured** agree to use their best endeavours to determine a fair and proper allocation of such **Financial Loss** and/or **Defence Costs**.

If the **Insurer** and the **Insured** cannot agree on allocation in accordance with this section, then all such parties hereby agree to refer to the determination of the Dispute Resolution proceeding stated in General Condition 7.7 Dispute Resolution.

## 7. General Conditions

### 7.1 Aggregate Limit of Liability

The **Limit of Liability** shall be the **Insurer's** maximum liability, in the aggregate, payable under this Policy for all **Financial Loss**.

As specified in definition 4.49, the **Sub-Limits of Liability** form part of, and are not in addition to, the **Limit of Liability**. Where more than one **Sub-Limit of Liability** applies to any **Financial Loss** payable under the terms of this Policy, only one **Sub-Limit of Liability** shall apply, being the greater of such **Sub-Limits of Liability**.

The **Limit of Liability** or the **Sub-Limits of Liability** shall apply only in excess of the applicable **Retention**.

**The Limit of Liability** for any **Extended Reporting Period** shall be part of, and not in addition to the **Limit of Liability** for the **Period of Insurance**.

## 7.2 Application of Retention

The **Insurer** shall only pay that amount of **Financial Loss** in respect of each single **Claim**, fees, costs, expenses and amounts set out in Extensions 2.3 Loss Mitigation, 2.4 Loss of Documents and Data and 2.9 Civil and Administrative Fines and Penalties, that is in excess of the applicable **Retention** specified in the Schedule.

The **Retention** is not part of the **Insurer's Limit of Liability**. The **Retention** is to be borne by the **Company** and shall remain uninsured, other than if insured by a **Subsidiary**. If more than one **Retention** is applicable to a single claim, then the applicable **Retentions** will be applied separately to each part of such **Claim**, but the maximum total **Retention** applicable to such **Claim** shall not exceed the largest applicable **Retention**.

## 7.3 Authorisation Clause and Assignment

By acceptance of this Policy, the **Policyholder** agrees to act on behalf of each **Insured** with respect to giving and receiving notices of **Financial Loss** or **Circumstances** or communication to the **Insurer**, termination, paying premiums and receiving any return premiums that may become due under this Policy, agreeing to endorsements, and giving or receiving notices provided for in this Policy, and each **Insured** agrees that the **Policyholder** shall act on their behalf.

Neither this Policy nor any rights hereunder may be assigned without the prior written consent of the **Insurer**.

## 7.4 Bankruptcy

Bankruptcy or insolvency of any **Insured** or of the estate of any **Insured** shall not relieve the **Insurer** of its obligations or deprive the **Insurer** of its rights or defences under this Policy.

## 7.5 Cancellation

The **Insured** can cancel the policy at any time during the policy term, by informing the **Company**. The **Company** can cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to the **Insured**.

The **Company** shall refund proportion premium for unexpired policy period subject to no claim(s) made during the policy period.

## 7.6 Currency

All Premiums, **Limit of Liability**, **Retentions**, **Financial Loss** and other amounts under this Policy are expressed and payable in the currency specified in the Schedule. If judgment is rendered, settlement is denominated or another element of **Financial Loss** under this Policy is stated in a currency other than this currency, payment of covered **Financial Loss** due under this Policy (subject to the terms, conditions, exclusions and limitations of

this Policy) will be made either in such other currency at the option of the **Insurer** or, in the currency specified in the Schedule, at the rate of exchange published in the Local Publication mentioned in Policy Schedule on the inception date of this Policy (or if not published on such date the next publication date of Local Publication mentioned in the Policy Schedule).

## 7.7 Dispute Resolution

Any and all disputes concerning the interpretation or difference of the terms, exclusions or conditions contained herein is understood and agreed to by both the parties are subject to Indian law.

## 7.8 Arbitration

The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy.

Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

## 7.9 Fraudulent Claims

If the **Insured** shall give notice of any **Financial Loss** or **Circumstance** knowing same to be false or fraudulent, as regards amount or otherwise, such **Financial Loss** shall be excluded from the Policy for the fraudulent **Insured** and the **Insurer** shall have the right to avoid its obligations under this Policy in relation to that fraudulent **Insured** or in its entirety and in such case, the Policy shall become void and all notifications shall be forfeited.

## 7.10 Other Insurance, Order of Payments and Non-Stacking of Limits

If a **Financial Loss** covered under this Policy is also covered, wholly or partially, by any other valid and collectable insurance policy, this Policy shall only apply and pay **Financial Loss** in excess of the amount paid by such other insurance policy, and irrespective of whether such other insurance policy is stated to be primary, contributory, excess, contingent or otherwise.

Multiple policies involving Bank or other lending or financing entity - In case there is more than one insurance policy issued to the customer/ policyholder covering the same risk, the **Company** will not apply contribution clause. Underinsurance will be applied on an overall basis taking into consideration the sum insured under all policies and comparing it with value at risk.

As excess insurance this Policy shall not apply or contribute to the payment of any **Financial Loss** until the insured limits and retentions amounts of that other insurance policy have been exhausted.

Notwithstanding the above, this Policy shall always apply specifically as excess of any indemnification provided by any valid and collectable insurance coverage afforded to by **Insured** under any Cyber

Liability Insurance, Security and Privacy or similar insurance policy, as to any **Claim** or **Financial Loss** also covered, wholly or partially, under such policy.

In the event such other Cyber Liability Insurance, Security and Privacy or similar insurance policy afforded an **Insured** is provided by the **Insurer** (or would be provided but for the application of the retention amount, exhaustion of the limit of liability or failure to submit a notice of a claim as required), then the **Insurer's** maximum aggregate **Limit of Liability** for all **Financial Loss** under all such Policies in respect of such cover shall be the single largest limit of liability (as specified in the Schedule) of such policies.

#### **7.11 Policy Interpretation and Jurisdiction**

This validity and interpretation of this Policy shall be exclusively governed by and construed in accordance with the applicable law of India.

This Policy, its Schedule and any endorsements are one contract in which, unless the context otherwise requires:

- 7.11.1 headings are descriptive only, not an aid to interpretation;
- 7.11.2 singular includes the plural, and vice versa;
- 7.11.3 the male includes the female and neuter;
- 7.11.4 all references to specific legislation include amendments to and re-enactments of such legislation; and
- 7.11.5 references to positions, offices or titles shall include their equivalents in any jurisdiction in which a **Claim** is made.

Any dispute under this policy is subject to the exclusive jurisdiction of Indian court of law.

In the event that any part of this Policy becomes unenforceable or invalid under any applicable law or becomes so by subsequent court decision, such unenforceability or invalidity shall not render the Policy unenforceable or invalid as a whole.

#### **7.12 Representations**

The **Responsible Officers** represent, warrant and acknowledge that the declarations, agreements, representations and warranties in the written **Proposal** for this Policy are true and complete, are the basis of this Policy and are to be considered as incorporated into and constituting a part of this Policy. This Policy is issued in reliance upon the truth and completeness of such representations.

The statements in the **Proposal** made by, and the knowledge (including knowledge of any misrepresentation or non-disclosure with regard to the **Proposal**), possessed by a **Responsible Officer** of the **Company** shall be imputed to that **Company**, and the knowledge of the same officers of the **Policyholder** shall be imputed to all **Companies**.

The **Insurer** agrees that it shall not seek to rescind or avoid or apply other legal remedy in relation to this Policy as a sole consequence of an innocent or negligent non-disclosure or innocent or negligent misrepresentation by a **Responsible Officer**.

However, in the event that such written **Proposal** contains misrepresentations or omissions made with the intent to deceive or which materially affect either the acceptance of the risk or the hazard assumed by the **Insurer** under the Policy, or gross negligence, then coverage shall be void ab initio

#### **7.13 Subrogation and Recoveries**

Upon any payment on any **Claim** the **Insurer** shall be subrogated and entitled to assume all rights of recovery available to any **Insureds** or the **Company**.

The rights and obligations under this clause also apply in respect of any payment of **Financial Loss** by the **Insurer** in connection with a **Claim** which would have been excluded pursuant to Exclusion 5.11 Prior and Pending Claims or Notifications had a valid notification to another policy existing or expired before or on the inception date of this Policy been accepted.

The **Insurer** shall be entitled to pursue and enforce all rights in the name of any **Insured** who shall provide the **Insurer** with all reasonable assistance and co-operation, including the execution of all papers required. Furthermore, each **Insured** shall take all steps necessary or required by the **Insurer**, whether before or after payment by the **Insurer**, to preserve and secure such rights, including any remedies that the **Insured** may have to recover its **Financial Loss**, fees or expenses from any third party, or the execution of any documents necessary to enable the **Insurer** effectively to bring suit in the name of the **Insured**, whether such acts shall be or become necessary before or after payment by the **Insurer**.

The **Insurer** shall be entitled to take control of all steps which are taken to recover any covered **Financial Loss** from third party, even when a portion of the **Financial Loss** the **Insured** has suffered is uninsured. The cost of those proceedings shall be borne by the **Insured** and the **Insurer** in the same portion that the **Financial Loss** bears to any uninsured element of the claim or proceeding against the third party, but only to the extent that those costs are incurred after the **Insurer** has accepted liability under this Policy. In the event that there is no uninsured **Financial Loss** the costs shall be borne entirely by the **Insurer**.

In the case of recovery by either the **Insured** or the **Insurer** on account of any paid **Financial Loss**, the amount recovered, shall be applied in the following order:

- (i) first to recompense the **Insured** and the **Insurer** for the costs incurred in bringing proceedings against the third party, and which payment shall be allocated between the **Insured** and

- the **Insurer** in the same proportion as they have born those costs;
- (ii) then to the **Insured** for the amount, if any, of the covered **Financial Loss** which exceeds the **Limit of Liability**;
- (iii) then, to the **Insurer** up to the amount of **Financial Loss** paid by the **Insurer**;
- (iv) then, to the **Insured** in respect of any uninsured element of the claim against the third party, including the **Retention(s)** applicable to the **Financial Loss**;
- (v) Interests on amounts recovered from third parties shall be allocated proportionally to the amounts paid according to items (i), (ii), (iii) and (iv) above.

The **Insurer** agrees not to exercise its rights of subrogation and recovery upon payment of any **Claim** against an **Employee**, except where the **Insurer** has established that Exclusion 5.4 Conduct applies to such **Claim** and that **Employee**.

Where the **Insurer** recovers any amount following a paid **Financial Loss** under this Policy, the recovery, less the reasonable costs of making such recovery, will be applied to reinstate the **Limit of Liability**.

#### **7.14 Territorial Scope of Cover**

Coverage under this Policy shall apply to:

- 7.13.1 Financial Loss** incurred;
  - 7.13.2 Claims** made; and
  - 7.13.3 Wrongful Professional Acts** committed;
- within the Territorial Scope specified in Section 7 of the Schedule, as permitted by law.

#### **7.15 Condonation of delay in case of claim**

If the claim is not notified/ or submitted to us within the specified time limits, then the Insurer shall be provided the reasons for the delay in writing. The Insurer will condone such delay on merits where the delay has been proved to be for reasons beyond the claimant's control.

#### **7.16 Sanctions Endorsement**

The **Company** shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United States of America and/or any other applicable national economic or trade sanction law or regulations.

#### **7.17 Claims Procedure**

##### **I. Claims Notification**

In the event of loss and/or damage which may

reasonably give rise to a circumstance/claim under this Policy:

- a. The Assured shall notify the Company in writing (with full particulars of the claim or circumstances) of the knowledge of the claim and circumstances immediately and not later than the reporting period specified in the Policy
- b. The Insurer shall verify the claim notified in the area of Coverage through various means and shall notify the acceptance/rejection of such claim to the Assured
- c. The Assured shall not negotiate /admit liability or make any promise payment, incur any defense cost or expenses or settlement without the Insurers written consent
- d. The Assured shall give all such information and assistance as the Insurer may require

#### **II. Claims Processing**

##### **a) Claim Acknowledgement and Preliminary documents for assessment of loss:**

An acknowledgement is sent to the assured along with the claim no. and list of preliminary documents / requirements such as:

1. Fully completed and signed claim form/ details of incident and/or loss
2. Description of the events, in chronological order, as to how, when and where the circumstances leading to the claim or suit occurred
3. Date when the assured became first aware of such complaint/demand/ circumstance
4. Details of the claimants
5. Copies of all written demands / court proceedings initiated against the assured including the response of the assured to the said demand/ court proceedings
6. Copies of contract copies along with annexures entered between the assured and their clients
7. Details and breakup of the quantum claimed and supporting of the same  
In case if no quantum is claimed, the estimate of the damages likely to be claimed ;
8. Copies of all relevant communications exchanged between the parties between the claimant and the assured and any agreements entered into;
9. Opinion of the counsel in connection to the merits and demerits of the case
10. Details of other persons or entities which

- may be responsible or liable for the loss or damage being claimed; and
- 11. Contact details of assured's person handling the claim in assured's company.
- 12. Copy of the Prospectus
- 13. Any other document/ information in support of the claim

The insurer, on its sole discretion, shall take decision on appointment of Surveyor/Investigator, if required

The Insurer shall verify the claim notified in the area of Coverage through various means and documents and shall notify the acceptance/rejection of such claim to the Assured

### **III. Payment of the claim:**

On receipt of all the documents/information that is relevant and necessary for the claim. Where the insurer found the claim to be admissible subject to terms & condition of policy, the Insurer within the period of 30 days from the receipt of the final documents and/or additional information/documents as the case may be, shall offer a settlement of the claim to the Assured

### **IV. Rejection of the claim :**

On receipt of all the documents/information that is relevant and necessary for the claim. Where the insurer found the claim to be inadmissible subject to terms & condition of policy, insurer shall reject the claim under policy within the period of 30 days from the receipt of the final documents and/or additional information/documents as the case may be.

### **V. Contact Details for Claims**

#### **Claims Department**

**HDFC ERGO General Insurance Company Limited**  
**6th Floor Leela Business Park**  
**Andheri Kurla Road, Andheri East**  
**Mumbai-400059**  
**India**

Claim can also be notified digitally by sending an email with complete description of loss to: care@hdfcergo.com or a Contact us- 022 6158 2020/ 022 6234 6234

### **VI. Contact Details for Grievance and Ombudsman**

If you have a grievance that you wish us to redress, you may contact us with the details of your grievance through:

- **Contact us- 022 6158 2020/ 022 6234 6234**
- **Emails – grievance@hdfcergo.com**
- **Contact Details for Senior Citizens: 022 6242 6226 | Email ID: seniorcitizen@hdfcergo.com**
- **Designated Grievance Officer in each branch.**
- **Company Website – [www.hdfcergo.com](http://www.hdfcergo.com)**
- **Courier : Any of our Branch office or corporate office**

You may also approach the Complaint & Grievance (C&G) Redressal Cell at any of our branches with the details of your grievance during our working hours from Monday to Friday.

If you are not satisfied with our redressal of your grievance through one of the above methods, you may contact our Head of Customer Service at

**The Complaint & Grievance Redressal Cell,**  
**HDFC ERGO General Insurance Company Ltd.**  
**D-301, 3rd Floor, Eastern Business District (Magnet Mall),**  
**LBS Marg, Bhandup (West),**  
**Mumbai – 400078, Maharashtra**

In case you are not satisfied with the response / resolution given / offered by the C&G cell, then you can write to the Chief Grievance Officer of the Company at the following address

**To the Chief Grievance Officer**  
**HDFC ERGO General Insurance Company Limited**  
**D-301, 3rd Floor, Eastern Business District (Magnet Mall),**  
**LBS Marg, Bhandup (West),**  
**Mumbai - 400078, Maharashtra**  
**e-mail: cgo@hdfcergo.com**

Grievance may also be lodged at IRDAI Integrated Grievance Management System- <https://bimabharosa.irdai.gov.in>

You may also approach the nearest Insurance Ombudsman for resolution, if your grievance is not redressed by the Company. The contact details of Ombudsman offices are mentioned below if your grievance pertains to:

Insurance claim that has been rejected or dispute of a claim on legal construction of the policy

- Delay in settlement of claim
- Dispute with regard to premium
- Non-receipt of your insurance document

You may also refer Our website  
[www.hdfcergo.com](http://www.hdfcergo.com)

<https://www.hdfcergo.com/customer-voice/grievances> for detailed grievance redressal procedure.

The contact details of the Insurance Ombudsman offices are as below-

| NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMEN CENTERS  |   |
|--|---|
| Office Details   | Jurisdiction of Office (Union Territory, District)  |
| <b>AHMEDABAD</b><br><b>Office of the Insurance Ombudsman,</b><br>Jeevan Prakash Building, 6th floor,<br>Tilak Marg, Relief Road,<br>Ahmedabad – 380 001.<br>Tel.: 079 - 25501201/02<br>Email: bimalokpal.ahmedabad@cioins.co.in  | Gujarat,<br>Dadra & Nagar Haveli,<br>Daman and Diu  |
| <b>BENGALURU</b><br><b>Office of the Insurance Ombudsman,</b><br>Jeevan Soudha Building, PID No. 57-27-N-19<br>Ground Floor, 19/19, 24th Main Road,<br>JP Nagar, 1st Phase,<br>Bengaluru – 560 078.<br>Tel.: 080 - 26652048 / 26652049<br>Email: bimalokpal.bengaluru@cioins.co.in | Karnataka   |
| <b>BHOPAL</b><br><b>Office of the Insurance Ombudsman,</b><br>1st floor,"Jeevan Shikha",<br>60-B,Hoshangabad Road, Opp. Gayatri Mandir,<br>Bhopal – 462 011.<br>Tel.: 0755 - 2769201 / 2769202<br>Email: bimalokpal.bhopal@cioins.co.in  | Madhya Pradesh, Chattisgarh   |
| <b>BHUBANESHWAR</b><br><b>Office of the Insurance Ombudsman,</b><br>62, Forest park,<br>Bhubneshwar – 751 009.<br>Tel.: 0674 - 2596461/2596455<br>Fax: 0674 - 2596429<br>Email: bimalokpal.bhubaneswar@cioins.co.in  | Orissa  |
| <b>CHANDIGARH</b><br><b>Office of the Insurance Ombudsman,</b><br>Jeevan Deep Building SCO 20-27,<br>Ground Floor Sector- 17 A,<br>Chandigarh – 160 017.<br>Tel.: 0172-2706468<br>Email: bimalokpal.chandigarh@cioins.co.in  | State of Punjab, Haryana (excluding 4 districts vizGurugram, Faridabad, Sonepat and Bahadurgarh), Himachal Pradesh, Union Territories of Jammu &Kashmir, Ladakh and Chandigarh. |
| <b>CHEENNAI</b><br><b>Office of the Insurance Ombudsman,</b><br>Fatima Akhtar Court, 4th Floor, 453,<br>Anna Salai, Teynampet,<br>CHENNAI – 600 018.<br>Tel.: 044 - 24333668 / 24333678<br>Fax: 044 - 24333664<br>Email: bimalokpal.chennai@cioins.co.in                           | Tamil Nadu Puducherry Town and Karaikal (which are part of Puducherry).   |
| <b>DELHI</b><br><b>Office of the Insurance Ombudsman,</b><br>2/2 A, Universal Insurance Building,<br>Asaf Ali Road,<br>New Delhi – 110 002.<br>Tel.: 011 - 23237539<br>Email: bimalokpal.delhi@cioins.co.in  | Delhi, 4 districts of Haryana vizGurugram, Faridabad, Sonepat and Bahadurgarh)  |

| NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMEN CENTERS   |   |
|---|---|
| Office Details  | Jurisdiction of Office (Union Territory, District)  |
| <b>GUWAHATI</b><br><b>Office of the Insurance Ombudsman,</b><br>JeevanNivesh, 5th Floor,<br>Nr. Panbazar over bridge, S.S. Road,<br>Guwahati – 781001(ASSAM).<br>Tel.: 0361 - 2632204 / 2602205<br>Email: bimalokpal.guwahati@cioins.co.in  | Assam,<br>Meghalaya,<br>Manipur,<br>Mizoram,<br>Arunachal Pradesh,<br>Nagaland and Tripura  |
| <b>HYDERABAD</b><br><b>Office of the Insurance Ombudsman,</b><br>6-2-46, 1st floor, "Moin Court",<br>Lane Opp. Saleem Function Palace,<br>A. C. Guards, Lakdi-Ka-Pool,<br>Hyderabad - 500 004.<br>Tel.: 040 - 23312122<br>Email: bimalokpal.hyderabad@cioins.co.in                | State of Andhra Pradesh, Telangana and Yanam – a part of Union Territory of Puducherry  |
| <b>JAIPUR</b><br><b>Office of the Insurance Ombudsman,</b><br>JeevanNidhi – II Bldg., Gr. Floor,<br>Bhawani Singh Marg,<br>Jaipur - 302 005.<br>Tel.: 0141 – 2740363/2740798<br>Email: bimalokpal.jaipur@cioins.co.in   | Rajasthan   |
| <b>KOCHI</b><br><b>Office of the Insurance Ombudsman,</b><br>Office of the Insurance Ombudsman,<br>10th Floor, Jeevan Prakash,LIC Building,<br>Opp to Maharaja's College Ground,M.G.Road,<br>Kochi - 682 011.<br>Tel.: 0484 - 2358759<br>Email: bimalokpal.ernakulam@cioins.co.in | Kerala Lakshadweep, Mahe - a part of Union territory of Puducherry  |
| <b>KOLKATA</b><br><b>Office of the Insurance Ombudsman,</b><br>Hindustan Bldg. Annexe, 4th Floor,<br>4, C.R. Avenue,<br>KOLKATA - 700 072.<br>Tel.: 033 - 22124339<br>Fax : 033 - 22124341<br>Email: bimalokpal.kolkata@cioins.co.in  | States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands  |
| <b>LUCKNOW</b><br><b>Office of the Insurance Ombudsman,</b><br>6th Floor, JeevanBhawan, Phase-II,<br>Nawal Kishore Road, Hazratganj,<br>Lucknow - 226 001.<br>Tel.: 0522 - 4002082 / 3500613<br>Email: bimalokpal.lucknow@cioins.co.in  | Districts of Uttar Pradesh :Laitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur,Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Mahrajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar |

| NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMEN CENTERS   |  |
|---|--|
| Office Details  | Jurisdiction of Office (Union Territory, District)   |
| <b>MUMBAI</b><br><b>Office of the Insurance Ombudsman,</b><br>3rd Floor, JeevanSevaAnnexe,<br>S. V. Road, Santacruz (W),<br>Mumbai - 400 054.<br>Tel.: 022 - 69038800/27/29/31/32/33<br>Email: bimalokpal.mumbai@cioins.co.in                           | Goa,<br>Mumbai Metropolitan Region excluding Areas of Navi Mumbai & Thane  |
| <b>NOIDA</b><br><b>Office of the Insurance Ombudsman,</b><br>BhagwanSahai Palace<br>4th Floor, Main Road,<br>Naya Bans, Sector 15,<br>Distt: GautamBuddh Nagar,<br>U.P-201301.<br>Tel.: 0120- 2514252 / 2514253<br>Email: bimalokpal.noida@cioins.co.in | State of Uttaranchal and the Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farukkabad, Firozbad, Gautambodhanagar, Ghazibabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur. |
| <b>PATNA</b><br><b>Office of the Insurance Ombudsman,</b><br>2nd Floor, Lalit Bhawan,<br>Bailey Road,<br>Patna 800 001.<br>Tel.: 0612-2547068<br>Email: bimalokpal.patna@cioins.co.in   | Bihar,<br>Jharkhand  |
| <b>PUNE</b><br><b>Office of the Insurance Ombudsman,</b><br>JeevanDarshan Bldg., 3rd Floor,<br>C.T.S. No.s. 195 to 198,<br>N.C. Kelkar Road, Narayan Peth,<br>Pune – 411 030.<br>Tel.: 020- 24471175<br>Email: bimalokpal.pune@cioins.co.in             | Maharashtra,<br>Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.  |