



HDFC ERGO PROFESSIONAL INDEMNITY POLICY

Table of Contents

1. Insurance Clause	2
2. Extensions of Cover	2
3. Changes in Risk	4
4. Definitions	5
5. Exclusions	16
6. Notification, Defence, Settlement and Indemnification	21
7. General Conditions	24
SANCTION ENDORSEMENT	36

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 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** and prior to the end of the **Period of Insurance**, in the rendering of or failure to render **Professional Services**.

2. Extensions of Cover

The following Extensions of Cover are only applicable if shown as operative in Section 3 of the Schedule, and are subject to all the terms, conditions, exclusions and limitations of this Policy

2.1 Court Attendance Costs

If the **Insurer** request that an **Insured** attend a trial, hearing, deposition, mediation, arbitration or any other proceeding in relation to a covered **Claim**, the **Insurer** will pay for reasonable and necessary travel expenses incurred with the **Insurer's** prior written consent for such **Insured's** attendance at any trial, hearing, deposition, mediation, arbitration or other proceeding.

The cover provided under this Extension shall be subject to the applicable Additional Limit of Liability shown in the Schedule which is the **Insurer's** maximum liability for all such costs payable under this Policy for all **Insureds** and proceedings, combined. No retention applies to this Extension.

2.2 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 **Sub-Limit of Liability** and **Retention** specified in the Schedule.

2.3 Employee Dishonesty

The **Insurer** shall indemnify the **Company** for any

Financial Loss resulting directly from a **Claim** first made during the **Period of Insurance** or the **Extended Reporting Period**, if applicable, based upon **Employee Dishonesty** occurring on or after the **Retroactive Date** and prior to the end of the **Period of Insurance**, arising from the rendering of or failure to render **Professional Services**.

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

2.4 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 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.

2.5 Loss Mitigation

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

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

2.5.2 if the **Wrongful Act** or **Employee Dishonesty** notified in 2.5.1 above were to give rise to a **Claim**, such **Claim** would be covered under this Policy;

2.5.3 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 2.2; and
2.5.4 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 **Sub-Limit of Liability** and **Retention** specified in the Schedule.

Coverage under this Extension shall not extend to any fact or **Circumstance** based upon, arising from or in consequence of any **Wrongful Act** or **Employee Dishonesty** or the same or **Interrelated Wrongful 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** of which any **Insured** had knowledge as of the inception date of this Policy.

2.6 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 Client** 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 providing **Professional 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 **Sub-Limit of Liability** and **Retention** specified in the Schedule.

2.7 Vicarious Liability

The **Insurer** shall indemnify the **Insured** for **Financial Loss** resulting directly from any **Claim** first made against the **Insured** during the **Period of Insurance** or the **Extended Reporting Period**, if applicable, based upon a **Wrongful Act** of a **Service Provider** involved in the provision of or failure to provide **Professional 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 **Sub-Limit of Liability** and **Retention** specified in the Schedule.

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 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 a **Wrongful Act** committed or events taking place in their entirety prior to the date such entity ceased to be a **Subsidiary**; and
- 3.1.2 such **Claim** is first made during the **Period of Insurance** or the **Extended Reporting Period** (if applicable); 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 **Policyholder**, either directly or indirectly through one or more of its **Subsidiaries**, first acquires or creates after the inception of this Policy, unless such **Subsidiary**:

- 3.2.1 has annual revenue for the last complete accounting period prior to the acquisition greater than fifteen (15) percent of the consolidated total annual revenue that the **Policyholder** declared at the inception of this **Period of Insurance**;
- 3.2.2 is incorporated, domiciled or providing **Professional Services** in the United States of America or Canada or any of their territories; or
- 3.2.3 performs professional services that significantly differ from the **Professional Services** which the **Policyholder**, either

directly or indirectly through one or more of its **Subsidiaries**, provided prior to such acquisition or creation.

If a newly acquired or created **Subsidiary** falls into 3.2.1 to 3.2.3 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.

The **Insurer** may in its sole discretion extend coverage for any such new **Subsidiary** beyond the thirty (30) day period provided that 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 Acts** first committed or Loss Mitigation or other Extensions of Cover first 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 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 meaning defined, whether defined in this section 4 Definitions or other sections of this Policy. Any other term that it is not herewith or in another part 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 as Applicable Law in Item 6. 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 Act** by a **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) **Data Protection 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; or

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**; or
- (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 Section 6.1.2 of this Policy.

4.5 Claim

Claim means:

4.5.1 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 **Insured** or a **Service Provider**;

4.5.2 a civil proceeding against any **Insured** commenced by the service of a complaint or similar pleading;

4.5.3 a regulatory or administrative proceeding against any **Insured** commenced by the filing of a notice of charges or similar document; or

4.5.4 an arbitration or mediation proceeding against any **Insured**.

brought by, on behalf of or for the benefit of a **Third-Party Client** seeking compensation for a specified **Wrongful Act** of an **Insured**.

In respect of Extension 2.3 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 a **Potential Claim** and the event insured under Extension 2.6 Loss of Documents and Data.

4.6 Company

Company means:

- 4.6.1 the **Policyholder**; and
- 4.6.2 any **Subsidiary**.

4.7 Company's Computer System

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

4.7.1 owned, leased or operated by the **Company**;

4.7.2 which a **Service Provider** operates for and on behalf of the **Company**; or

4.7.3 which is owned by the **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 Services**.

4.8 Computer System

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

4.9 Cyber Event

Cyber Event means:

- 4.9.1 a **Privacy Event**; or
- 4.9.2 a **Security Event**.

4.10 “**Data**” means a representation of information, knowledge, facts, concepts or instructions which are being prepared or have been prepared in a formalised manner, and is intended to be processed or has been processed, whether manually, or in a **Computer System** or computer network, and may be in any form (including hand written document, computer printouts, virtual, magnetic or optical storage media, punched cards, punched tapes) or stored internally in the memory of the computer including but not limited to any Personal Information and Intellectual Property.

4.11 “**Data Protection Laws**” means all applicable national or internally binding Data statutes, Applicable Law(s), secondary legislation or regulations, and Information Technology Act, 2000, Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, the Digital Personal Data Protection Act, 2023, IRDAI Information and Cyber Security Guidelines, 2023 and any amendment thereto or any circular, notification, order or rules issued there under.

4.12 “**Data Protection Proceeding**” means a formal investigation of or an administrative adjudication proceeding against an **Insured** concerning the Data Protection Laws by an administrative or regulatory agency, including an appeal thereof, commenced by the **Insured's** receipt of a

summon, investigative demand, complaint or similar document.

4.13 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 **Director 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**:

- 4.10.1 by or on behalf of the **Insured**, in the investigation, defence, discharge, dismissal, adjustment, settlement of such **Claim**;
- 4.10.2 by or on behalf of the **Insured**, in conducting any proceeding for indemnity, contribution or recovery relating to such **Claim**;
- 4.10.3 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
- 4.10.4 by any accredited expert retained through defence lawyers, on behalf of an **Insured** to prepare an evaluation, report, assessment, diagnosis or rebuttal of evidence in connection with the defence of such **Claim**.

4.14 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, officer, 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 a **Company**.

4.15 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, letter of credit, money order, promissory note and/or other negotiable instruments, including any records thereof.

4.16 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.

4.17 Emergency Costs

Emergency Costs means that part of **Defence Costs**, or **Mitigation 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 with Section 6.4 of this Policy.

4.18 Employee

Employee means a natural person who, during the **Period of Insurance** or after the **Retroactive Date**:

- 4.15.1 performs **Professional Services** in the regular service 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 Services**; or
- 4.15.2 is 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 a Company**, unless when
 - a) performing acts within the scope of the usual duties of an employee (other than a **Director or Officer**) providing **Professional Services** to or for the **Company** under a contract of employment and 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 Services**, as distinguished from general directorial acts, on behalf of the **Company** and working under the direct control and supervision of the **Company**;

- (ii) **Service Provider**;
- (iii) independent contractor, or any agent;
- (iv) any independent representative remunerated on sales or commission basis; or
- (v) external lawyers or solicitors or employees of independent valuation firms.

4.19 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:

- 4.16.1 was not committed by or condoned, either expressly or implicitly, by the **Company** or any of its **Directors or Officers**; and
- 4.16.2 results in liability of the **Company** to a **Third-Party Client** 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.

4.20 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 Act**, first occurring or arising prior to the expiration of the **Period of Insurance**.

4.21 Extortion Payments

Extortion Payments means:

- 4.18.1 any monies and cryptocurrencies paid by the **Insured**, for the purpose of terminating an extortion threat; and
- 4.18.2 all expenses incurred by an **Insured** relating to any extortion threat.

4.22 Financial Loss

Financial Loss means

4.19.1 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) resulting from a **Claim** made against such **Insured**, for which coverage applies, awarded pursuant to a final judgment or other final 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**; or
- (ii) a settlement negotiated by the **Insured** with the **Insurer's** prior written consent; or

4.19.2 **Defence Costs**; or

4.19.3 the fees, costs, expenses and amounts covered under Extensions 2.5 Loss Mitigation, and 2.6 Loss of Documents and Data 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 amounts that constitute 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) taxes and levies of any type, fines or penalties, including but not limited such imposed as a result of a **Data Protection Proceeding** or any other similar legal or administrative proceeding in relation to similar data protection legislation in any other jurisdiction imposed upon any **Insured**;
- (h) **Breach Costs**;
- (i) **Extortion Payments**;
- (j) disgorgement or restitution of any type or ill-gotten gains;
- (k) amounts that constitute contractual penalties or **Liquidated Damages**; and
- (l) 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.

4.23 Insured

Insured means any:

4.22.1 **Employee**; and

4.22.2 the **Company**.

4.24 Insurer

Insurer means HDFC ERGO General Insurance.

4.25 Interrelated Wrongful Acts

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

4.26 Limit of Liability

Limit of Liability means the amount specified as such in the Schedule.

4.27 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.

4.28 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**.

4.29 Mitigation Costs

Mitigation Costs means the reasonable and necessary

4.28.1 fees or direct costs, expenses; or

4.28.2 other loss;

incurred by the **Insured**, with the **Insurer's** prior written consent following the first discovery of a **Wrongful 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 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) costs related to betterments or upgrades unless the **Professional Services** giving rise to the **Wrongful Act** specifically include design specifications;
- (f) the remuneration of any **Employee**, the costs of their time or any other costs, profits or overheads of any **Company**;
- (g) any payment which exceeds the coverage provided under this Policy if the **Claim** had been made against the **Insured** by the potential claimant;
- (h) the amount of any applicable **Retention**; and
- (i) costs or expenses or other amounts covered under Extension 2.6 Loss of Documents and Data.

4.30 Period of Insurance

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

4.31 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.

4.32 Policyholder

Policyholder means the entity specified in the Schedule.

4.33 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 mycotoxins, 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.

4.34 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 2.5 Loss Mitigation in order to mitigate, minimize, prevent or avoid **Financial Loss** that would otherwise be covered under this Policy.

4.35 Privacy Event

Privacy Event means an actual or alleged:

- 4.34.1 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;
- 4.34.2 violation of any **Privacy Regulation** by an **Insured**; or
- 4.34.3 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**.

4.36 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.

4.37 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.

4.38 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.

4.39 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**.

4.40 Retention

- 4.41 Retention** means the applicable amounts specified in the Schedule **Retroactive Date**
Retroactive Date means the date specified as such in the Schedule.

4.42 Security Event

Security Event means any unauthorised access to, introduction of malware or malicious software into or denial of service attack upon the **Company's Computer System** resulting in:

- 4.41.1 an actual and measurable interruption, suspension, failure, degradation or delay in the performance of the **Company's Computer System**; or
- 4.41.2 the theft, 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.

4.43 Service Provider

Service Provider means any person, institution or other entity providing services that is not an **Insured** or owned or controlled by an **Insured** that:

- 4.42.1 performs **Professional Services** for or on behalf of the **Insured**;
- 4.42.2 maintains, manages, or controls **Computer Systems** for or on behalf of the **Company**; or
- 4.42.3 hosts the **Company's** internet website; pursuant to a written contract or agreement which defines the scope of services to be performed.

4.44 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**.

4.45 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.

4.46 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 for New Subsidiaries, during the **Period of Insurance**), the **Policyholder**, directly or indirectly through one or more **Subsidiary**:

- 4.45.1 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);
- 4.45.2 controls more than 50% of the shareholder or equity voting rights; or
- 4.45.3 holds more than 50% of the issued share capital or equity, but only if such entity is domiciled in the Country of Incorporation of the **Policyholder**.

For the purposes of determining cover, an entity shall only be deemed a **Subsidiary** with respect to **Wrongful Acts** committed or other acts, facts or event covered under this Policy subsequent to the date that such entity first became a **Subsidiary** and prior to the date such entity ceased to be a **Subsidiary**.

4.47 Third-Party Client

Third-Party Client means a third party who procures **Professional Services** from the **Company** pursuant to a written contract.

4.48 Wrongful Act

Wrongful Act means:

- 4.47.1 a **Wrongful Professional Act**; or
- 4.47.2 a **Wrongful Technology Act**;

in connection with rendering or failure to render **Professional Services** to **Third-Party Clients**.

4.49 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 Services** that results in or arises from a **Privacy Event**.

4.50 Wrongful Professional Act

Wrongful Professional Act means

- 4.49.1 any act, error, omission, misrepresentation, misstatement, misleading statement, neglect, or breach of duty;

- 4.49.2 a **Wrongful Security Act**; or

- 4.49.3 a **Wrongful Privacy Act**;

actually or allegedly committed or attempted by an **Insured**, or by someone for whom the **Insured** is legally responsible in connection with rendering or failure to render **Professional Services** to **Third-Party Clients**.

4.51 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

alleging, 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

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 **Service Provider** under any contract or agreement except to the extent that actual legal liability would have attached to an **Insured** or **Service**

Provider in the absence of such contract or agreement as a matter of civil or common law as applicable; or

- 5.2.2 any express guarantee or warranty, including but not limited to, any express warranty ensuring that what is being designed, built or supplied is or will be fit for its intended purpose.

5.3 Bodily Injury and Property Damage

arising from, based upon, in connection with, attributable to or as a consequence of **Bodily Injury, Mental Anguish, or Property Damage**; provided, that this exclusion shall not apply to:

- 5.3.1 Loss of **Documents** or Data, in accordance with Extension 2.6; or

- 5.3.2 **Mental Anguish** resulting from a **Wrongful Privacy Act**.

5.4 Conduct

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

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

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

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

- 5.4.4 the wilful violation of any statute, regulation or law by an **Insured** or a **Service Provider**;

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

- (a) a formal written admission of such conduct by the **Insured** or **ServiceProvider**;
- (b) a judgment or other final, non-appealable adjudication or proceeding adverse to the **Insured** or **Service Provider**; or
- (c) evidence establishing that such 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 5.4.1 - 5.4.4 committed by any **Company** or **Service Provider** shall not be attributed to any

Employee unless such **Employee** was complicit in such conduct.

This exclusion does not apply to Extension 2.3 Employee Dishonesty.

5.5 Fees and Commissions

alleging, arising out of, based upon, attributable to fees, profits, commissions, premiums, costs or other compensation for any **Professional Services** rendered or required to be rendered by an **Insured** or a **ServiceProvider**, 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.

5.6 Directors and Officers

arising out of, based upon, in connection with, attributable to or as a consequence of the **Insureds' performance** or non-performance of their functions and duties in their capacity as **Director or Officer** of the **Company**.

5.7 Employer's Liability

alleging, arising out of, based upon or attributable to any actual or alleged breach by the **Insured** of any obligation or duty owed or purportedly owed as a current, former or prospective employer.

5.8 Employment Practices

arising out of, based upon, in connection with, attributable to or as a consequence of any obligation owed by the **Company** as an employer or potential employer to any **Employee**, including **Claims** for wrongful dismissal, unfair dismissal or under any contract of employment or under any retainer with any consultant or under any training contract.

5.9 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 any government, regulatory or licensing authority or commission, whether directly or indirectly, and whether brought in its capacity as an 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:

- 5.9.1 a **Claim** by such entity when acting solely in its own interests in its capacity as a **Third-Party Client** of an **Insured**; or
- 5.9.2 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 Act** of an **Insured**.

5.10 Insolvency

arising out of, based upon, in connection with, attributable to or as a consequence of the insolvency liquidation, administration or receivership of the **Company** or any of the **Service Provider**'s insolvency or bankruptcy.

5.11 Insured vs Insured

by or on behalf of, or for the benefit of any:

- 5.11.1 **Insured**, or successors or assigns of any **Insured**;
- 5.11.2 entity owned, controlled, operated or managed by the **Insured** at the time the **Wrongful Act** giving rise to such **Claim** was committed (or alleged to have been committed);
- 5.11.3 entity that controls, operates or manages or wholly or partly owns the **Insured** at the time the **Wrongful Act** giving rise to such **Claim** was committed (or alleged to have been committed); or
- 5.11.4 **Service Provider** in relation to contractual agreements, indemnification, compensation, or disputes over the services provided by such **Service Provider** or with respect to the scope of the services performed by such **Service Provider** as defined in the contractual agreement with the **Insured**;
- unless such **Claim**:
- (a) is brought by or on behalf of an **Employee** solely in their capacity as a **Third-Party Client** of the **Company**; or
 - (b) is brought by or on behalf an **Insured**, for contribution, indemnity or recovery, if such **Claim** directly results from another **Claim** originating from a **Third-Party Client** 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 of 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 Client** and for which the **Insured** is legally liable, and shall exclude any other or additional **Financial Loss**, costs or expenses incurred by the **Insured**.

5.12 Intellectual Property

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

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

5.13 Merger and Acquisition

arising out of, based upon or attributable to any actual or attempted:

- 5.13.1 merger, purchase or acquisition of another business by the **Insured**; or
- 5.13.2 purchase or sale transactions in the shares of the **Insured**, the **Insured's** parent company or any **Subsidiary** or affiliate

5.14 Nuclear and Pollution

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

- 5.14.1 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;
- 5.14.2 the actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of **Pollutants** at any time; or
- 5.14.3 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**.

5.15 Performance Delay

arising out of, based upon, in connection with, attributable to or as a consequence of a delay in the performance of or the non-completion of any contractual obligation; provided, that this exclusion shall not apply if such delay or non-completion of any contractual obligation arises from a **Wrongful Act** committed by an **Insured** or **Service Provider** in the provision of **Professional Services**.

Any actual or alleged late delivery or delay shall not in itself constitute a **Wrongful Act**.

5.16 Stakeholder

alleging, arising out of, based upon or attributable to a **Claim** brought by or on behalf of or instigated by a 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 **Third-Party Client** of the **Insured**.

5.17 Trading Debts and Losses

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

- trading debt incurred by an **Insured**;
- guarantee given by an **Insured** for a debt; or
- the monetary value of any transaction or change in value of any account, where the **Insured** is acting on its own behalf or as principal, including but not limited to: electronic funds transfers, trading losses, trading liabilities, awards, points, coupons, earnings or other intangible property

5.18 Uncontrollable events

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

- civil unrest, including but not limited to protests, striking employees and riots;

- 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;
- emergency governmental actions, including but not limited to embargos, quarantines, lockdowns, travel restrictions, and curfews;
- any seizure, confiscation, expropriation, nationalisation or destruction of a **Computer System** by a governmental authority;
- failure, interruption, or outage to Internet access provided by an Internet service provider to the **Insured** or to any **Service Provider** and/or any resulting lack of functionality in any online services, including without limitation any 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;
- any actual and measurable interruption, suspension, voluntary or regulatory shutdown, failure, degradation or delay in the performance of a **Service Provider's Computer System** arising or resulting from a **Cyber Event**, including any liability to the **Service Provider** itself;
- mechanical or electrical failure or interruption caused by a third party, acting independently of the **Insured** or **Service Provider**, or by an event outside of the control, including any electrical power interruption or surge, brownout, blackout, short circuit, over voltage, or power fluctuations; or
- 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.

6. Notification, Defence, Settlement and Indemnification

6.1 Notification of Claims or Circumstances

Notices

1. Any notice, direction or instruction given under this policy shall be in writing and delivered by hand or registered post to
 - a. In case of the Named Insured, at the address specified in Policy Schedule
 - b. In Our case: at the address specified in Policy Schedule.

HDFC ERGO GENERAL INSURANCE COMPANY LIMITED

Corporate Claims Department
6th Floor, Leela Business Park,
Andheri Kurla Road, Andheri (E),
Mumbai – 400059

Call Centre - 021-6234 6234 / 022-6234 6234

Notice and instructions will be deemed served 7 days after posting or immediately upon receipt in the case of hand delivery, facsimile or e-mail.

2. Duties In The Event Of Claim, Suit or Other Loss Circumstance

- A. As a condition precedent to our obligations under this insurance, there must be strict conformance with all of the requirements specified below, regardless of whether or not we are prejudiced by failure of those requirements to be met.
- B. You must see to it that we and any other insurers are notified as soon as practicable of any circumstance that may result in a claim, if the claim may involve us or such other insurers. To the extent possible, notice should include:
 1. how, when and where the circumstance happened;
 2. the names and addresses of any injured persons and witnesses; and
 3. the nature and location of any injury or damage arising out of the circumstance. Notice of a circumstance is not notice of a claim.
- C. If a claim is made or suit is brought against any insured, you must:
 1. immediately record the specifics of the claim or suit and the date received;
 2. notify us and other insurers as soon as practicable; and
 3. see to it that we receive written notice of the claim or suit as soon as practicable.

- D. You and any other involved insured must:

1. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
 2. authorise us to obtain records and other information;
 3. cooperate with us and other insurers in the:
 - a. investigation or settlement of the claim; or b. defence against the suit;
 4. allow us all reasonable access to your premises, records and other information; and
 5. assist us, upon our request, in the enforcement of any right against any person or organisation that may be liable to the insured because of loss to which this insurance may also apply.
- E. No insured may make any admission in respect of, nor offer to settle, any claim or suit without our prior written consent.
 - F. No insured will, except at that insured's own cost, make any payment, assume any obligation or incur any expense without our prior written consent.
 - G. Notice to us under this insurance shall be given in writing addressed to:

Notice of Claim

Claim Department Manager

At the address of the Insurer shown in the Policy Schedule

All other Notices Underwriting Manager

At the address of the Insurer shown in the Policy Schedule

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 [XX]% of the applicable **Retention**, and except as provided under Extension 2.2 Emergency Costs and subject to Subsection 6.4 below. Except 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):

- take all reasonable steps to prevent or minimise a Financial Loss;
- render all reasonable assistance to and cooperate with the Insurer in the defence of any Claim and the assertion of indemnification and contribution rights; and
- 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, in respect of 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 Insureds 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 all of the following is complied with:

- notification is made to the **Insurer** within seven (7) days of such costs being incurred and in accordance to Section 6.1 through 6.3 of this Policy; and
- 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
- the **Insured** can prove to the **Insurer's** satisfaction 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 6.4.1 above, the prior consent of the Insurer is always required in respect of any further action undertaken or Emergency Costs 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:

- Wrongful Act** or **Interrelated Wrongful Acts**; or
- 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, **Insureds** 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 4.44, 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**(if applicable)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 **Claim** or fees, costs, expenses and amounts set out in Section 2. Extensions 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**, **Claims** 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

Currency Clause

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 **Insurer** if permissible under the applicable Indian law or, in the currency specified in the Schedule, at the rate of exchange published in <https://www.rbi.org.in/scripts/referenceratearchive.aspx> on the date the **Financial Loss** is to be paid (or if not published on such date the next publication date of Reserve Bank of India - Reference Rate Archive (rbi.org.in) if permissible under the applicable Indian law.

7.7 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."

7.8 Fraudulent Claims

In respect of any claim if any fraudulent or false statement or declaration is made or used in support thereof, or fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this policy, the **Insurer** shall have the right to avoid its obligations under this Policy in relation to that **Insured** or in its entirety and in such case, the Policy shall become void and all benefits under this policy shall be forfeited.

7.9 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 any member or entities forming part of the Zurich Insurance Group (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 Zurich Insurance Group's maximum aggregate limit of liability for all **Financial Loss** under all such policies, as respects such cover, shall be the single largest limit of liability (as specified in the schedule) of such policies.

7.10 Policy Interpretation and Jurisdiction

The validity and interpretation of this Policy shall be exclusively governed by and construed in accordance with the applicable law of the country specified in the Applicable Law section of the Schedule of this Policy.

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

- 7.10.1 headings are descriptive only, not an aid to interpretation;
- 7.10.2 singular includes the plural, and vice versa;
- 7.10.3 the male includes the female and neuter;
- 7.10.4 all references to specific legislation include amendments to and re-enactments of such legislation; and
- 7.10.5 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 the country, region or city specified in the Applicable Law and Jurisdiction section of the Schedule of Policy.

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.

7.11 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 a**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, where the **Insurer's** remedy of rescission or avoidance arises solely as a result of innocent or negligent non-disclosure or innocent or negligent misrepresentation by **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.

7.12 Subrogation and Recoveries

In the event of any payment under this policy, the insurer shall be subrogated to the extent of such payment to all the Insured's rights of recovery, and such Insured shall execute all papers required and shall do everything necessary to secure and preserve such rights,

including the execution of such documents necessary to enable the Insurer to effectively bring suit in the name of the Insured.

7.13 Territorial Scope of Cover

Cover under this Policy shall apply to:

7.13.1. **Financial Loss** incurred;

7.13.2. **Claims** made; and

7.13.3. **Wrongful Acts** committed

within the Territorial Scope specified in the Schedule, as permitted by law.

7.14 Renewal

The Insurer shall be under no obligation to renew the policy on expiry of the period for which premium has been paid. The Insurer reserves the right to offer revised rates, terms and conditions at renewal based on claim experience and a fresh assessment of the risk. This policy may be renewed only by mutual consent and subject to payment in advance of the total premium at the rate in force at the time of renewal. The Insurer, however, shall not be bound to give notice that the policy is due for renewal or to accept any renewal premium. Unless renewed as herein provided, this policy shall automatically terminate at the expiry of the period for which premium has already been paid.

7.15 Compliance by Insured

We have no duty to provide coverage under this insurance unless you and any other involved insured have fully complied with all of the terms and conditions of this insurance.

7.16 Claims Procedure

It shall be a condition precedent to any of our liability to make any payment under this Policy that in the event of any occurrence giving rise to or which may give rise to a claim under this Policy that we will need the below mentioned information in complete

- (1) Written notice thereof (and full particulars of the occurrence) as soon as possible
- (2) Notify to us in writing as soon as possible he/they shall have knowledge of any circumstances or impending prosecution inquest or fatal accident inquiry in connection with any occurrence for which there may be liability under this Policy
- (3) Forward to us immediately on receipt every claim notice or letter or verbal

- notice of claim or other originating process or any other document served on the Insured
- (4) Give all such information and assistance as the insurer may require
- (5) The Insured shall not negotiate admit liability or make any promise payment or settlement without our written consent
- (6) The Insured shall not incur any Remediation Costs without our written consent, except in the event of an imminent and substantial threat to human health or the environment
- (7) We shall be entitled
- 7.1 If and so long as it desires to take over and have the sole conduct and control of any claim, remediation and legal proceedings or alternative dispute resolution relating thereto in the name of the Insured and shall have full discretion in the settlement of any claim
 - 7.2 To prosecute in the name of the Insured but for the Insurer's benefit any claim for compensation or indemnity.
- (8) In general, primarily, the following basic documentations are required for taking the claim forward:
- (a) Description of the claim or suit and the date received;
 - (b) Description, in chronological order, as to how, when and where the circumstances leading to the claim or suit occurred including the date the insured was first aware of such loss
 - (c) The names and addresses of any injured persons and any witnesses;
 - (d) The nature, location and extent of any injury;
 - (e) The nature and quantum of damages claimed against you along with supporting or, if the claimant has not quantified its damages, your estimate of the quantum of damages which may be claimed against you.
 - (f) Copies of all relevant documents relating to the underlying transaction which gave rise to the claim, including correspondence prior to the occurrence and any agreements entered into;
 - (g) Copy of any internal or external, survey, investigation or test reports and all other relevant reports;
 - (h) Copies of all written demands made against you;
 - (i) If court proceedings have been initiated, copies of all court documents served on you and all court documents filed by you;
 - (j) Copies of all relevant internal communications, including a log on all internal verbal communications whether prior or subsequent to the occurrence giving rise to the claim;
 - (k) Details of other persons or entities which may be responsible or liable for the loss or damage being claimed; and
 - (l) Contact details of person handling the claim in insured's company.

In addition, you must:

- i. authorized us to obtain records and other information;
- ii. co-operate with us in the investigation of the claim or in the defence of the suit;
- iii. allow us reasonable access to your premises, records and other information; and
- iv. assist us, upon our request, in the enforcement of any right against any person or organisation that may be liable to you because of loss to which the policy applies.

Our Claims process:

- An acknowledgement with respect to the claim intimation is given to the insured, once we are in receipt of any claim intimation from the insured. A list of preliminary documents is requested from the Insured.
- Surveyor / Investigator may be appointed, if required.
- In case of surveyor appointment, the details of the appointment is conveyed to the Insured
- Final survey report will be provided by the surveyor within 90 days of appointment except where special circumstance exist in respect of a claim due to its special complicated nature or due to difficulties associated with replacement/reinstatement, the surveyor will seek an

- extension from Insurers for submission of report
- In case of settlement, offer of claim settlement will be made to the Insured within 30 days of receipt of the last document
- In case of settlement, Claim will be settled by the Insurer within 30 days from the receipt of last, relevant & necessary document from the Insured.
- In case of rejection, the same will be conveyed to the Insured within 30 days from the receipt of the final report and/or documents
- Based on the information submitted in the claim intimation letter / claim form, if required, we may procure more information from the insured depending on the facts mentioned therein up to the satisfaction of the Insurer.
- Apart from surveyor, an investigator and/or forensic investigator can be appointed and Legal counsel opinions be can be sought, if required.

The documents required for processing of claims are:

- Policy/Underwriting documents.
- Survey Report along with annexure and/or Photographs wherever applicable
- All documents and/or information relevant to the claim
- Discharge voucher of the Insured accepting full and final settlement
- KYC documents are compulsory

Apart from above Standard documents some other documents may be called for based on the nature of claim.

GRIEVANCE REDRESSAL PROCEDURE

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

- Call Centre - 120 6234 6234 / 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
- 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 Limited
D-301, 3rd Floor, Eastern Business District
(Magnet Mall), LBS Marg,
Bhandup (West) Mumbai - 400 078.**

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 Insurer 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 - 400 078.
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 Insurer. The contact details of Ombudsman offices are mentioned in the policy document:

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

Names of Ombudsman and Addresses of Ombudsmen Centres

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

OFFICE DETAILS	JURISDICTION OF OFFICE (UNION TERRITORY, DISTRICT)
GUWAHATI Office of the Insurance Ombudsman, Jeevan Nivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001 (ASSAM). Tel.: 0361 - 2632204 / 2602205 Email: bimalokpal.guwahati@cioins.co.in	Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.
HYDERABAD Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.: 040 - 23312122 Email: bimalokpal.hyderabad@cioins.co.in	State of Andhra Pradesh, Telangana and Yanam – a part of Union Territory of Puducherry
JAIPUR Office of the Insurance Ombudsman, Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141 - 2740363 /2740798 Email: bimalokpal.jaipur@cioins.co.in	Rajasthan.
KOCHI Office of the Insurance Ombudsman, 10th Floor, Jeevan Prakash,LIC Building, Opp to Maharaja's College Ground,M.G.Road, Kochi - 682 011. Tel.: 0484 - 2358759 Email: bimalokpal.ernakulam@cioins.co.in	Kerala, Lakshadweep, Mahe-a part of Union Territory of Puducherry.
KOLKATA Office of the Insurance Ombudsman, Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, KOLKATA - 700 072. Tel.: 033 - 22124339 Fax : 033 - 22124341 Email: bimalokpal.kolkata@cioins.co.in	States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands
LUCKNOW Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 4002082 / 3500613 Email: bimalokpal.lucknow@cioins.co.in	Districts of Uttar Pradesh : Lalitpur, 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, Amedkarnagar, Sultanpur, Maharajganj, Santkabirnagar, Azamgarh, Kushinagar, Gorakhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar.
MUMBAI Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 69038800/27/29/31/32/33 Email: bimalokpal.mumbai@cioins.co.in	Goa, Mumbai Metropolitan Region excluding Navi Mumbai & Thane.

OFFICE DETAILS	JURISDICTION OF OFFICE (UNION TERRITORY, DISTRICT)
NOIDA Office of the Insurance Ombudsman, Bhagwan Sahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Distt: Gautam Buddh Nagar, U.P - 201301. Tel.: 0120-2514252 / 2514253 Email: bimalokpal.noida@cioins.co.in	State of Uttarakhand and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautambodhanagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur.
PATNA Office of the Insurance Ombudsman, 2nd Floor, Lalit Bhawan, Bailey Road, Patna 800 001. Tel.: 0612-2547068 Email: bimalokpal.patna@cioins.co.in	Bihar, Jharkhand.
PUNE Office of the Insurance Ombudsman, Jeevan Darshan Bldg., 3rd Floor, C.T.S. No.s. 195 to 198, N.C. Kelkar Road, Narayan Peth, Pune – 411 030. Tel.: 020-24471175 Email: bimalokpal.pune@cioins.co.in	Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.

ENDORSEMENT NO. xxx

SANCTION ENDORSEMENT

This endorsement effective [REDACTED] forms a part of Policy number XXX issued to [REDACTED].

ENDORSEMENT - SANCTIONS

No (re)insurer shall be deemed to provide cover and no (re)insurer shall 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 that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union.

This shall also apply to the trade or economic sanctions, laws or regulations enacted by the United Kingdom and the United States of America and India.

Subject otherwise to the terms, conditions and exclusions of this Policy.