

Policy Wordings**Financial Institution Professional Indemnity Policy****SECTION ONE – FINANCIAL INSTITUTION BOND**

Whereas the Assured, named in the Schedule, has made to HDFC ERGO General Insurance Co Ltd., who have hereunto subscribed our Names (hereinafter called "the Insurers") a written Proposal which it is agreed shall form the basis of this Insurance and has paid or promised to pay the premium specified in the Schedule, all provisions of the said Schedule and the written Proposal being hereby incorporated in and forming part of this Policy.

Now We the Insurers hereby undertake and agree, subject to the following terms, exclusion, limitations and conditions, to make good to the Assured, as stated in the Insuring Clauses, or in any amendatory endorsements attached thereto, in excess of the amounts of the deductibles stated to be applicable, Retroactive Date and discovered by the Assured during the period of the Policy and subject always to the Policy Limits as stated in the Schedule or in any amendatory endorsements attached thereto.

I. Fidelity

Loss resulting solely and directly from dishonest or fraudulent acts by Employees of the Assured committed with the manifest intent to cause the Assured to sustain such loss or to obtain a financial gain for themselves wherever committed and whether committed alone or in collusion with others, including loss of Property through any such acts of Employees.

Notwithstanding the forgoing, it is agreed that with regard to trading or other dealings in securities, commodities, futures, options, currencies, foreign exchange and the like, and loans, transactions in the nature of a loan or other extensions of credit this Policy covers only loss resulting solely committed with manifest intent to make and which results in improper financial gain for themselves other than salary, commissions, promotions and other similar emoluments.

2. On Premises

Loss of Property resulting directly from

- (a) theft, larceny, false pretences, burglary, robbery or hold-up committed by persons physically present on the premises where the Property is located, or
- (b) mysterious unexplainable disappearance, or
- (c) being damaged, destroyed or misplaced howsoever or by whomsoever caused,

While such Property is within any of the Assured's premises or actually within any recognised place of safe deposit within the India or is actually within the premises of any of the Assured's correspondent banks or is actually within the premises of any transfer or registration agent for the purpose of exchange, conversion, registration or transfer in the usual course of business.

Loss of Property, through any of the perils specified in the preceding paragraph, in the possession of any customer of the Assured, or of any representative of such customer, within the premises of the Assured for the purpose of transacting banking business with the Assured, whether or not the Assured is legally liable for the loss thereof subject always to General Condition 1, and excluding in any event loss caused by such customer or representative.

3. In Transit

Loss of Property from any cause while the Property is in transit anywhere in the custody of an Employee of the Assured or any person designated by the Assured to act as its messenger or while in the custody of any Security or Armoured Motor Vehicle Company for the purpose of transportation on behalf of the Assured, such transit to begin immediately upon receipt of such Property by the transporting person or persons and to end immediately upon delivery to the designated recipient or its agent.

4. Forgery or Alteration

Loss resulting directly from

- (a) Forgery or Fraudulent Alteration of, on or in any cheques, bills of exchange, acceptances, drafts, certificates of deposit, letters of credit, withdrawal receipts for the withdrawal of funds, money orders, orders upon public treasuries; or
- (b) Having transferred, paid or delivered any funds or property or established any credit or given any value on the faith of any telegraphic, cable, or teletype instructions directed to the Assured authorising or acknowledging the transfer, payment, delivery or receipt of funds or property which instructions purport to have been sent by a customer of the Assured or by a banking institution (which purported instructions shall be deemed to bear a forged signature) or have been altered without the knowledge and consent of such customer or banking institution.
- (c) the payment by the Assured of forged or fraudulently altered promissory notes or of promissory notes or of promissory notes bearing forged endorsements.

The foregoing instruments must be in a script with which the Employee, acting upon such instrument, is conversant. Mechanically reproduced facsimile signatures shall be treated the same as handwritten signatures.

5. Securities

Loss resulting directly from the Assured having, in good faith and in the ordinary course of business, acted upon

- (a) Share certificates, bearer stock, certificates of stock, warrants or rights to subscribe, allotment letters, bonds, debentures, or coupons by limited companies or corporations; or

- (b) Bonds similar in form to corporate bonds issued by partnerships which are secured by mortgages, deeds of trust or collateral trust agreements; or
 - (c) Government or Government Guaranteed and Local Authority stocks, certificates of indebtedness, bonds, coupons or warrants issued by the Government of any country or by any of its respective Agencies, States, Provinces, Countries, Cities, Towns or Municipalities; or
 - (d) Promissory notes except (i) those issued or purporting to have been issued for use as currency, (ii) those secured or purporting to be secured directly or indirectly by assigned accounts or what purport to be assigned accounts and (iii) those covered under Insuring Clause 4(c).
 - (e) Deeds of trust, mortgages upon real property and upon interests in real property and assignments of such mortgages.
 - (f) Certificates of deposit and letters of credit except when covered under Insuring Clause 4(a) and bills of lading subject always to General Definitions.
- which prove to have been
- (i) counterfeited, or
 - (ii) forged as to the signature of any maker, drawer, issuer, endorser, assignor, lessee, transfer agent or registrar, acceptor, surety or guarantor, or
 - (iii) fraudulently altered, or
 - (iv) lost or stolen

Actual physical possession of the original or what purports to be the original securities listed in (a) through (f) above by the Assured or its correspondent bank is a condition precedent to the Assured's having acted upon such securities.

The foregoing instruments must be in a script with which the Employee, acting upon such instrument, is conversant. Mechanically reproduced facsimile signatures shall be treated the same as handwritten signatures.

6. Counterfeited Currency

Loss be reason of the receipt by the Assured in good faith of any counterfeited or altered paper currency or coin issued or purporting to have been issued by or to be legal tender in any country in which the Assured's office sustaining the loss is located.

7. Offices and Contents

Loss of or damage to

- (a) furnishings, fixtures, equipment (except computers, computer systems, computer networks and peripheral equipment, computer programs and other computer related equipment), stationary, supplies or safes and vaults within any office of the Assured caused by burglary, robbery, hold-up, theft or larceny, or any attempt thereat, or by vandalism or malicious mischief.
 - (b) any office of the Assured caused by burglary, robbery, hold-up, theft or larceny, or any attempt thereat, or to the interior of any such office by vandalism or malicious mischief.
- provided that
- (i) the Assured is the owner of such furnishing, fixtures, equipment, stationary, supplies or safes and vaults or offices or is liable for such loss or damage; and

- (ii) the loss or damage is not caused by fire.

8. Legal Fees

The Insurers shall indemnify the Assured for all such reasonable legal fees, costs and expenses incurred and paid by the Assured in the defence of any demand, claim, suit or legal proceeding with respect to which the Assured establishes that the act or acts which were committed would entitle the Assured to recovery under this Policy if any loss resulted there from. Such indemnity available under this Extension is part of, and not in addition to, the Limits of Liability specified in Item 7 of the Schedule of the Policy. It is understood, however, that if such loss, claim or damage does not exceed the applicable deductible under Item 8 of the Schedule, Insurers are not liable for such legal fees, costs and expenses. However, if such loss, claim or damage exceeds the deductible, or if the Assured's liability or alleged liability is greater than the amount recoverable under the Policy, the Insurers are liable for the proportion of such legal fees, costs and expenses that the amount of such loss, claim or damage recoverable under this Policy bears to the total of such amount plus the amount which is not so recoverable including the deductible.

It is further understood that Insurers shall not indemnify the Assured for fees, costs or other expenses (whether such fees, costs and expenses be for legal, accounting or other services) incurred by the Assured in establishing the existence of or amount of loss covered by the Policy.

The Insurers shall be entitled at any time to take over and conduct in the name of the Assured the defence of any such demand, claim, suit or legal proceeding made against the Assured, it being understood, however, that the Assured shall not be required to contest any legal proceedings unless a Counsel (to be mutually agreed upon by the Assured and the Insurers) shall advise that such proceedings should be contested.

9. GENERAL DEFINITIONS

- (1) "**Acceptance**" means a bill of exchange upon which is signified by the drawee his assent to the order of the drawer.
- (2) "**Assured**" means the Assured named and stated in the Schedule of this Policy and any Banking Subsidiary Companies in which the Assured have a controlling interest and which are listed in the Proposal Form.
- (3) "**Bill of Exchange**" means an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a fixed or determinable future time a sum certain in money to or to the order of a specified person, or to bearer.
- (4) "**Bill of Lading**" means a document of title issued by a carrier to the order of a shipper and is transferable to another person by endorsement and delivery.
- (5) "**Certificate of Deposit**" means a written acknowledgment by a bank of a deposit with promise to pay to depositor, to his order, or to some other person or to his order said deposit with interest on a specified date.
- (6) "**Cheque**" means a bill of exchange, drawn on a bank, directing it to pay the sum specified on demand.
- (7) "**Counterfeited**" means the imitation of an instrument that is authentic such that the Assured is deceived on the basis of the quality of the imitation to believe that the imitation

is the authentic original instrument. Fictitious instruments which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not counterfeit.

(8) "Draft" means a draft payable on demand drawn by or on behalf of a bank upon itself whether payable at the Head Office or other office of the Assured.

(9) "Employee" means respectively:

- (i) one or more of the Assured's officers, clerks, servants and other employees while employed by the Assured;
- (ii) one or more persons provided by an employment contractor to perform employee duties for the Assured under the Assured's supervision;
- (iii) one or more of the Assured's retired officers or employees who have been retained by them as consultants, other than consultants involved in the Assured's Data Processing activities while acting in their capacities such consultants; and
- (iv) one or more persons engaged by the Assured as consultants, other than consultants involved in the Assured's Data Processing activities, while acting in their capacity as such, and
- (v) a guest student pursuing studies or duties in any of the Assured's premises.

(10) "Forgery" or "Forged Signature" or "Forged as to the Signature" means the signing of the name of another with intent to deceive; it does not include the signing of one's own name with or without authority, in any capacity, for any purpose.

(11) "Letter of Credit" means an engagement in writing by a bank made at the request of a customer that the issuer will honour drafts or other demands for payment upon compliance with the conditions specified in the Letter of Credit.

(12) "Payment" of a promissory note means the discharge by the Assured of said promissory note and DOES NOT include the purchase, discount, sale, loan or advance of or on said promissory note.

(13) "Policy" means the Proposal, the provisions in this document, any endorsement to it, whether at or after inception, and the Schedule

(14) "Promissory Note" means an unconditional promise in writing made by one person to another signed by the maker, engaging to pay, on demand or at a fixed or determinable future time, a sum certain in money to or to the order of, a specified person or to bearer.

(15) "Property" means cash (i.e. currency, coins and Bank Notes), bullion, precious metals of all kinds and in whatsoever form and articles made therefrom, gems (including uncut gem stones), precious and semi-precious stones, certificates of stock, bonds, coupons and all other types of securities, bills of lading, warehouse receipts, cheques, bill of exchange, acceptances, drafts, certificates of deposit, letters of credit, promissory notes, money orders, orders upon public treasures, stamps, insurance policies, title deeds, certificates of title and all other negotiable and non-negotiable instruments or contracts representing money or other property (real or personal) or interests therein, and other valuable papers, including books of account and other Assured in the conduct of their business, in which the Assured has an interest, or which are held by the Assured for any purpose or in any

capacity and whether so held gratuitously or otherwise and whether legally liable therefor or not.

"Schedule" means the schedule attaching to this Policy

(16) "Withdrawal receipts for the withdrawal of funds" means a written instrument completed on a form provided to depositors by the Assured acknowledging receipt of funds from a savings account maintained with the Assured by a depositor.

WHENEVER THE ABOVE TERMS (1 TO 16 INCLUSIVE) APPEAR IN THIS POLICY, THE WORDS "AS DEFINED" SHALL BE DEEMED TO BE INCORPORATED IN THE NEXT IMMEDIATELY FOLLOWING EACH OF THE SAID TERMS.

10. EXCLUSIONS

This Policy DOES NOT cover:

- (1) Any loss not discovered during the period of the Policy and any loss sustained prior to the Retroactive Date stated in the Schedule.
- (2) Any loss resulting wholly or partially from any act or default of any Director of the Assured except when such Director is performing acts coming within the scope of the usual duties of an Employee of the Assured.
- (3) Any loss resulting directly or indirectly from any one or more dishonest or fraudulent acts of any of the Employees of the Assured unless such loss is covered by Insuring Clause No. 1.
- (4) Any loss resulting directly or indirectly from the complete or partial non-payment of or default upon
 - (a) any loan or transaction in the nature of, or amounting to, a loan or extension of credit made by or obtained from the Assured, or
 - (b) any note, account, agreement or other evidence of debt assigned or sold to, or discounted or otherwise acquired by the Assured including the purchase, discounting or other acquisition of false or genuine accounts or invoices.

whether procured in good faith or through trick, artifice, fraud or false pretences unless such loss is covered by Insuring Clause No. 1, No. 4 or No. 5, in which event the amount of loss shall be determined to be the amount of monies paid out, advanced or withdrawn less all monies received from any source whatsoever, including payments and receipts of principal, interest, commissions and the like.

- (5) Any loss resulting directly or indirectly from payments made or withdrawals from any depositor's account against items of deposit which are not finally paid for any reason including without limiting the generality of the foregoing, cheque kiting and crossfiring, whether such payments or withdrawals were procured in good faith or through forgery, trick, artifice, fraud or false pretences or through any other means, unless such loss is covered under Insuring Clause No. 1.
- (6) Any loss resulting from payments made or withdrawals from any depositor's account by reason of funds having been credited erroneously by the Assured to such Account, unless such loss is covered by Insuring Clause No. 1.
- (7) Any loss of or damage to any property whatsoever, (including Property) either contained in safe deposit boxes obtained by customers from the Assured or held in safe

- custody for customer by the Assured unless such loss or damage is covered by Insuring Clause No. 1.
- (8) Any loss through the surrender of Property away from Premises of the Assured as the result of a threat
- (a) to do bodily harm to a Director or Employee of the Assured or to any other person, except loss of Property in transit in the custody of any Employee PROVIDED THAT when such transit was initiated, there was no knowledge by the Assured or any such threat, or
 - (b) to do damage to the Assured's premises or to any property whatsoever (including Property) of the Assured or of any other person.
- (9) Any loss resulting directly or indirectly by reason of forgery or fraudulent alteration unless such loss is covered by Insuring Clause No. 1, No. 4, No. 5 or No. 6.
- (10) Any loss resulting directly or indirectly by reason of the forgery or fraudulent alteration of, on or in, any travelers cheques, travelers letters of credit, accounts receivable or assignments thereof, warehouse or trust receipts, or receipts serving a similar purpose unless such loss is covered by Insuring Clause No. 1.
- (11) Any loss of unsold travelers cheques placed in the custody of the Assured with authority to sell unless the Assured is legally liable for such loss and such cheques are later paid or honored by the Issuer thereof.
- (12) Any loss of Property while in the custody of any governmental postal service except when covered under Insuring Clause No. 1.
- (13) Any loss of Property while in the custody of a carrier for hire (except a Security or Armoured Motor Vehicle Company) except when covered under Insuring Clause No. 1.
- (14) Any loss resulting from any shortage in any teller's cash due to error, regardless of the amount of such shortage; and any shortage in teller's cash which is not in excess of the normal shortage in the teller's cash in the office where such shortage shall occur shall be assumed to be due to error.
- (15) Loss resulting directly or indirectly from the use of credit, debit, charge, access, convenience, identification or other cards
- (a) in obtaining credit, or
 - (b) in gaining access to automated mechanical devices which, on behalf of the Assured, disburse Money, accept deposits, cash cheques, draft or similar written instruments or make credit card loans, or
 - (c) in gaining access to point of sale terminals, customer-bank communication terminals or similar electronic terminals or electronic funds transfer systems.
- whether such cards were issued, or purport to have been issued by the Assured or by anyone other than the Assured, except when covered under Insuring Clause No. 1.
- (16) Loss involving automated mechanical device which, on behalf of the Assured, disburse Money, accept deposits, cash cheques, drafts or similar written instruments or make credit card loans, unless such automated mechanical devices are situated within an office of the Assured which is permanently staffed by an Employee whose duties are those assigned to the bank teller, even though public access is from outside the confines usually the confirms of such office, but in no event shall Insurers be liable for loss (including loss of Property)
- (a) as a result of damage to such automated mechanical devices from vandalism or malicious mischief perpetrated from outside such office, or
- (b) as a result of failure of such automated mechanical devices to function properly, or
- (c) through misplacement or mysterious unexplainable disappearance while such Property is located within any such automated mechanical devices.
- except when covered under Insuring Clause No. 1.
- (17) Any loss by reason of the Assured having acted upon any securities or written instruments (i) by reason of or in connection with any merger, consolidation or similar acquisition with, into or by the Assured or (ii) by reason of or in connection with any purchase or sale of assets or shares occasioning any change in ownership or control, whether financial or otherwise, of another business by the Assured.
- (18) Any and all damages of any type (whether punitive, exemplary or other) for which the Assured is legally liable, except damages representing reimbursement for direct financial loss covered by this Policy.
- (19) Any loss or deprivation of potential income including but not limited to interest and dividends because of a loss covered under this Policy.
- (20) Costs, fees and other expenses incurred by the Assured in establishing the existence of or amount of loss covered under this Policy.
- (21) Indirect or consequential loss of any nature.
- (22) Any loss of or damage to any property whatsoever (including Property) by reason of wear, tear, gradual deterioration, moth or vermin.
- (23) Any loss of or damage to any property whatsoever (other than Property as defined in General Definition 18) resulting directly or indirectly from typhoon, hurricane, cyclone, volcanic eruption, earthquake, subterranean fire or other convulsion of nature and contemporaneous or ensuing loss or damage by fire or looting.
- (24) Any loss or damage which arises directly or indirectly by reason of or in connection with war, 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 or the act of any lawfully constituted Authority. IN ANY CLAIM, and in any action, suit or other proceeding to enforce a claim under this Insurance for loss or damage, the BURDEN OF PROVING that such loss or damage does not fall within this Exclusion shall be upon the Assured.
- (25) (a) Any loss or destruction of or damage to any property whatsoever (including Property) or any loss or expense whatsoever resulting or arising therefrom or any consequential loss, or
- (b) Any legal liability of whatsoever nature directly or indirectly caused by or contributed to, by or arising from
 - (i) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or nuclear fuel, or
 - (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

- (26) Loss resulting from the input, modification or destruction of electronic data except when covered under Insuring Clause No. 1.
- (27) Loss resulting from instructions directed to the Assured and received by the Assured by a teletype or teleprinter terminal which is part of the Assured's computer systems.
- (28) Loss resulting directly or indirectly from trading or other dealings including but not limited to transactions involving the purchase, sale or exchange of securities, commodities, currencies, foreign exchange, foreign funds, futures, options and the like, whether conducted or effected by any dishonest or fraudulent act or otherwise, with or without the knowledge of the Assured, in the name of the Assured or shown to be due the Assured on any customer's account, actual or fictitious, and notwithstanding any act or omission on the part of any Employee in connection with any account relating to such trading, indebtedness or balance, except when covered under Insuring Clause No. 1 or No. 4.
- (29) Any claim arising out of, based upon or attributable to, or in any way involving any actual or alleged act of money laundering. The burden of proving that any claim does not fall within this exclusion shall be upon the Assured.

11 GENERAL CONDITIONS

(1) Exclusive Policy Benefit

It is agreed that the Insurance granted hereunder shall be for the exclusive benefit only of the Assureds named in Item No. 2 of the Schedule, and that in no event shall anyone other than the said Assureds have any right of action under this Policy.

In the event of a claim involving more than one named Assured, it is agreed that not more than one of said named Assureds shall have a right to benefit hereunder on behalf of all Assureds involved in such claim.

(2) Discovery

This Policy applies to loss discovered by the Assured during the Policy Period. Discovery occurs when the Assured becomes aware of facts which would cause a reasonable person to assume that a loss covered by the details of loss may not then be known.

Notice to the Assured of an actual or potential claim by a third party which alleges that the Assured is liable under circumstances which, if true, would create a loss under this Policy constitutes such discovery.

(3) Notification of Loss; Proof of Loss; Legal Proceedings

As a condition precedent to their right to be indemnified under this Policy, the Assured shall, as soon as possible and in any event within 30 days after discovery by the Assured of any loss hereunder, give written notice thereof to the Insurers.

The Assured shall also, within 6 months after such discovery, furnish to the Insurers affirmative proof of loss in writing together with full particulars.

Legal proceedings for recovery of any loss hereunder shall not be brought after the expiration of 2 years from the discovery of such loss, except that any action or proceeding to recover hereunder on account of any judgment against the Assured in any suit shall be commenced within 2 years from the date upon which the judgment in which suit shall become final.

If the said 2 years' limitations are prohibited by any law controlling the construction of this Policy, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

(4) Basis of Valuation

(a) Valuation of Securities and Foreign Currencies

The value of any securities for the loss of which a claim shall be made, shall be determined by their closing market value on the last business day prior to the date of discovery of the loss or in the event of the discovery of the loss after the close of the market, by their closing market value on the day of discovery of the loss.

The value of foreign funds or currencies for the loss of which a claim shall be made, shall be determined by their mid-spot rate on the last business day prior to the date of discovery of the loss or in the event of the discovery of the loss after the close of the market, by their mid-spot rate on the day of discovery of the loss. If there is no market value for securities or foreign funds or currencies on the day as stated in the preceding paragraphs then the value shall be as agreed between the Assured and the Insurers or in default thereof by arbitration. If, however, such securities or foreign funds or currencies shall be replaced by the Assured with the approval of the Insurers, the value shall be the actual cost of replacement.

If the applicable coverage of this Policy is subject to a Deductible Amount and/or is not sufficient in amount to indemnify the Assured in full for the loss of Securities for which claim is made hereunder, the liability of the Insurers under this Policy is limited to payment for, or the duplication of, so much of such Securities as has a value equal to the amount of such applicable coverage.

(b) Books of Accounts and Records

In the case of loss of or damage to Property consisting of books of accounts or other records used by the Assured in the conduct of their business, the Insurer shall be liable under this Policy only if such books or records are actually reproduced and then for not more than the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data which shall have been furnished by the Assured in order to reproduce such books and other records.

(c) Property other than Foreign Currencies, Securities and Records

In case of loss of, or damage to, any Property other than foreign currencies, securities, books of account or other records, or damage covered under Insuring Clause No. 7, the Insurer shall not be liable for more than the actual cash value of such property, or of items covered under Insuring Clause No. 7. The Insurer may, at their election, pay the actual cash value of, replace or repair such property.

(5) Lost Instruments

IT IS AGREED that in the event of a valid claim hereunder in respect of the loss of securities, the Assured may file a Lost Instruments Bond for the purpose of obtaining the insurance of duplicate securities.

IT IS FURTHER AGREED that subject to Insurer' prior consent being obtained to the filing of such Lost Instruments Bond, they will indemnify the Assured for such sum or sums, not exceeding however the limits of liability expressed in this Policy which the Assured may be required to pay either during the currency of this Policy or any time thereafter by reason of any indemnifying agreement delivered by the Assured to the company issuing the Lost Instruments Bond.

(6) **Salvage and Recovery**

In the event of recovery on account of any loss covered under this Policy the amount recovered, after deducting the actual cost of obtaining or making such recovery but excluding the Assured's own labour and/or establishment costs, shall be applied in the following order:

- (i) To reimburse the Assured in full for the part, if any, of such loss which exceeds the amount of coverage provided by this Policy, (disregarding the amount of any excess or deductible applicable).
- (ii) The balance, if any, or the entire net recovery if no part of such loss exceeds the amount of coverage provided by this Policy, to reduction of that part of such loss covered by this Policy, or if payment thereof shall have been made, to the reimbursement of the Insurer.
- (iii) Finally, to that part of such loss sustained by the Assured by reason of any excess or deductible clause as specified in the Schedule and/or to that part of such loss covered by any Policy(ies) of Insurance of which this Policy is excess.

(7) **Co-operation**

At Insurer' request and at reasonable times and places designated by the Insurer and Assured after giving notice of any loss shall

- (1) submit to examination by Insurer and subscribe to the same under oath; and
- (2) produce for Insurer' examination all pertinent records;
- (3) co-operate with Insurer in all matters pertaining to the loss; and
- (4) cause all persons interested in the matter, so far as it is within the Assured's power, including employees, to submit to examination by Insurer and subscribe to the same under oath.

The Assured shall execute all papers and render assistance to secure to Insurer the rights and causes of action provided for herein. The Assured shall do nothing after discovery of loss to prejudice such rights or causes of action.

(8) **Subrogation**

It is agreed that the Insurer upon payment of any loss hereunder shall become subrogated to all rights and remedies of the Assured in respect of such loss. At the request of Insurer the Assured shall execute such documents as are necessary to transfer the Assured's rights, title and interest as against any person or entity.

(9) **Limit of Liability**

- (a) Payment of loss under this Policy shall not reduce the liability of the Insurer for other losses covered by this Policy (except in respect of those Insuring Clauses which limit the Insurer total liability for all losses during the Policy Period to the annual aggregate) PROVIDED ALWAYS (irrespective of the total amount of loss or

losses or series of losses and subject always to the Policy Limits) as follows:-

- (i) That the total liability of the Insurer on account of any loss or losses or series of losses caused by acts or omissions of any person whether one of the Employees of the Assured or not, or acts or omissions in which such person is concerned or implicated (and treating all such losses up to discovery as one event), shall not exceed the Limit of Indemnity of the applicable Insuring Clause stated in the Schedule and
- (ii) that if, and only if, there be directly or indirectly no such acts or omissions, the total liability of the Insurer on account of any loss or losses or series of losses arising out of the same event shall not exceed the Limit of Indemnity of the applicable Insuring Clause in the Schedule and
- (iii) that, should more than one Insuring Clause apply, the total liability of the Insurer shall not exceed the Limit of Indemnity under one of the applicable Insuring Clauses stated in the Schedule and in no event shall each Limit of Indemnity under separate Insuring Clauses be aggregated.

(b) **Non-Cumulative Liability:**

Regardless of the number of years this Insurance has been in force or may continue to be in force and of the premiums paid or payable in respect thereof the liability of the Insurer shall not be cumulative in amount from year to year or from period to period and in no case shall exceed the Limits stated in the Schedule.

- (c) **Deductible:** The Insurer shall be liable only in excess of the deductible of the applicable Insuring Clause stated in Item 8 of Schedule. In the event that more than one Insuring Clause shall be applicable then the largest deductible relating to the applicable Insuring clause shall apply.

The deductible shall apply to the Ultimate Net Loss sustained by the Assured subsequent to the Retroactive Date.

- (d) **"Ultimate Net Loss"** shall mean the actual net loss to the Assured after making proper deduction for all recoveries including but not limited to payments against principal, interest and commissions and salvage (but deduction shall not be made for the amount of the deductibles which may be recoverable on specific insurance) and shall exclude all expenses for salaried Employees of the Assured incurred in the investigation or adjustment of claims, actions or proceedings, unless specially agreed by Insurer but nothing in this Policy shall be construed to mean that a claim is not recoverable hereunder until the Ultimate Net Loss has been ascertained.

(10) **Merger or Change in Ownership or Control of the Business**

- (a) This Policy shall immediately cease to afford any cover of any kind in the event of the liquidation (voluntary or compulsory) of the Assured, or the appointment of a Receiver or Manager, or the entering into of any Scheme of Arrangement or composition with creditors.

- (b) the Assured shall immediately advise the Insurer of
 - (i) any consolidation or merger with another business or any purchase, assignment, transfer, pledge or sale of assets or shares occasioning any change in ownership or control, whether financial or otherwise, of the business or
 - (ii) control of the Assured being taken over by any Government or by officials appointed by any Government or local Authority.

As a condition of continuation of the Policy the Assured shall promptly provide the Insurer with such further information as the Insurer shall require and then the Assured shall pay such additional premium as the Insurer may require consequent upon such change.

However, failure to report such transactions within THIRTY DAYS of the date of such transaction shall be an election by the Assured to terminate this Policy as of the commencement of the thirty day period. Reporting of the transaction shall not have been accomplished by the Assured unless acknowledged in writing by the Insurer.

(11) Termination of policy under Section 1

This Policy (and the Policy Period stated in the Schedule) shall terminate -

- (i) Immediately in the event of the
 - (a) Insurer refusing to continue cover following change in ownership or control of the business as set forth in General condition (10) above or
 - (b) Assured failing to report any consolidation, merger or change in ownership or control of the business or of the Assured as set forth in General Condition (10) above within the time required under General condition (10) above.
- (ii) Immediately as to any Employee of the Assured, as soon as the Assured or any partner, director or officer thereof not in collusion with such Employee shall have knowledge or information that such Employee shall have knowledge or information that such Employee has committed any dishonest or fraudulent act in the service of the Assured or otherwise, whether such act be committed before or after the date of employment by the Assured but without prejudice to any claim for loss of Property then in transit in the custody of such Employee before or after the date of employment by the Assured.
- (iii) Upon written receipt by the Insurer of a written request from the Assured to terminate this Policy.
- (iv) Immediately upon exhaustion of the limit of indemnity by one or more payment hereunder.

(12) Rights After Termination

In the event that the Assured terminates this Policy as an entirely then upon receipt of such notice from the Assured, Insurer in their sole discretion shall determine whether they shall give such additional period of time. If given such additional period of time shall terminate immediately

- (a) on the effective date of any other insurance obtained by the Assured, its successor in business or any other party, replacing in whole or in part the insurance afforded by this Policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date, or

- (b) upon any takeover of the Assured's business by any Government official or agency, or by a receiver or liquidator, acting or appointed for this purpose without the necessity of Insurer giving notice of such termination.

In the event that Insurer terminates or cancels this Policy as an entirety then upon receipt of such notice from the Assured Insurer shall give their written consent thereto, provided however that such additional period of time shall terminate immediately as stated in paragraphs (a) and (b) above without the necessity of Insurer giving notice of such termination. In the event that such additional period of time is terminated, as provided above Insurer shall refund any unearned premium.

The right to purchase such additional period for the discovery of loss may not be exercised by any Governmental official or agency, or by any receiver or liquidator, acting or appointed to take over the Assured's business for the operation or for the liquidation thereof or for any other purpose.

In the event that this policy is terminated as provided in General Condition 11 sub-paragraph (iv) the Assured shall have no right to purchase an additional period the discover of loss.

(13) Superseded Cover

With respect to any loss set forth in sub- section (a) (i) of section (9) limit of liability of this policy which is recoverable or recovered in whole or in part under any other bonds or policies issued by the company to the Assured or to any predecessor in interest of the Assured and the terminated or cancellation or allowed to expire and in which the period for discovery has not expired at the time any such loss there under is discovered the total liability of the company under this policy and under such other bonds or policies shall not exceed in the aggregate the amount carried hereunder on such loss or the amount available to the Assured under such; other policies as limited by the terms and conditions thereof for any such loss if the latter amount be the larger

If the coverage of this policy supersedes in whole or in part the coverage of any other bonds or policies of insurance issued by an Insurer other than company and terminated cancelled or allowed to expire the company with respect to any loss sustained prior to such termination cancellation or expiration and discovered within the period permitted under such other bonds or policy for the discovery of loss there under shall not be liable under this policy for any such loss sustained prior to inception of this policy anything to the contrary in such other bonds or policies notwithstanding

(14) Fraud

If the Assured shall make any claims knowing the same to be false fraudulent as regard amount or otherwise this policy shall be void and all claims hereunder shall be forfeited

SECTION TWO - ELECTRONIC AND COMPUTER CRIME POLICY

I. INSURING CLAUSES

INSURING CLAUSE 1

COMPUTER SYSTEMS

By reason of the Assured having transferred, paid or delivered any funds or property, established any credit, debited any account or given any value as the direct result of

- (a) the fraudulent input of Electronic Data directly into:
 - (i) the Assured's Computer System, or
 - (ii) a Service Bureau's Computer System, or
 - (iii) any Electronic Funds Transfer System, or
 - (iv) a Customer Communication System; or
- (b) the fraudulent modification or the fraudulent destruction of Electronic Data stored within or being run within any of the above systems or during Electronic Transmission to the Assured's Computer System or a Service Bureau's Computer System; or
- (c) the fraudulent input of Electronic Data through a Telephone Banking System directly into the Assured's Computer System which fraudulent acts were instructed by or committed by a person who intended to cause the Assured to sustain a loss or to obtain financial gain for himself or any other person.

INSURING CLAUSE 2

By reason of customer of the Assured having transferred, paid or delivered any funds or property established any credit debited any account or given any value as the direct result of the fraudulent input the fraudulent modification of the fraudulent destruction or electronic data stored within or being run within the Assured computer system or during electronic transmission through data communication lines including satellite links from the Assured's computer system into the Customers Computer system while the Assured is acting as a service Bureau for said customer which fraudulent acts were committed by the person who intended to cause the Assured customer to sustain a loss or to obtain financial gain for himself of any other person and for which loss the Assured is held to be legally liable.

INSURING CLAUSE 3

ELECTRONIC COMPUTER INSTRUCTION

By reason of the Assured having transferred, paid or delivered any funds or property, established any credit, debited any account or given any value as the direct result of the fraudulent preparation or the fraudulent modification of Electronic Computer Programs which fraudulent acts were instructed by or committed by a person who intended to cause the Assured to sustain a loss or to obtain financial gain for himself or any other person.

INSURING CLAUSE 4

ELECTRONIC DATA AND MEDIA

By reason of

- (a) malicious alteration or destruction or attempt thereof of Electronic Data by any person while the Electronic Data are stored within the Assured's Computer System or a Service Bureau's Computer System or while recorded upon Electronic Data Processing Media within the offices or premises of the Assured or in the custody of a person designated by the Assured to act as its messenger (or a person acting as messenger or custodian during an emergency arising from the incapacity of such designated messenger) while the Electronic Data Processing Media upon which such Electronic Data are recorded is in transit anywhere, such transit to begin immediately upon receipt of such Electronic Data Processing Media by said messenger and to end immediately upon delivery to the designated recipient or its agent, provided that the

Assured is the owner of such Electronic Data or Electronic Data Processing Media or is legally liable for such loss or damage;

- (b) Electronic Data Processing Media being lost, damaged or destroyed as the direct result of robbery, burglary, larceny, theft, misplacement, mysterious unexplainable disappearance or malicious act while the Electronic Data Processing Media is lodged or deposited within offices or premises located anywhere, or in the custody of a person designated by the Assured to act as its messenger (or a person acting as a messenger or custodian during an emergency arising from the incapacity of such designated messenger) while the Electronic Data Processing Media is in transit anywhere, such transit to begin immediately upon receipt of such Electronic Data Processing Media by said messenger and to end immediately upon delivery to the designated recipient or its agent, provided that the Assured is the owner of such Electronic Data Processing Media or is legally liable for such loss or damage; and
- (c) malicious alteration or destruction of Electronic Computer Programs while stored within the Assured's Computer System, provided that the Assured is the owner of such Electronic Computer Programs or is legally liable for such loss or damage.

INSURING CLAUSE 5

COMPUTER VIRUS

By reason of

- (a) the Assured having transferred, paid or delivered any funds or property, established any credit, debited any account or given any value as the direct result of the destruction or attempt thereof of the Assured's Electronic Data due to a Computer Virus caused by any person while such Electronic Data are stored within the Assured's Computer System or a Service Bureau's Computer System; and
- (b) the destruction or attempt thereof of the Assured's Electronic Data as the result of a Computer Virus caused by any person while such Electronic Data are stored within the Assured's Computer System or a Service Bureau's Computer System.

INSURING CLAUSE 6

ELECTRONIC AND TELEFACSIMILE COMMUNICATIONS

By reason of the Assured having transferred, paid or delivered any funds or property, established any credit, debited any account or given any value on the faith of any electronic communications directed to the Assured authorising or acknowledging the transfer, payment, delivery or receipt of funds or property which communications were transmitted or appear to have been transmitted

- (a) through an Electronic Communication System, or
- (b) by Telefacsimile, telex, TWX or similar means of communication directly into the Assured's Computer System or to the Assured's Communications Terminal and fraudulently purport to have been sent by a customer, Automated Clearing House, an office of the Assured, or another financial institution but which communications were either not sent by said customer, Automated Clearing House, an office of the Assured, or another financial institution or were fraudulently modified during physical transit of Electronic Data Processing Media to the

Assured or during Electronic Transmission to the Assured's Computer System or to the Assured's Communications Terminal.

SPECIAL CONDITION

All Telefacsimile, telex, TWX or similar means of communication referred to in paragraph (2) above must be Tested or subject to a call-back to an authorised person other than the individual initiating the transfer request and any such Telefacsimile must also bear a Forged Signature or Fraudulent Alteration.

INSURING CLAUSE 7

ELECTRONIC TRANSMISSIONS

By reason of a customer of the Assured, an Automated Clearing House or another financial institution having transferred, paid or delivered any funds or property, established any credit, debited any account or given any value

(a) on the faith of any electronic communications purporting to have been directed by the Assured to its customer, an Automated Clearing House or a financial institution authorising or acknowledging the transfer, payment, delivery or receipt of funds or property which communications were transmitted or appear to have been transmitted through an Electronic Communication System, or by Tested Telefacsimile, Tested telex, Tested TWX or similar means of Tested communications directly into a Computer System or a Communications Terminal of said customer, Automated Clearing House or financial institution and fraudulently purport to have been sent by the Assured or were the direct result of the fraudulent modification of Electronic Data during physical transit of Electronic Data Processing Media from the Assured or during Electronic Transmission from the Assured's Computer System or the Assured's Communications Terminal; or

(b) as the direct result of the fraudulent input, the fraudulent modification or the fraudulent destruction of Electronic Data stored within or being run within the Assured's Computer System or during Electronic Transmission from the Assured's Computer System into the customer's Computer System while the Assured is acting as a Service Bureau for the said customer; and

for which loss the Assured is legally liable to the customer, the Automated Clearing House or the financial institution.

INSURING CLAUSE 8

ELECTRONIC SECURITIES

By reason of a Central Depository having transferred, paid or delivered any funds or property or debited any account of the Assured on the faith of any electronic communications purporting to have been directed by the Assured to the Central Depository authorising the transfer, payment or delivery of said funds or property or the debiting of the Assured's account in connection with the purchase, sale, transfer or pledge of an Electronic Security which communications were transmitted or appear to have been transmitted

(a) through an Electronic Communication System, or
(b) by Tested Telefacsimile, Tested Telex, Tested TWX or similar means of Tested communication directly into a Computer System or a Communications Terminal of said Central Depository and fraudulently purport to have been sent by the Assured to the Central Depository but which

communications were either not sent by the Assured to the Central Depository or were fraudulently modified during physical transit of Electronic Data Processing Media from the Assured or during Electronic Transmission from the Assured's Computer System or the Assured's Communications Terminal to the Central Depository and for which loss the Assured is legally liable to the Central Depository.

INSURING CLAUSE 9

FORGED TELEFACSIMILE

By reason of the Assured having transferred paid or delivered any funds or property established any credited debited and account or given any value on the faith of any tested instruction directed to the Assured authorising or acknowledging the transfer, payment, delivery or receipt of funds or property which is Tested instruction were transmitted by Telefacsimile directly to the Assured and fraudulent purport to have been sent by a customer an office of the Assured or another financial institution but which tested instrument were sent without the knowledge or consent of said person and bear a Forged signature.

II. DEFINITIONS

1. **"Assured"** means the Assured first named in the Schedule and any wholly owned companies engaged in banking that are named in the Proposal Form and Schedule. It does not mean or include any
 - (a) non-wholly owned banking subsidiary company, or
 - (b) non-banking subsidiary company, unless such subsidiary company is named in the Proposal Form and Schedule with its principal business activity and the first named Assured's shareholding interest so indicated.
2. **"Assured's Computer System"** means those Computer Systems operated by the Assured and which are either owned by or leased to the Assured or are declared in the Proposal Form.
3. **"Automated Clearing House"** means any corporation or association which operates an electronic clearing and transfer mechanism for the transfer of preauthorised recurring debits and credits between financial institutions on behalf of the financial institutions' customers.
4. **"Central Depository"** means any clearing corporation, including any Federal Reserve Bank of the United States, where as the direct result of an electronic clearing and transfer mechanism entries are made on the books reducing the account of the transferor, pledgor or pledgee and increasing the account of the transferee, pledgee or pledgor by the amount of the obligation or the number of shares or rights transferred, pledged or released, which clearing corporation is declared in the Proposal Form.
5. **"Communications Terminal"** means any teletype, teleprinter, video display terminal, or telefacsimile machine or similar device capable of sending and/or receiving information electronically, whether or not equipped with a keyboard or mouse.
6. **"Computer System"** means a computer suitable for multi-use applications that is capable or directing hardware, software and data resources according to Electronic Computer Programs formulated and introduced to the computer's operating system by the user. All input, output, processing, storage and communication facilities including

- related communication or open systems networks which are physically connected to such a device, as well as the device's off-line media libraries, are deemed to be part of said computer system. It does not include those computers suitable solely for single use applications.
7. **"Computer Virus"** means a set of unauthorised instructions, programmatic or otherwise, that propagate themselves through the Assured's Computer System and/or networks which instructions were maliciously introduced by a person other than by an identifiable employee.
 8. **"Customer Communication System"** means those communications systems as declared in the Proposal Form which provide customers of the Assured with direct access to the Assured's Computer System.
 9. **"Electronic Communication System"** means electronic communication operations by Fedwire, Clearing House Interbank Payment System (CHIPS), Society for Worldwide Interbank Financial Telecommunication (SWIFT), Clearing House Automated Payment System (CHAPS), the funds transfer system for the transfer of preauthorised recurring debits and credits of an Automated Clearing House Association which is a member of the National Automated Clearing House Association and similar automated communication systems as declared in the Proposal Form.
 10. **"Electronic Computer Programs"** means computer programs, i.e., facts or statements converted to a form usable in a Computer System to act upon Electronic Data.
 11. **"Electronic Data"** means facts or information converted to a form usable in a Computer System and which is stored on Electronic Data Processing Media for use by computer programs.
 12. **"Electronic Data Processing Media"** means tapes or discs or other bulk media, whether magnetic or optical, on which Electronic Data are recorded.
 13. **"Electronic Funds Transfer Systems"** means those systems which operate automated teller machines or point of sale terminals and include any shared networks or facilities for said system in which the Assured participates.
 14. **"Electronic Security"** means a share, participation or other interest in property of or an enterprise of the issuer or an obligation of the issuer which
 - (a) is a type commonly dealt in upon securities exchanges or markets; and
 - (b) is either one of a class or series or by its terms is divisible into a class or series of shares, participations, interests or obligations; and
 - (c)
 - (i) is not represented by an instrument, or
 - (ii) is part of a master or global certificate; or
 - (iii) represents a paper certificate that has been surrendered by a financial institution and which paper certificate has been combined into a master depository note and the paper certificates are immobilised and such security is shown as an electronic entry on the account of the transferor, pledgor or pledgee on the books of a Central Depository.
 15. **"Electronic Transmission"** means the transmission of Electronic Data through data communication lines including by satellite links, radio frequency, infrared links or similar means used for the transmission of Electronic Data.
 16. **"Evidences of Debt"** means instruments executed by a customer of the Assured and held by the Assured which in the regular course of business are treated as evidencing the customer's debt to the Assured including records of charges and accounts receivable.
 17. **"Forged Signature"** means the handwritten signing of the name of another genuine person or a copy of said person's signature without authority and with intent to deceive; it does not include the signing in whole or in part of one's own name, with or without authority, in any capacity, for any purpose.
 18. **"Fraudulent Alteration"** means the material alteration to a Telefacsimile for a fraudulent purpose by a person other than the person who signed and prepared the instrument.
 19. **"Policy"** means the Proposal, the provisions in this document, any endorsement to it, whether at or after inception, and the Schedule.
 20. **"Schedule"** means the schedule attaching to this Policy.
 21. **"Service Bureau"** means a natural person, partnership or corporation authorised by written agreement to perform data processing services using Computer Systems.
 22. **"Service Bureau's Computer System"** means those Computer Systems operated by a Service Bureau and which are either owned by or leased to a Service Bureau.
 23. **"Telefacsimile"** means a system for transmitting written documents by means of electronic signals over telephone lines to equipment maintained by the Assured within a specially secured area for the purpose of reproducing a copy of said document. It does not mean electronic communication sent by telex, TWX or similar means of communication or through an Electronic Communication system
 24. **"Telephone Banking System"** means a telephone banking communications system as declared in the proposal form which provides customers of the Assured with direct access to the Assured's Computer System via an automated touch tone telephone service and which requires the use of a Tested code in order to effect any banking transactions but does not mean a private branch exchange, voice mail processor, automated call attendant or a computer system with a similar capacity used for the direction or routing of telephone calls in a voice communications network.
 25. **"Tested"** means a method of authenticating the contents of a communication by affixing thereto a valid test key which has been exchanged between the Assured and a customer, Automated Clearing House, Central Depository, another financial institution or between the offices of the Assured for the purpose of protecting the integrity of the communication in the ordinary course of business.
- WHENEVER ANY OF THE ABOVE TERMS 1 TO 25 INCLUSIVE APPEAR IN THIS POLICY, THE WORDS "AS DEFINED" SHALL BE DEEMED TO BE INCORPORATED IN THE TEXT IMMEDIATELY FOLLOWING EACH OF THE SAID TERMS.**

III. EXCLUSIONS

This Policy does not cover:

1. Loss resulting from any of the perils covered by the Assured's Financial Institution Bond.
2. Loss caused by an identifiable director or employee of the

- Assured or by a person or persons in collusion with said director or employee of the Assured.
- Prior knowledge by any employee that a fraudulent act by a person or persons, not in the employ of the Assured, has been or will be perpetrated, shall for the intent and purpose of this Policy be deemed to be collusion should said employee wilfully or deliberately withhold this knowledge from the Assured. The withholding of knowledge from the Assured by an employee because of a threat to do bodily harm to any person or to do damage to the premises or property of the Assured shall not be deemed to be or to constitute collusion.
3. Loss of potential income, including but not limited to interest and dividends.
 4. Indirect or consequential loss of any nature.
 5. Liability assumed by the Assured by agreement under any contract unless such liability would have attached to the Assured even in the absence of such agreement.
 6. All fees, costs and expenses incurred by the Assured
 - (a) in establishing the existence of or amount of loss covered under this Policy; or
 - (b) as a party to any legal proceeding except as provided by General Condition 6.
 7. Any loss or damage which arises directly or indirectly by reason of or in connection with war, 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. IN ANY CLAIM, and in any action, suit or other proceeding to enforce a claim under this Policy for loss or damage, the BURDEN OF PROVING that such loss or damage does not fall within this Exclusion shall be upon the Assured.
 8. Any loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, or
 - (b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
 9. Loss as a result of a threat
 - (a) to do bodily harm to any person, except loss of Electronic Data Processing Media or Electronic Data in transit in the custody of any person acting as messenger provided that when such transit was initiated there was no knowledge by the Assured of any such threat, or
 - (b) to do damage to the premises or property of the Assured.
 10. Loss of Electronic Data Processing Media or Electronic Data while in the mail or with a carrier for hire other than an armoured motor vehicle company.
 11. Loss of Electronic Data, Electronic Data Processing Media or Electronic Computer Programs except as valued under General Condition 12.
 12. Loss resulting directly or indirectly from
 - (a) written instructions or advices, or
 - (b) telegraphic or cable instructions or advices, or
 - (c) instructions or advices by voice over telephone, unless such instructions are covered under Insuring Clause 8, or
 - (d) Telefacsimile instructions or advices unless said Telefacsimile instructions or advices are covered under Insuring Clauses 5, 6 or 7.
 13. Loss resulting directly or indirectly from forged, altered or fraudulent negotiable instruments, securities, documents or written instruments used as source documentation in the preparation of Electronic Data or manually keyed in a data terminal.
 14. Loss of negotiable instruments, securities, documents or written instruments except as converted to Electronic Data and then only in that converted form.
 15. Loss resulting directly or indirectly from the accessing of any confidential information including but not limited to trade secret information, computer programs or customer information.
 16. Loss resulting from mechanical failure, faulty construction, error in design, latent defect, wear or tear, gradual deterioration, electrical disturbance, Electronic Data Processing Media failure or breakdown or any malfunction or error in programming or errors or omissions in processing.
 17. Loss resulting directly or indirectly from the fraudulent preparation, fraudulent modification, alteration or destruction of Electronic Computer Programs unless covered under Insuring Clauses 3 or 5.
 18. Loss by reason of the input of Electronic Data at an authorised electronic terminal of an Electronic Funds Transfer System or a Customer Communication system by a customer or other person who had authorised access to the customer's authentication mechanism.
 19. Loss resulting from fraudulent features contained in Electronic Computer Programs developed for sale to or that are sold to multiple customers at the time of their acquisition from a vendor or consultant.
 20. Loss resulting directly or indirectly from any Computer Virus unless covered under Insuring Clause 5
 21. Any loss
 - (a) sustained prior to the Retroactive Date or any loss involving any act, transaction, or event which occurred or commenced prior to the Retroactive Date, or
 - (b) discovered prior to the inception date of the Policy Period stated in the Schedule, or
 - (c) discovered subsequent to the termination of the Policy, or
 - (d) notified to a prior Insurer.
 22. Loss resulting directly or indirectly from a Telephone Banking System or from or arising out of the authorised or unauthorised use of a private branch exchange, voice mail processor, automated call attendant or a computer system with a similar capacity used for the direction or routing of telephone calls in a voice communications network or a cellular phone system, unless covered under Insuring Clause 1(c).

23. Any claim arising out of, based upon or attributable to, or in any way involving any actual or alleged act of money laundering. The burden of proving that any claim does not fall within this exclusion shall be upon the Assured.

IV. GENERAL CONDITIONS

1. COMPANION POLICY

The Lloyd's Electronic and Computer Crime Policy or such similar Policy is designed to be a companion policy to the Assured's Financial Institution Bond and is intended to provide coverage for computer related crime as defined in the Insuring Clauses which is not covered under the Assured's Financial Institution Bond. Since certain Insurer who are underwriting the Lloyd's Electronic and Computer Crime Policy may also be underwriting the Assured's Financial Institution Bond by either primary insurance, excess insurance or other contributing insurance or reinsurance and since it is their intention not to increase or double up their coverage to the Assured it is agreed that this Policy will not be deemed to be excess or co-insuring coverage.

2. EXCLUSIVE POLICY BENEFIT

It is agreed that the insurance granted herein shall be for the exclusive benefit only of the first named Assured herein and that in no event shall anyone other than said Assured have any right of action under this policy.

3. NOMINEES

Loss sustained by any nominee organised by the Assured for the purpose of handling certain of its business transactions and composed exclusively of its officers, clerks or other employees shall, for all the purposes of this Policy, be deemed to be loss sustained by the Assured.

4. ADDITIONAL OFFICES, CONSOLIDATION, MERGER OR PURCHASE BY THE ASSURED OF ANOTHER BUSINESS

If the Assured shall, during the Policy Period, establish any new branch offices, or add to the Assured's computer system, other than by merger or consolidation with, or purchase or other acquisition of the assets of another business, such branch offices or addition to the Assured's computer system shall be automatically covered hereunder from the dates of their establishment, without the requirement of notice to the Insurer or the payment of additional premium for the remainder of the Policy Period. In the event that the Assured shall during the Policy Period merge or consolidate with, or purchase, or otherwise acquire, the assets of another business, this Policy shall not afford any coverage of any kind for loss which either:

- (a) has occurred or may subsequently occur in any offices or premises; or
- (b) has arisen or may arise out of the assets or liabilities or other exposures acquired by the Assured, as the result of such merger, consolidation, purchase or acquisition unless the Assured shall:
 - (i) give written notice to the Insurer, prior to the effective date, of such merger, consolidation, purchase or acquisition, and
 - (ii) promptly provide the Insurer with all such further information as the Insurer may require, and
 - (iii) obtain the written consent of the Insurer to extend the coverage provided by this Policy in respect of such

merger, consolidation, purchase or acquisition, and

- (iv) give written notice to the Insurer of its agreement to the terms and conditions of coverage which are required by the Insurer consequent upon such merger, consolidation, purchase or acquisition, and
- (v) pay to the Insurer any additional premium.

Failure to give notice to the Insurer in accordance with paragraph (i) above or failure of the Assured to notify the Insurer of its agreement in accordance with paragraph (iv) above shall be an election by the Assured not to continue coverage.

Notification to the Insurer, as herein required, shall not have been accomplished unless provided by the Assured in writing and acknowledged in writing by the Insurer.

5. CHANGE OF CONTROL OF THE ASSURED

- (a) Liquidation, Etc.

In the event of the liquidation of the Assured, either voluntary or compulsory, or the appointment of a Receiver or Manager, or the entering into of any Scheme of Arrangement or composition with creditors, or the control of the Assured being taken over by any Government or by officials appointed by any Government or Governmental Authority or Agency, then this Policy shall immediately cease to afford any coverage of any kind for loss subsequently discovered and notified to the Insurer.

In the event of the liquidation, etc., as aforesaid, of any subsidiary of the Assured named in the Proposal Form and the Schedule, then this Policy shall immediately cease to afford any coverage of any kind for loss subsequently discovered and notified to the Insurer which arose in any manner from such subsidiary.

- (b) Change of Assets or Share Ownership

The Assured shall immediately advise the Insurer of any consolidation or merger with another business entity or any purchase, assignment, transfer, pledge or sale of assets or shares occasioning any change in ownership or control. As used in this General Condition, control means the power to determine the management or policy of a controlling holding company of the Assured by virtue of voting share ownership. A change in ownership of voting shares which results in direct or indirect ownership by a shareholder or an affiliated group of shareholders of ten percent (10%) or more of such shares shall be presumed to result in a change of control for the purposes of the required notice.

As a condition to continuation of this Policy, the Assured shall:

- (i) give written notice to the Insurer within thirty (30) days of the event, and
- (ii) promptly provide the Insurer with all such further information as the Insurer may require, and
- (iii) obtain the written consent of the Insurer to continue some or all of the coverage provided by this policy, and
- (iv) give written notice within ten (10) days to the Insurer of its agreement to the terms and conditions which are required by the Insurer consequent upon such change, and
- (v) pay to the Insurer any additional premium.

Failure to give notice to the Insurer in accordance with paragraph (b)(i) above or failure of the Assured to notify

the Insurer of its agreement in accordance with paragraph (b)(iv) above shall be an election by the Assured not to continue coverage.

Notification to the Insurer, as herein required, shall not have been accomplished unless provided by the Assured in writing and acknowledged in writing by the Insurer.

6. JOINT ASSURED

- (a) If two or more Assureds are covered under this Policy, the first named Assured shall act for all Assureds. Payment by Insurer to the first named Assured of loss sustained by any Assured shall fully release Insurer on account of such loss. If the first named Assured ceases to be covered under this Policy, the Assured next named shall thereafter be considered as the first named Assured.
- (b) Knowledge possessed or discovery made by any Assured shall constitute knowledge or discovery by all Assureds for all purposes of this Policy.
- (c) The liability of Insurer for a loss or losses sustained by all Assureds shall not exceed the amount for which Insurer would have been liable had all such loss or losses been sustained by one Assured.
- (d) Insurer shall not be liable for loss sustained by one Assured to the advantage of any other Assured.
- (e) It is agreed that the Insurance granted herein shall be for the exclusive benefit only of the first named Assured herein, and that in no event shall anyone other than said Assured have any right of action under this Policy.

7. LEGAL FEES AND LEGAL EXPENSES

The Insurer shall indemnify the Assured against reasonable legal fees and legal expenses incurred and paid by the Assured with the prior approval of the Insurer in the defence of any suit or legal proceeding brought against the Assured, with respect to which the Assured establishes that the act or acts which have been committed, or the events which have occurred, would entitle the Assured to recover under this Policy. Legal fees and legal expenses paid by the Insurer in defending any suit or legal proceeding shall be applied subject to General Condition No. 9 to the reduction of the Aggregate Limit of Indemnity and the Sub-Limit for the applicable Insuring Clause.

The Assured shall promptly give notice to the Insurer of the institution of any suit or legal proceeding referred to above and at the request of the Insurer shall furnish them with copies of all pleadings and other papers therein.

If multiple causes of action are alleged in any such suit or legal proceeding some of which causes of action, if established against the Assured, would not constitute a collectible loss under this Policy, including without limitation claims for punitive, consequential or other non-compensatory damages then the Assured shall bear for its own expense the legal fees and legal expenses incurred in the defence of such alleged causes of action.

If the amount of the Assured's loss is greater than the amount recoverable under this Policy, or if a Deductible is applicable, or both, the liability of the Insurer under the first paragraph of this General Condition is limited to the proportion of the legal fees and legal expenses incurred and paid by the Assured or by the Insurer that the amount recoverable under this Policy bears to the total of such amount plus the amount which is not so recoverable.

Such prorated amount shall be applied in reduction of the Aggregate Limit of Indemnity and the Sub-Limit for the applicable Insuring Clause.

The Insurer shall not be liable to indemnify the Assured for legal fees and legal expenses until after final judgement or settlement of any suit or legal proceeding.

The Insurer are not obligated to conduct the defence of such suit or legal proceeding referred to in the first paragraph of this General Condition. At the Insurer's election the Assured shall permit the Insurer to conduct the defence of such suit or legal proceeding, in the Assured's name, through legal representatives of the Insurer's selection. The Assured shall give all reasonable information and assistance that the Insurer shall deem necessary to the defence of such suit or legal proceeding. Legal fees and legal expenses paid by the Insurer in defending any suit or legal proceeding shall be applied to the reduction of the Aggregate Limit of Indemnity and the Sub-Limit for the applicable Insuring Clause.

If having elected to defend the Insurer pay legal fees and legal expenses in excess of their proportionate share of such fees and expenses the Assured shall promptly reimburse the Insurer for such excess.

The Assured shall not unreasonably withhold consent to a settlement by the Insurer of any suit or legal proceeding.

8. NOTIFICATION AND DISCOVERY OF LOSS

As a condition precedent to its right to be indemnified under this Policy, the Assured shall, as soon as possible and in any event within thirty (30) days after discovery by the Assured of any loss hereunder, give written notice thereof to the Insurer.

For the purposes of this Policy, discovery is deemed to occur at the time when the Assured first becomes aware of facts which would cause a reasonable person to believe that a loss of the kind covered by this Policy has been or will be incurred, regardless of when the acts, transactions or events causing or contributing to such loss occurred, and regardless of whether the Assured's knowledge is sufficient at such time to prove that such loss meets the terms and conditions of this Policy, and even though the amount or details of loss may not then be known.

Discovery is also deemed to occur when the Assured receives notice of an actual or potential claim in which it is alleged that the Assured is liable to a third party under circumstances which, if true, might constitute a loss of a type covered by this Policy, even though the amount or details of loss may not then be known.

All loss or losses discovered by the Assured which are attributable to the acts of omissions of one person, whether or not an Employee, or in which such person is concerned or implicated, shall be deemed to be one loss.

9. LIMIT OF INDEMNITY

- (a) The total liability of the Insurer for all loss or losses discovered during the Policy Period set forth in Item 7 of the Schedule of this Policy and including legal fees and legal expenses is limited to the Aggregate Limit of Indemnity stated in Item 7 of the Schedule of this Policy irrespective of the total amount of such loss or losses.

The Aggregate Limit of Indemnity shall be reduced by the amount of any payment made under this Policy. Upon

exhaustion of the Aggregate Limit of Indemnity by such payments the Insurer shall have no further liability:

- (i) to indemnify the Assured under any Insuring Clause(s) of this Policy for any loss or losses, and
- (ii) to indemnify the Assured for any legal fees and legal expenses, and
- (iii) to continue the defence of the Assured in the event that the Insurer elect to conduct the defence of any suit or legal proceedings. Upon notice by the Insurer to the Assured that the Aggregate Limit of Indemnity has been exhausted, the Assured shall assume all responsibility for its defence at its own cost.

(b) In addition to the Aggregate Limit of Indemnity being reduced, the Sub-Limit of any applicable Insuring Clause(s) stated in Item 8 of the Schedule shall be reduced by the amount of any payment made in connection with said Insuring Clause(s). Upon exhaustion of the Sub-Limit applicable to said Insuring Clause(s) by such payments the Insurer shall have no further liability:

- (i) to indemnify the Assured under said Insuring Clause(s) of this Policy for any loss or losses, and
- (ii) to indemnify the Assured for any legal fees and legal expenses incurred in connection with said loss or losses or in connection with said Insuring Clause(s),
- (iii) to continue the defence of the Assured in the event of the Insurer' election to conduct the defence of any suit or legal proceeding in connection with said loss or losses. Upon such notice by the Insurer to the Assured that the Sub-Limit has been exhausted, the Assured shall assume all responsibility for its defence at its own cost.

If by reason of payments made under this Policy the Aggregate Limit of Indemnity is reduced to an amount less than the amount stated for any Sub-Limit in Item 8 of the Schedule of this Policy, then the amount of any such Sub-Limit shall be reduced accordingly so that the total amount available under any Sub-Limit for any loss or losses, including legal fees and legal expenses, does not exceed the reduced amount remaining available under the Aggregate Limit of Indemnity.

The Aggregate Limit of Indemnity and any Sub-Limit shall not be reinstated in whole or in part by any recovery effected subsequent to any payment made under this Policy, unless such recovery is actually received by Insurer during the period stated in Item 4 of the Schedule or within twelve (12) calendar months thereafter.

If a loss is covered under more than one Insuring Clause the maximum amount payable with respect to such loss shall not exceed the largest amount remaining available under any one applicable Insuring Clause.

(c) Lost Securities: In the event that a loss of a security is settled through the use of a lost securities bond or indemnity agreement pursuant to General Condition 13, such loss, to the extent that during the Policy Period the Insurer are not called upon to pay under said lost securities bond or indemnity agreement, shall not reduce the Aggregate Limit of Indemnity or any Sub-Limit remaining for the payment of any loss or losses. However, any payment by the Insurer of such loss or under such lost securities bond or indemnity agreement shall be deemed to be a payment under this Policy.

The exhaustion or reduction of the Aggregate Limit of Indemnity or any Sub-Limit shall not affect the Insurer' obligations in connection with any lost securities bond or indemnity agreement issued prior to the exhaustion or reduction of the Aggregate Limit of Indemnity or any applicable Sub-Limit.

10. LEGAL PROCEEDINGS FOR RECOVERY OF LOSS

If the Insurer, after completing their investigation, do not pay a loss for which the Assured believes the terms, conditions and other provisions of this Policy entitle it to recover hereunder, the Insurer at the request of the Assured, shall submit to the jurisdiction of any court of competent jurisdiction of the India.

Service of process in any such legal proceedings shall be made upon the person(s) named in the Schedule who are duly authorised to accept Service of Process on behalf of the Insurer. In such legal proceedings instituted against any one of the Insurer, the other Insurers hereon shall abide by the final judgement of such Court or of any Appellate Court in the event of appeal.

Legal proceedings for recovery of loss hereunder shall not be brought until after three months from the Assured furnishing proof of loss, as stated in General Condition No. 9, nor after the expiration of two years from the discovery of such loss.

If the said two-year limitation period is prohibited by any law controlling the construction of this Policy, such limitation shall be deemed to be amended so as to equal the minimum period of limitation permitted by such law.

11. PROOF OF LOSS

Within six months of discovery of loss, the Assured shall furnish affirmative proof of loss to the Insurer, in writing, duly sworn to by the chief financial officer of the Assured together with full particulars. The onus of proof is upon the Assured in preparing its proof of loss with respect to a loss for which claim is made under any Insuring Clause to establish that such loss directly resulted from the Assured peril and not from economic conditions or other contributing causes.

12. BASIS OF VALUATION

Money

Any loss of money or loss payable in money shall be paid at the option of the Assured in the money of the country in which the loss was sustained or the equivalent thereof in the currency in which the limit of indemnity stated in Item 7 of the schedule is expressed determined at the rate of exchange at the time of payment of such loss.

Securities

The company shall settle in kinds its liability under this policy on account of a loss of any securities including Electronic Securities or at the option of the Assured shall pay to the Assured the cost of replacing such security determined by the market value thereof at the time of such settlement. In such of a loss of subscription conversion or redemption privileges through the loss of any security the amount of such loss shall be the value of such privileges immediately preceding the expiration thereof if such security cannot be replaced or has no quoted market value or if such privileges have no quoted market value their shall be determined by agreement or arbitration.

Computation

In determining the amount collectible under this Policy for any loss, all money received from any source whatsoever in connection with any matter from which a claimed loss has arisen, including payments and receipts of principal, interest, dividends, commissions and the like, whenever received, shall be deducted from the amount actually paid out, advanced, taken or otherwise lost. The value of all property received from any source whatsoever in connection with any matter from which a claimed loss has arisen, whenever received, shall likewise be deducted from the Assured's claimed loss.

Funds

The value of any foreign funds or currencies for the loss of which a claim shall be made, shall be determined by their closing market value on the last business day prior to the date of discovery of the loss. If there is no market price or value for the same on such day, then the value shall be as agreed between the Assured and the Insurer or in default thereof by arbitration.

Deductible

If this Policy is subject to a Deductible, or the aggregate Policy Limit in Item 8 of the Schedule remaining for the payment of any loss or losses is not sufficient in amount to indemnify the Assured in full for the loss of securities for which claim is made hereunder, the liability of the Insurer under this Policy is limited to the payment for, or the duplication of, so much of such securities as has a value equal to the amount collectible under the applicable Insuring Clause of this Policy.

Lost Securities

In the event of a claim in respect of a loss covered under this Policy of securities, the Assured shall, subject to the conditions stated below, first attempt to replace the lost securities by use of a letter of indemnity issued by it. In the event that it is unable to replace the lost securities by a letter of indemnity, the Assured shall, subject to the Insurer' prior consent, secure a lost securities bond for the purpose of obtaining the issuance of duplicate securities.

Electronic Data Processing Media

In case of loss of, or damage to, Electronic Data Processing Media used by the Assured in its business, Insurer shall be liable under this Policy only if such items are actually reproduced by other Electronic Data Processing Media of the same kind or quality and then for not more than the cost of the blank media plus the cost of labour for the actual transcription or copying of data which shall have been furnished by the Assured in order to reproduce such Electronic Data Processing Media, subject, of course, to the applicable Limit of Indemnity.

Other Property

In case of loss of, or damage to, any property other than foreign funds or currencies, securities or Electronic Data Processing Media, Insurer shall not be liable for more than the actual cash value of such property. Insurer may, at their election, pay the actual cash value of, replace or repair such property. Disagreement between Insurer and the Assured as to the cash value or as to the adequacy of repair or replacement shall be resolved by arbitration.

Electronic Data/Electronic Computer Programs

In case of loss of Electronic Data or Electronic Computer Programs, Insurer shall be liable under this Policy only if such Electronic Data or Electronic Computer Programs are actually reproduced by other Electronic Data or Electronic Computer Programs of the same kind or quality and then for not more than the cost of labour for the actual transcription or copying of data or programs which shall have been furnished by the Assured in order to reproduce such Electronic Data or Electronic Computer Programs subject, of course, to the applicable Limit of Indemnity. However, if such Electronic Data cannot be reproduced and said Electronic Data represents securities, or financial instruments having a value, including Evidences of Debt, then the loss will be valued as indicated in the Securities and Other Property paragraphs of this section.

14. CO-OPERATION

As a condition precedent to its right to be indemnified under this Policy, the Assured shall co-operate fully with the Insurer and their appointed representatives in all matters pertaining to any loss notified hereunder. The Assured shall, upon request and at times and places designated by the Insurer, provide for examination all pertinent records including audit records of its accounts and provide for interview any of its Employees or other persons, to the best of its ability and power. The Assured agrees to execute all papers and render all assistance to secure all rights, title, interest and causes of action as it may have against any person or entity in connection with any loss notified hereunder, and to do nothing to prejudice such rights or causes of action.

15. SUBROGATION, SALVAGE AND RECOVERY

It is agreed that the Insurer upon payment of any loss hereunder shall become subrogated to all rights, title, interest and causes of action of the Assured in respect of such loss.

In the case of recovery after payment of any loss hereunder, the amount recovered, after deducting the actual cost of obtaining or making such recovery but excluding the Assured's own labour or establishment costs, shall be applied in the following order:

- (a) to reimburse the Assured in full for the part, if any, of such loss which exceeds the amount of loss paid under this Policy (disregarding the amount of any Deductible applicable).
- (b) the balance, if any, or the entire net recovery if no part of such loss exceeds the amount of loss paid under this Policy, to the reimbursement of the Insurer.
- (c) finally, to that part of such loss sustained by the Assured by reason of the Deductible specified in the Schedule and/or to that part of such loss covered by any policy(ies) of Insurance of which this Policy is excess.

16. OWNERSHIP

This Policy shall apply to loss of property and loss of Electronic Data Processing Media and Electronic Data owned by the Assured, held by the Assured in any capacity or for which the Assured is legally liable. This Policy shall be for the sole use and benefit of the Assured named in the Schedule.

17. DEDUCTIBLE AMOUNT/NOTICE OF LOSS WITHIN DEDUCTIBLE

The Insurer shall be liable only in excess of the Deductible stated in Item 8 of the Schedule. The Deductible shall apply to each and every loss, irrespective of the number of such losses during the Policy Period.

The Assured shall, in the time and in the manner prescribed in this Policy, give Insurer notice of any loss of the kind covered by the terms of this Policy, whether or not Insurer are liable therefore, and upon the request of Insurer shall file with it a brief statement giving particulars concerning such loss.

18. TERMINATION OF POLICY UNDER SECTION TWO

This Policy shall terminate -

(a) immediately upon

(i) the happening of any of the events relating to a change in control of the Assured as set forth in General Condition No. 4(a),

(ii) the failure by the Assured to notify a change of assets or share ownership or otherwise comply with the terms as set forth in General Condition No. 4(b).

(iii) refusal by the Insurer to continue coverage following a change in ownership or control as set forth in General Condition No. 4(b).

(b) immediately as to any subsidiary of the Assured upon the happening of any event with regard to such subsidiary relating to a change in control or ownership of such subsidiary as set forth in General Condition No. 4.

(c) immediately upon receipt by the Insurer of a written notice from the Assured of its decision to terminate this Policy.

(d) Immediately upon expiry of the policy period as set forth in item 3 of the Schedule.

This Policy shall be terminated as to any Service Bureau

(a) as soon as any Assured, or any director or officer not in collusion with such person, shall learn of any dishonest or fraudulent act committed by any partner, director, officer or employee of any such Service Bureau at any time against the Assured or any other person or entity, without prejudice to the loss of any property then in transit in the custody of such person, or

(b) fifteen (15) days after the receipt by the Assured of a written notice from Insurer of their desire to terminate or cancel this Policy as to such person.

Termination of this Policy as to any Assured terminates liability for any loss sustained by such Assured which is discovered after the effective date of such termination.

This Policy shall terminate immediately upon exhaustion of the Aggregate Limit of Indemnity by one or more payments of loss hereunder, in which event the premium is fully earned.

19. ACTION AGAINST SERVICE BUREAU OR CUSTOMER

This Policy does not afford coverage in favour of any Service Bureau or customer as aforesaid, and upon payment to the Assured by the Insurer on account of any loss through fraudulent or dishonest acts committed by any of the partners, directors, officers or employees of such Service Bureau or customer whether acting alone or in collusion with others, an assignment of such of the Assured's rights and causes of action as they may have

against such Service Bureau or customer by reason of such acts so committed shall, to the extent of such payment, be given by the Assured to the Insurer, or to one of the Insurer designated by Insurer, and the Assured shall execute all papers necessary to secure to the Insurer, or to one of the Insurer designated by Insurer, the rights herein provided for.

20. FRAUD

If the Assured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claims there under shall be forfeited but no statement made by or on behalf of the Assured where contained in the proposal form or otherwise. Shall be deemed to be a warranty of anything except that it is true to the best of the knowledge and belief of the person making the statement.

SECTION THREE

THIS IS A CLAIM MADE POLICY WORDINGS

Whereas the Company has received a written proposal which written proposal and any attachments thereto or any information submitted in connection therewith (hereinafter collectively called the "Proposal Form") it is agreed shall form the basis of this Insurance, and has paid or promised to pay the premium specified in the Schedule, all provisions of the Proposal Form and said Schedule being hereby incorporated in and forming part of this Policy.

NOW THE COMPANY hereby undertakes and agrees, subject to the following terms, exclusions, limitations and conditions and any amendatory endorsements annexed hereto, to make good to the Assured, as stated in the Schedule, such direct financial loss sustained by the Assured subsequent to the Retroactive Date and discovered by the Assured during the Policy Period and notified to the Company during the Policy Period and subject always to the Aggregate Limit of Indemnity, Sub-Limits and Deductibles as stated in said Schedule.

I. INSURING CLAUSE

This Policy subject to its terms, exclusions, limitations and conditions provides an indemnity to the Assured in respect of the Assured's legal liability to third parties for any third party claim which meets the following requirements:

Any third party claim must:

- i) be for compensatory damages, such indemnity to include claimant costs and expenses including such damages and cost and expenses as result of the Assured's physical loss of or damage to document or securities but excluding however the intrinsic value of any property or face value of costs of reconstruction of any documents or any loss compensable under a Bankers Blanket Bonds or equivalent policy irrespective of the amount to thereof; and
- ii) be first made against the Assured during the policy period; and
- iii) be for financial loss caused by a negligent act, negligent error or negligent omission on the part of an Officer or Employee of the Assured; and
- iv) arise out of the ordinary course of the provision by the Assured of the financial services described in the Proposal Form; and

- v) be brought wholly or partly within the countries stated in Exclusive Jurisdiction of the Schedule, and
- vi) arise other than from any negligent act, negligent error or negligent omission which was or may have been or is alleged to have been committed or omitted (as the case may be) wholly or partly within the United States of America and/or Canada; if applicable and
- vii) relate other than to a negligent act, negligent error or negligent omission which was or may have been or is alleged to have been committed or omitted (as the case may be) before the Retroactive Date specified in the Schedule hereto.

II. CONDITIONS

1. LIMIT OF INDEMNITY

- a) The total liability (inclusive of claimant costs and the Assured's approved defence expenses and regardless of the total number or amount of third party claims made against the Assured) of the Company shall not exceed the sum stated in Item 7 of the Schedule, in the aggregate, for all third party claims made against the Assured during the Policy period.
- b) The Company may at any time pay to the Assured in connection with any third party claim or series of third party claims notified hereunder the amount of the Limit of Indemnity as shown in the Schedule (after deduction of any sum or sums already paid by the Company whether as costs and expenses or as compensation) or any lesser amount for which such claim or claims can be settled and upon such payment being made the Company shall be under no further liability in connection therewith and shall (except with respect to any subrogation action) relinquish the conduct and control of such claim or claims.
- c) Regardless of the number of years this Insurance has been in force or may continue to be in force and of the premiums paid or payable in respect thereof the liability of the Company shall not be cumulative in amount from year to year or from period to period and in no case shall exceed the sum stated in Item 7 of the Schedule.

2. DEDUCTIBLE

Subject to the Limit of Indemnity, the Company shall be liable only for that part of each and every third party claim during the Policy Period, including third party claimant costs and the Assured's approved defence expenses, which exceeds the Deductible stated in Item 8 of the Schedule.

The Deductible shall apply to each and every third party claim and shall be subject to no aggregate limitation.

If a series of third party claims shall result from any single negligent act, negligent error or negligent omission (or related series of negligent acts, negligent errors or negligent omissions) then, irrespective of the total number of claims, all such third party claims shall be considered to be a single third party claim for the purposes of the application of the Deductible.

3. RECOVERIES

All recoveries from third parties for payments made under this Policy shall be applied (after first deducting the costs

and expenses incurred in obtaining such recovery) in the following order of priority:

- i) The Assured shall first be reimbursed for the amount by which their legal liability exceeds the Limit of Indemnity provided by this Policy.
- ii) The Company shall then be reimbursed for the amount of their liability under this Policy.
- iii) Any remaining sum shall be applied towards reimbursement of the Deductible borne by the Assured under this Policy.

4. SUBROGATION

The Company agree to waive any rights of subrogation against any Officer or Employee of the Assured except where such Officer or Employee has the benefit of a separate relevant insurance.

5. DEFENCE AND DEFENCE COSTS AND EXPENSES

- a) The Company shall not be liable to pay any defence costs and expenses unless the express written consent of the Company is obtained prior to such costs and expenses being incurred, which consent shall not unreasonably be withheld.
- b) The Company shall not be required hereunder to assume the handling or control of the defence or settlement of any third party claim made against the Assured but shall have the right (but not the duty) to take over at any time the control of the defence or settlement or compromise of any third party claim which is or might be the subject of indemnity under this Policy if the Company in their discretion deem it appropriate to do so.
- c) Insofar as any third party claim or claims fall within the Limit of Indemnity provided hereunder, then the Company shall have discretion to negotiate a settlement thereof including the admission of liability if the Company deem it appropriate to do so and the Deductible stated in Item 8 of the Schedule hereto shall apply to any such settlement whether made with the Assured's consent or otherwise provided always that prior to any settlement or admission of liability being made the Company shall consult with the Assured who shall not unreasonably withhold their consent to such settlement and/or admission of liability.
- d) In the event of the Assured and the Company being unable to agree as to the proposed settlement and/or admission of liability then (at the election of either party) the dispute shall be referred to an arbitrator to be appointed jointly by the company and the Assured and his decision shall be binding on the Company and the Assured.
- e) If the Company appoints a representative to report to them upon any third party claim then those costs so incurred by the Company (as distinguished from defence costs and expenses) shall not form part of the Limit of Indemnity or the Deductible.

6. NON-ADMISSION OF LIABILITY

The Assured shall not admit liability for or settle any third party claim made against the Assured without the prior written consent of the Company. Nevertheless,

the Assured is not required to contest any legal proceedings unless Counsel, to be mutually agreed upon by the Assured and the Company (or if not so agreed, as determined in the manner set out in Clause 5 above in relation to the selection of Counsel), shall advise that such proceedings should be contested. The assured shall bear all the cost, penalties, award, interest and litigation expenses which are contested without the consent of Counsel and the Company shall not be liable for such aforesaid claim.

7. MEANING OF THIRD PARTY CLAIMS MADE AND NOTICE PROVISIONS

This Policy applies only to third party claims first made against the Assured during the Policy Period.

For the purposes of this Policy, a third party claim is considered to be made when the Assured first:

- a) receives a written demand for damages of the type covered by this Policy, including the service of suit or institution of legal or arbitration proceedings; or
- b) becomes aware of the intention of any person to make such a demand against them; or
- c) becomes aware of any fact, circumstance or event which could reasonably be anticipated to give rise to such a demand at any future time.

Written notice of any such third party claims made shall be given by the Assured at the earliest practical moment, but in any event within 30 days of the expiration date of the Policy Period stated in Item 3 of the Schedule.

Any subsequent legal proceedings for damages brought against the Assured as a direct result of any matter or matters for which written notice has been given under b) or c) above, whether such proceedings are brought during or after the expiration of the Policy Period, is considered to be a third party claim first made against the Assured at the time the Assured first became aware of the said matter or matters. It is agreed, however, that the Company shall have no liability for any such matter or matters which do not result in legal proceedings being brought against the Assured within six (6) years of the date of said written notice. Upon receipt of written notice of any third party claim (as defined above) the Company shall be entitled to appoint a representative to investigate the claim on their behalf and the Assured shall co-operate fully with any Company's representative in the conduct of his enquiries, including but not limited to making available to him all necessary information and documentation as he may require together with facilities for the interviewing of all the Assured's personnel whom the representative may consider to be relevant to his enquiries.

8. WARRANTY

It is warranted that the statements and particulars in the Proposal Form referred to in Item 6 of the Schedule and any supplementary information pertaining thereto provided by or on behalf of the Assured are the basis of this Policy and shall be deemed incorporated herein.

The Assured agrees, by acceptance of this Policy:

- a) that the statements and particulars in the Proposal Form, and any supplementary information, are their representations and that this Policy is issued in reliance upon the truth of such representations; and

- b) that in the event of the Proposal Form, or any supplementary information, containing misrepresentations which materially affect the acceptance of risk hereunder by the Company this Policy shall be void in its entirety and of no effect whatsoever.

9. FRAUDULENT CLAIMS

If the Assured shall make any claim for indemnity knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall be void in its entirety and of no effect whatsoever and all claims for indemnity hereunder shall be forfeited.

10. TERRITORY & JURISDICTION

- a) The indemnity provided by this Policy shall apply only to final judgements against the Assured in the Courts of the Country stated in Item 11 of the Schedule and not to judgements obtained elsewhere nor to judgements or orders obtained in the said Courts for the enforcement of judgements obtained elsewhere whether by way of reciprocal agreements or otherwise.
- b) It is agreed between the Company and the Assured that the premium for this Policy has been calculated accordingly and no consideration has been paid in respect of liabilities arising under any other law or the jurisdiction of any other Courts.
- c) Any legal proceedings commenced against the Company arising out of this Policy may be served upon the person(s) named in Item 10 of the Schedule who are duly authorised to accept service on their behalf.

11. MATERIAL CHANGES

a) Change of Control of the Assured

In the event of there being any change in the effective ownership or control of the Assured whether financial or otherwise and whether occurring by operation of law, voluntary act on the part of the Assured or by merger, purchase or sale of assets or shares or in any other way then cover under this Policy shall thenceforth cease in respect of all and any third party claim first made thereafter unless the Company agree in writing to the continuation of the Policy and then only upon such terms as may be stipulated by Company.

b) Merger, Purchase or Acquisition

In the event that the Assured shall merge with or purchase or otherwise acquire all or any of the undertaking, assets or liabilities of another business this Policy shall not afford any coverage of any kind for any third party claim which involves any act, error or omission which arises or occurs directly or indirectly out of or in relation to all and any of such undertaking, assets or liabilities or their acquisition unless and until the Assured shall have obtained the Company agreement in writing to the extension of cover under the Policy in relation to the same and then only upon such terms as may be stipulated by Company after full disclosure of all material facts by the Assured.

c) Other material changes

In the event of any other material change in the facts and circumstances disclosed to the Company in the

Proposal Form and supplementary information which may increase the risk accepted by the Company hereunder the Assured shall as soon as practicable give notice to the Company of any such change whereupon the Company may elect to terminate this Policy or to offer the Assured a continuation of cover on such revised terms and conditions as the Company may require.

12. TERMINATION OF POLICY UNDER SECTION 3

This Policy shall terminate -

- a) immediately in the event of the occurrence of any of the events providing for termination set forth in Condition 11;
- b) immediately as to any subsidiary of the Assured in the event of the occurrence of any of the events set forth in Condition 11 in relation to such subsidiary; unless in any such case the Company, after having been furnished with all relevant particulars relating to the event, have offered revised terms and conditions as to the continuation of cover and such terms and conditions have been accepted by the Assured;
- c) upon receipt by the Company of a written request by the Assured to terminate the Policy.

The Company shall refund any unearned premium computed at pro rata if terminated on the occurrence of any of the events provided for in Condition 11.

This Policy shall also terminate immediately upon exhaustion of the Limit of Indemnity by one or more payments made under this Policy in which event the premium is deemed to be fully earned.

III. DEFINITIONS

- 1. **The Assured** shall mean the entity first named in Item 2 of the Schedule and shall include any majority owned and controlled Banking subsidiary companies which are named therein and which are also named and included in the written Proposal Form.
- 2. **Officers and Employees** shall mean:
 - a) the Assured's officers also any full time and part time employees (including a Director of the Assured who is employed as an officer or other salaried employee) while acting in the ordinary course of their employment by the Assured, and
 - b) a Director of the Assured (other than one who is employed as an officer or other salaried employee) but only while performing acts coming within the scope of the usual duties of an officer or employee and not while acting in any other capacity, and for the avoidance of doubt shall not include agents or consultants or sub-contractors or independent professional advisers.
- 3. **United States of America and/or Canada** whosoever the same appear in this Policy shall include all and any colonies, dependencies, dominions and protectorates of the United States of America and/or Canada.
- 4. **Affiliate** shall mean any entity in which the Assured holds, directly or indirectly, less than 51% but more than 10% of the outstanding shares.

5. **Policy** means the Proposal, the provisions in this document, any endorsement to it, whether at or after inception, and the Schedule.

6. **Schedule** means the schedule attaching to this Policy.

IV. EXCLUSIONS

This Policy shall not indemnify the Assured in respect of:

- 1. Any legal liability assumed by the Assured
 - a) under the terms, conditions or warranties of any contract or agreement, or
 - b) by virtue of any waiver or release from liability of any third party, except to the extent that liability would have attached to the Assured in the absence thereof.
- 2. Any legal liability arising from or contributed to by any dishonest, fraudulent, criminal or malicious act or omission of the Assured or of any Director or of any Officer or Employee or of any sub-contractor or agent of the Assured.
- 3. Any legal liability arising from or contributed to by
 - a) any bodily, mental or emotional injury, sickness or disease, or by death, or
 - b) any loss of or damage to property, of any third party.
- 4. Any legal liability arising from or contributed to by any loss of or damage to any goods or other property, whether owned by the Assured, held by the Assured in any capacity or for which the Assured may be liable, except to the extent that coverage in respect of physical loss of or damage to documents or securities is offered within the insuring clause.
- 5. Any legal liability arising from or contributed to by any deliberate breach of any laws, enactments or regulations relating to all and any of the constitution, operation and conduct of the Assured and/or the business or operations of the Assured in all and any jurisdiction directly or indirectly relevant to any of the same.
- 6. Any legal liability arising from or contributed to by the Assured having refused to provide any financing or refused to fulfil any actual or alleged commitment to make any loan or transaction in the nature of a loan or a lease or an extension of credit, whether such commitment was authorised or unauthorised.
- 7. Any legal liability arising from any fact, circumstance or event wherein any third party claim against the Assured would be compensable under a Bankers Blanket Bond or equivalent policy irrespective of the amount thereof.
- 8. Any claim by or on behalf of or at the behest of the Assured's parent company, or any subsidiary or Affiliate of the Assured or of the Assured's parent company, or any company or other entity in which the Assured, or Officers or Employees of the Assured, have an executive or controlling interest.
- 9. Any third party claim arising out of the insolvency of the Assured.
- 10. Any third party claim involving or arising out of a fact, circumstance or event which occurred prior to the Retroactive Date hereof and/or which was notified to Company prior to the inception of this Policy.

11. Any third party claim involving or arising out of a fact, circumstance or event the awareness of which would cause a reasonable person to believe that it could give rise to a third party claim against the Assured and of which fact, circumstance or event the Assured was actually aware prior to the inception date of this Policy. For the avoidance of doubt it is declared and agreed that this provision is without prejudice to any rights of the Company to treat the said fact, circumstance or event as a non-disclosure or misrepresentation of a material fact entitling the Company to elect to treat this Policy as void from its inception.
 12. Any fines, penalties, punitive or exemplary damages and any multiple damages except for the single compensatory amount of damages prior to such multiplication.
 13. Any claim made against the Assured by or on behalf of or at the behest of any federal or state government, governmental body or governmental agency, except when acting solely in the capacity of a client of the Assured.
 14. Any suit or legal proceeding brought by or on behalf of or at the behest of a shareholder or shareholders of the Assured in their capacity as such.
 15. Any third party claim arising from or contributed to by depreciation (or failure to appreciate) in value of any investments, including securities, commodities, currencies, options and futures transactions, or as a result of any actual or alleged representation, guarantee or warranty provided by or on behalf of the Assured as to the performance of any such investments.
It is agreed however that this Exclusion 15 shall not apply to any loss due solely to negligence on the part of an Officer or Employee of the Assured in failing to effect a specific investment transaction in accordance with the specific prior instructions of a client of the Assured.
 16. Any legal liability arising from or contributed to by loss of value, surrender value or cancellation value of any leased product or service as a result of fluctuations in value of such product or service.
 17. Any third party claim for the reimbursement of fees, commissions, costs or other charges paid or payable to the Assured, or, any third party claim based upon allegations against the Assured of excessive fees, commissions, costs or other charges.
 18. Any legal liability arising from or contributed to by any failure to provide insurance of any kind, whether such failure concerns the amount, existence or adequacy of such insurance or otherwise.
It is agreed however that this exclusion 18 shall not apply to any loss due solely to negligence on the part of an officer or Employee to the Assured in failing to effect or maintain a specific insurance in accordance with the specific prior instruction of a client
 19. Any legal liability of whatsoever nature directly or indirectly caused by or arising from:
 - a) Ionising radiations or contaminations by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
 - b) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
20. Any third party claim emanating from any actual or attempted
 - a) merger, purchase or acquisition of another business by the Assured, or
 - b) purchase or sale transactions in the shares of the Assured, the Assured's parent company or any subsidiary or Affiliate, except however when the Assured is acting upon the specific instructions of a client of the Assured.
 21. Any legal liability arising from or contributed to by any actual or alleged seepage, pollution or contamination of any kind.
 22. Any legal liability which arises directly or indirectly by reason of or in connection with war, invasion, act of foreign enemy, hostilities (whether war has been declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, martial law, or the act of any lawfully constituted Assured.
 23. Any legal liability as a result of loss sustained by a third party arising from or contributed to by advice given by the Assured in connection with Hedging transactions.
It is agreed however that this Exclusion 23 shall not apply to any loss due solely to negligence on the part of an Officer or Employee of the Assured in failing to effect a specific Hedging contract in accordance with the specific prior instructions of a client of the Assured.
For the purposes of this exclusion Hedging means the arranging of one or more contracts specifically to protect against movement in prices or values, including but not limited to foreign exchange, commodities and securities of every description.
 24. Any claim arising out of, based upon or attributable to, or in any way involving any actual or alleged act of money laundering. The burden of proving that any claim does not fall within this exclusion shall be upon the Assured.

GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS

ARBITRATION

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.

If any difference arises as to the quantum to be paid under this Policy (liability being otherwise admitted), such difference shall be referred to arbitration, in accordance with the Indian Arbitration and Conciliation Act 1996, as amended, Such arbitration panel shall consist of one arbitrator selected by You, one arbitrator selected by Us, and a third independent arbitrator selected by the first two arbitrators in accordance with the provisions of the [Indian] Arbitration and Conciliation Act, 1996 (as amended). The arbitration shall be governed by Indian Law and the venue of arbitration shall be within India.

- i. All proceedings in any arbitration shall be conducted in English and a daily transcript in English of such proceedings shall be prepared

- ii. The cost of arbitration undertaken in accordance with this section shall be borne by the parties associated with the arbitration and shall share equally in the costs of the arbitration proceedings and presiding arbitrator
- iii. It is clearly agreed and understood that no reference to arbitration can be made if insurer has either not admitted or have disputed liability in respect of any claim under or in respect of this Policy
- iv. In the event that these arbitration provisions shall be held to be invalid then all such disputes or differences shall be referred to the exclusive jurisdiction of the Indian Courts.

It is further expressly agreed and declared that if the insurer shall disclaim liability in respect of any claim and is not within 12 calendar months from the date of such disclaimer be made the subject matter of a suit or proceeding before a Court of law or any other forum, it shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder

POLICY INTERPRETATIONS, FORUM SELECTION, SERVICE OF PROCESS

The construction, interpretation and meaning of the terms, exclusions, limitations and conditions of this Policy shall be determined in accordance with the law(s) of the India and in accordance with the English text as it appears in this Policy. Any disputes relating to the construction and enforcement of this policy shall be submitted to the exclusive jurisdiction of the courts of India.

In the event that the Insurer hereon do not pay the amount claimed by the Assured to be due hereunder, the Insurer hereon, and the Assured shall bring suit in a Court of competent jurisdiction of the India. Service of Process in any such legal proceedings shall be made upon the Person(s) named in the Schedule who are duly authorised to accept Service of process on behalf of the Insurer hereon. In such legal proceedings instituted against any one of the Insurer hereon, the other Insurer hereon shall abide by the final judgment of such Court or of any Appellate Court in the event of appeal.

EXTENDED REPORTING PERIOD

If this policy is terminated or non-renewed for any reason other than non-payment of premium or termination clause stated above in all sections, then any Assured shall have the right, upon payment of the additional premium set forth in Item 14(a) of the Schedule, to an extension of the coverage granted by this policy for the period set forth in Item 14(b) of the Schedule (Extended Reporting Period) following the effective date of termination or nonrenewal, but only for a third party claim occurring prior to the effective date of termination or nonrenewal. This right of extension shall lapse unless written notice of such election, together with payment of the additional premium due, is received by the Company within thirty (30) days following the effective date of termination or nonrenewal. Any claim made during the Extended Reporting Period shall be deemed to have been made during the immediately preceding Policy Period.

The offer of renewal terms and conditions different from those in effect prior to renewal shall not constitute a refusal to renew.

OTHER INSURANCE

This Insurance does not cover any loss which at the time when such loss is discovered is Assured by or would but for the existence of this Policy, be Assured by any other existing policy

or policies except in respect of any excess (not exceeding the Limits of this Policy) beyond the amount which would have been payable under such other policy or policies including any deductible applicable thereunder had this Insurance not been effected.

RENEWAL

The Company shall be under no obligation to renew the policy on expiry of the period for which premium has been paid. The Company 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 Company, 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.

CONDONATION IN DELAY OF CLAIMS

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

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

NOTICES

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 Assured, at the address specified in Policy Declaration.
 - b. In Our case: at the address specified in Policy Declaration.
- HDFC ERGO GENERAL INSURANCE COMPANY LIMITED
Corporate Claims Department
6th Floor, Leela Business Park,
Andheri Kurla Road, Andheri (E), Mumbai – 400059
Call Centre - 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.

CANCELLATION -

If Cancelled by Assured:

The first named Assured may cancel this insurance or any of its individual coverage's at any time by sending the company a written request or by returning the policy and stating when thereafter cancellation is to take effect. In the event of such cancellation the company shall retain premium for the period that this policy has been in force calculated in accordance with the scale provided in the table below

Period of Risk (Not Exceeding)	Short Period Rate Table (Not exceeding)
1 Week	10%
1 Month	25%
2 months	35%
3 Months	50%
4 months	60%
6 months	75%
8 months	85%
Exceeding 8 months	Total Premium

a) If Cancelled by Insurer:

The Company may cancel this insurance or any of its individual coverage's at any time by sending to the first named Assured a notice 60 days in advance of the cancellation date. Notice of cancellation will be mailed to the first named Assured's last known address, and will indicate the date on which coverage is terminated. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice. In the event of such cancellation the Insurer will return the pro-rata portion of the premium. However, no Refund of premium will be applicable if -

- i) If the Assured has notified or reported claim or any circumstances leading to claims under this policy document.
- Or
- ii) In the event of any fraud or misrepresentation.

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 Insurer 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. Duly 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**
- **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**

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

NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMEN CENTERS	
OFFICE DETAILS	JURISDICTION OF OFFICE (UNION TERRITORY, DISTRICT)
AHMEDABAD - Shri Kuldip Singh Office of the Insurance Ombudsman, Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06 Email: bimalokpal.ahmedabad@cioins.co.in	Gujarat, Dadra & Nagar Haveli, Daman and Diu.
BENGALURU - Smt. Neerja Shah 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 - Shri Guru Saran Shrivastava Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel Office, Near New Market, Bhopal – 462 003. Tel.: 0755 - 2769201 / 2769202 Fax: 0755 - 2769203 Email: bimalokpal.bhopal@cioins.co.in	Madhya Pradesh, Chattisgarh.
BHUBANESHWAR - Shri Suresh Chandra Panda Office of the Insurance Ombudsman, 62, Forest park, Bhubneshwar – 751 009. Tel.: 0674 - 2596461/2596455 Fax: 0674 - 2596429 Email: bimalokpal.bhubaneswar@cioins.co.in	Orissa.

NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMEN CENTERS	
OFFICE DETAILS	JURISDICTION OF OFFICE (UNION TERRITORY, DISTRICT)
CHANDIGARH - Dr. Dinesh Kumar Verma Office of the Insurance Ombudsman, S.C.O. No. 101, 102 & 103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017. Tel.: 0172 - 2706196 / 2706468 Fax: 0172 - 2708274 Email: bimalokpal.chandigarh@cioins.co.in	Punjab, Haryana (excluding Gurugram, Faridabad, Sonepat and Bahadurgarh) Himachal Pradesh, Union Territories of Jammu & Kashmir, Ladakh & Chandigarh.
CHENNAI - Shri M. Vasantha Krishna Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI – 600 018. Tel.: 044 - 24333668 / 24335284 Fax: 044 - 24333664 Email: bimalokpal.chennai@cioins.co.in	Tamil Nadu, Puducherry Town and Karaikal (which are part of Puducherry).
DELHI - Shri Sudhir Krishna Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.: 011 - 23232481/23213504 Email: bimalokpal.delhi@cioins.co.in	Delhi & Following Districts of Haryana - Gurugram, Faridabad, Sonepat & Bahadurgarh.
GUWAHATI - Shri Kiriti B. Saha 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 - Shri I. Suresh Babu 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 Fax: 040 - 23376599 Email: bimalokpal.hyderabad@cioins.co.in	Andhra Pradesh, Telangana, Yanam and part of Union Territory of Puducherry.
JAIPUR - Smt. Sandhya Baliga Office of the Insurance Ombudsman, Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141 - 2740363 Email: bimalokpal.jaipur@cioins.co.in	Rajasthan.
ERNAKULAM - Ms. Poonam Bodra Office of the Insurance Ombudsman, 2nd Floor, Pulinat Bldg., Opp. Cochin Shipyard, M. G. Road, Ernakulam - 682 015. Tel.: 0484 - 2358759 / 2359338 Fax: 0484 - 2359336 Email: bimalokpal.ernakulam@cioins.co.in	Kerala, Lakshadweep, Mahe-a part of Union Territory of Puducherry.

NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMEN CENTERS	
OFFICE DETAILS	JURISDICTION OF OFFICE (UNION TERRITORY, DISTRICT)
KOLKATA - Shri P. K. Rath Office of the Insurance Ombudsman, Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, KOLKATA - 700 072. Tel.: 033 - 22124339 / 22124340 Fax : 033 - 22124341 Email: bimalokpal.kolkata@cioins.co.in	West Bengal, Sikkim, Andaman & Nicobar Islands.
LUCKNOW - Shri Justice Anil Kumar Srivastava Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Naval Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 2231330 / 2231331 Fax: 0522 - 2231310 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, Brahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajganj, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar.
MUMBAI - Shri Milind A. Kharat Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 26106552 / 26106960 Fax: 022 - 26106052 Email: bimalokpal.mumbai@cioins.co.in	Goa, Mumbai Metropolitan Region excluding Navi Mumbai & Thane.
NOIDA - Shri Chandra Shekhar Prasad 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.noidea@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, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautambodhanagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur.
PATNA - Shri N. K. Singh Office of the Insurance Ombudsman, 1st Floor, Kalpana Arcade Building,, Bazar Samiti Road, Bahadurpur, Patna - 800 006. Tel.: 0612-2680952 Email: bimalokpal.patna@cioins.co.in	Bihar, Jharkhand.
PUNE - Shri Vinay Sah 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.: 020-41312555 Email: bimalokpal.pune@cioins.co.in	Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.