

## **DIGIT BANKERS INDEMNITY POLICY**

### **Policy Wordings**

**UIN: IRDAN158CPMS0014V01202526**

**Inside:**

**Let's get started!**

This Banker Indemnity Policy is designed to protect financial institutions against various types of operational risks and financial losses. While you're reading this policy, if you get confused or have any queries, or are referring to this policy because you have a claim to make, please call us at 1800-258-5956 or email us at [hello@godigit.com](mailto:hello@godigit.com).

Based on the declaration provided by You to us, **Go Digit General Insurance Limited** (hereinafter called 'the Company/DIGIT') which forms the basis of this policy contract, and having received your premium, we take pleasure in issuing this policy to you.

This Policy Wordings provides detailed terms, conditions and exclusions for all Sections available under this product. Kindly refer to the Policy Schedule to know exact details of Sections opted by You. Only Wordings, Terms and Conditions related to Sections mentioned in Your Policy Schedule are applicable. If the Section(s) and respective Sum Insured/Limits are not mentioned in the Policy Schedule means the same is/are not opted by You.

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# **DIGIT BANKERS INDEMNITY POLICY**

## **Policy Wordings**

### **PREAMBLE**

Whereas the Insured described in the Policy Schedule hereto (hereinafter called the "Insured") by a proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to Go Digit General Insurance Ltd (hereinafter called the Company) for the insurance hereinafter contained and has paid premium as consideration for such insurance during the period stated in the Policy Schedule or during any further period for which the Company may accept payment for the renewal or extension of this Policy.

The attention of the Insured is particularly drawn to each of the Insuring Clauses, Definitions, Exclusions and Conditions, and any amendatory endorsements/riders of this Policy.

In all communications the Policy Number appearing on the schedule should be quoted.

### **DEFINITIONS**

Definitions below are applicable to all sections. However, in case of any specific definitions mentioned under the respective section, same will be applicable for that section.

1. **Acceptance** means a bill of exchange upon which is signified by the drawee his assent to the order of the drawer.
2. **ATM** shall mean Automated Teller Machine of the Insured.
3. **Appraiser** refers to a professional who evaluates the securities jeweely ornament which are dealt by the bank or financial institution
4. **Bank** shall mean any entity licensed as a bank under Banking Regulation Act, 1949 and permitted by the Reserve Bank of India to carry on banking business in India.
5. **Basic sum insured:**
6. **Bill of Exchange** means an instrument in writing containing an unconditional order, signed by the maker, directing a certain person to pay a certain sum of money only to, or to the order of, a certain person or to the bearer of the instrument or such other instrument as may be specified in The Negotiable Instruments Act, 1881 from time to time.
7. **Bill of Lading** means a document of title issued by a carrier to the order of a shipper, acknowledging receipt of goods for transport and is transferable in favour of another person by endorsement and delivery.
8. **Burglary** means any theft following upon actual forcible and violent entry of and/or exit from the Premises of the Insured with an intent to commit a felony therein.
9. **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.
10. **Cheque** means a Bill of Exchange, drawn on a specified banker, and not expressed to be payable otherwise than on demand and it includes the electronic image of a truncated cheque and a cheque in the electronic form or such other instrument as may be specified in The Negotiable Instruments Act, 1881 from time to time.
11. **Counterfeit** means fraudulent or deceptive imitation of a genuine instrument with the intent to defraud. Fictitious instruments, which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed, are not counterfeit.
12. **Currency** is a system of money issued by a government or central bank, used as a medium of exchange for goods and services.
13. **Deductibles** means such amount or percentage of the loss or damage sustained by the Insured to be borne by the Insured before the compensation under the Policy shall become payable and shall not be reimbursed by the Company.
14. **Discovered or Discovery** means when any Responsible Officer first becomes aware of or has any knowledge of any facts which could reasonably be foreseen to give rise to a Loss covered by this policy, even though the exact amount or details of such Loss are not known at the time of such discovery.
15. **Draft** means an instrument containing an order to pay money, drawn by one office of a bank upon another office of the same bank for a sum of money payable to order on demand.
16. **Employee** of the Insured means:

- i. All officers, clerks, servants, whether permanent or temporary, whole time or part time, on contract or otherwise including any apprentice performing services for the Insured;
- ii. All persons providing services to the Insured under provided by an employment contractor to perform employee duties for the Insured under the Insured's supervision;
- iii. All existing Insured's retired officers or employees who have been retained by them as consultants, and
- iv. all existing persons engaged by the Insured as consultants, including consultants involved in the Insured's Data Processing activities, while acting in their capacity as such, and
- v. all existing guest student pursuing studies or duties in any of the Insured's premises

**17. Fidelity :** Loss resulting solely and directly from dishonest or fraudulent acts by Employees of the Insured, committed with the manifest intent to cause the Insured 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 by Employees. Notwithstanding the foregoing, 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 and directly from the dishonest or fraudulent acts by any Employee(s) of the Insured committed with the manifest intent to make and which results in improper financial gain for such Employee(s) other than salary, fees, commissions, promotions and other similar emoluments.

**18. Forgery or Forged Signature or Forged** as to the Signature" means an act of fraudulently making, altering or imitating the signature of another person with intent to deceive or defraud, however, it does not include signing of one's own name, with or without requisite authority, in any capacity, for any purpose.

**19. Hold-up** means when a person having some weapon threatens the Employees of the insured and there exists a possibility of actual physical threat to the person of the Employees or Customers of the Insured, while they are on the Premises

**20. Insured** means the Bank or financial institution named Policy Schedule and any Banking Subsidiary Companies in which the Insured have a controlling interest and which are listed in the Proposal Form.

**21. Insured premises** means the locations as specified in the Policy Schedule, where any branches or permanent or temporary office (ATM, Mobile Office & Cash Collection Center) or actually within any recognized place of safe deposit within India of the Insured are established, and which are duly licensed by the Reserve Bank of India

**22. Letter of Credit** means a written document issued to a beneficiary at the request of the Insured's customer in which the Insured (in its capacity as a Bank) promises to honor a demand for payment by the beneficiary in order to satisfy or secure the customer's debt in accordance with the terms and conditions of such document.

**23. Payment** of a Promissory Note means the discharge by the Insured of said Promissory Note and does not include the purchase, discount, sale, loan or advance of or on said Promissory Note.

**24. Period of Insurance** means the period from Commencement of Insurance Cover to the end of the Insurance Cover as per the Schedule

**25. Policy** means Insured's proposal, the schedule, Company's covering letter to the insured, insuring clauses, definitions, exclusions, conditions and other terms contained herein and any endorsement attaching to or forming part hereof, either at inception or during the period of insurance.

**26. Promissory Note** means an instrument in writing (not being a bank-note or a currency-note) containing an unconditional undertaking, signed by the maker, to pay a certain sum of money only to, or to the order of, a certain person, or to the bearer of the instrument at a stated time or on demand.

**27. 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, Bills of Exchange, Drafts, Certificates of Deposit, Letters of Credit, Promissory Notes, money orders, orders upon public treasuries, 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 records (but excluding records recorded electronically) used by the Insured in the conduct of their business, in which the Insured has an interest, or which are held by the Insured for any purpose or in any capacity

**28. Riot** refers to the violent disturbance of the public peace by three or more persons assembled for a common purpose.

**29. Retroactive period** means the period commencing from the retroactive date and terminating on the expiry date as shown in the Policy schedule. Retroactive date is the date when the risk is first incepted under a claims made policy and thereafter renewed without break in period of cover.

**30. Securities:** The term 'Securities' as used in this policy shall be deemed to mean Acceptances, Air/consignment Notes, Bank Money Orders, Bill of Exchange, Bill of Lading Bonds, Certificates of Deposits, certificates Of Shares, Stocks, Cheques, Coupons, Debenture, Demand Drafts, Express Postal Orders, Fixed Deposit Receipts issued by the Insured, Lorry Receipts, Lottery Ticket, Postal Receipts, Promissory Notes, Railway Receipts, Time Draft, warehouse Receipts, Mail Transfers, Travellers Cheques and draft and all other instruments of a negotiable character in respect of which, if negotiated by any holder, the Assured would have recourse against the innocent holder thereof.

- A. share certificates, bearer stock, certificates of stock, warrants or rights to subscribe, allotment letters, bonds, debentures or coupons issued 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 of India bonds and securities, certificates of indebtedness, bonds, coupons or warrants issued by the government of India or by any of its respective agencies, states, provinces, 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 Section C – Forgery & Alterations; or
- E. deeds of trust, mortgages upon real property and upon interests in real property and assignments of such mortgages; or
- F. Certificates of Deposit and Letters of Credit except when covered under Section C – Forgery & Alterations subject always to General Definitions

**31. Strike** refers to cessation of work or a temporary stoppage of normal and regular activity or work undertaken by some persons in support of the demands made on the Insured, as for higher pay or improved conditions of work.

**32. Sum Insured**

- a. Means the maximum specified limit, that the Insured is entitled to in respect of specific sections under this Policy.
- b. Basic sum insured is the primary limit opted under the policy, which floats across sections A to H unless otherwise specified in the policy schedule.
- c. Additional Sum insured can be opted under section A to H and the same will be specified against the respective sections in the policy schedule.

**33. Withdrawal receipts** means a written document in a form stipulated by the Insured which is provided to Customers having a Savings Bank Account with the Insured acknowledging withdrawal of funds by the Customers from Savings Bank Account.

**34. We, Us, Our, Ours, Digit, Company, Insurer** means Go Digit General Insurance Limited

**35. You, Your, Yours, Yourself, Policyholder, Insured** means the Person/ Entity named in the Policy Schedule.

## **COVERAGES**

Following sections are available under the product. Maximum liability of the Company under respective sections will be limited to the Sum Insured / Limit mentioned in the Policy Schedule, subject to applicable excess amount.

### **A. ON PREMISES**

Under this Section, the Company agrees to cover any property and/or securities for which the insured are responsible or interested in or the custody of which they have undertaken and which now are, or are by them supposed or believe to be or at any time during the period of insurance may be in or upon their own premises (including Mobile Offices) or upon the premises of their Bankers in any recognized place of deposit or lodged or deposited in the ordinary course of business for exchange, conversion with the issuers thereof, or with any agents of such insurers or any person employed to procure or manage the exchange, conversion registrations thereof, being ( while so in or on such premises or so placed, lodged or deposited as aforesaid) lost destroyed or otherwise made away by Fire, Riot and Strike, malicious damage & terrorist Risk, Burglary or Housebreaking, theft, robbery or hold-up, or being damaged, destroyed or misplaced howsoever by the employees of the insured or any other person or persons whomsoever.

### **B. IN TRANSIT**

Under this Section, the Company agrees to cover any property and / or securities being , stolen, misappropriated or made away with, whether due to fraud of the employees or authorised representatives. Such risk of transit to commence from the moment the same is received by the employee on behalf of the insured and to continue until delivery thereof at destination.

### **C. FORGERY & ALTERATIONS**

Under this Section, the Company agrees to cover the payment made in respect of the bogus or fictitious or forged or raised cheques and/ or drafts and /or genuine cheques and/or Traveller's cheque and / or Gift cheques and /or drafts and/or Fixed Deposit Receipts (excluding Bills of Discount and other credit facilities) issued by the insured bearing forged endorsements or the establishment of any credit to any customer on the faith of such documents whether received through the Counter or through the Clearing house or any Other means of communication authorized by the bank.

#### **C1. SECURITIES**

Loss resulting directly from the insured having, in good faith and in the ordinary course of business, acted upon any original securities

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 such securities by an Employee of the Insured is a condition precedent to the Insured'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.

#### **C2. COUNTERFEIT CURRENCY**

Loss by reason of the receipt by the Insured in good faith of any counterfeited or altered paper currency or coin issued or purporting to have been issued:

- a) by the Reserve Bank of India,
- b) Any other currency dealt by the bank or financial institution in the course of its operations abiding by The Indian banking regulations by any country in which the Insured's office sustaining the loss is located

**D. EMPLOYEE DISHONESTY/INFIDELITY**

Under this Section, the Company agrees to cover loss of property and / or securities due to dishonest, fraudulent, or criminal act committed by Employee(s) of the Insured, whether acting alone or in collusion with others, regardless of where the act was committed.

**E. HYPOTHECATED GOODS**

Under this Section, the Company agrees to cover losses caused by fraud and/or dishonesty by the insured's employee(s) involving any goods, land, or commodities that are pledged or hypothecated to the insured and under the Insured's control.

**F. REGISTERED POST PARCEL/COURIER**

Under this Section, the Company agrees to cover any loss by robbery, theft or by other causes not herein expected whilst in the direct transit or indented to be despatched by Registered Insured post from the office of the Insured to the consignee, provide that each parcel shall be insured with the Post Office.

Provided always that the Company's liability for any one consignment and /or loss is limited to percentage of the basic sum insured or any specific amount, as mentioned in the policy schedule, whichever is less.

**G. APPRAISERS**

Under this Section, the Company agrees to cover any loss resulting from infidelity or criminal acts on the part of Appraisers provided that such Appraisers are on the approved list of Appraisers maintained by the Insured and further provided that the Insured shall exercise reasonable precaution and safeguards in the selection and appointment of such Appraisers.

Provided always that Company's liability for any one loss or all losses during the period of insurance due to infidelity of criminal acts of each of such Appraisers will be limited to percentage of the basic sum insured or any specific amount, as mentioned in the policy schedule whichever is less.

**H. JANATA AGENTS / CHOTI BACHAT YOJANA AGENTS / PYGMY COLLECTORS**

Under this Section, the Company agrees to cover:

- i. loss of money due to theft, robbery, or hold-up while in the custody of Janta agents, Choti Bachat agents, pygmy collectors, or persons performing duties of like nature
- ii. losses due to infidelity or criminal acts by Janta agents, Choti Bachat Yojna agents, pygmy collectors, or persons performing duties of like nature.

Provide that such agents are regular part time commercial agents of the bank and are appointed after full scrutiny about there credentials guaranteed by two reliable independent persons subject to the conditions that the total liability during the period of insurance in respect of each such agents will be limited to percentage of the basic sum insured or any specific amount, as mentioned in the policy schedule, whichever is less.

The indemnity granted under this policy in respect of such direct losses will not exceed

- a. The Sum Insured hereby:
  - i. In respect of any loss or losses caused by acts and /or omissions of any employee(s) of the insured either singly or jointly with other Employee(s) or acts and/or omissions in which such a person is concern or implicated either as a single act and/or omission or a series of acts and/ or omissions, during any one period of insurance.
  - ii. In respect of any one event.
- b. Subject to (a) above twice the sum insured hereby in respect of all losses in any one period of insurance.

**PROVISIONS APPLICABLE TO THIS POLICY**

- a) **EXCESS or DEDUCTIBLE:** For each loss under Section A, B, C, D, E, F, G and H Insured shall bear the Excess/ deductible as mentioned in the policy schedule. Each loss in respect of each Dishonest or Criminal act shall be treated as a separate Loss.
- b) **REINSTATEMENT:** At all times during the Policy Period, the insurance cover will be maintained to the full extent considered and collectively during the subsisting of policy period which should not exceed the Sum Insured, in consideration of which, upon the settlement of any loss under this policy, pro- rata premium at the basic rate for

the unexpired period for the amount of such loss paid (not exceeding the respective sum insured) shall be payable by the insured to the Company. The additional premium referred to be above shall be deducted from the net claim amount payable under the policy. This cover to the full extent shall be available, notwithstanding any previous loss for which the Company have paid hereunder and irrespective of the fact whether the additional premium as mentioned above has been actually paid or not following discovery of a loss.

The intention of this clause is to ensure continuity of the cover to the insured subject only to the right of the Company for deduction from the claim amount when settled, of pro-rata premium to be calculated from the date of discovery of each independent loss till expiry of the policy under which the loss falls. Provided that the liability of the company will be limited to twice the respective Sum Insured during the entire period of the policy in respect of any loss or losses caused by acts and/or omissions of any persons.

**c) RETRO-ACTIVE PERIOD OF COVER:** The company shall not be liable

- i. For losses not discovered within the period of this insurance
- ii. In the event of Non-renewal or cancellation of this policy, for losses not discovered within six calendar months next following the date of expiry or the date of cancellation as the case may be (provided only that if there be any other insurance in force during the said six calendar months whether affected by the insured or otherwise this policy shall not cover or contribute to any loss covered by such other insurance). The reinstatement Provision will not apply to such losses discovered within six calendar months from the date of non-renewal or cancellation.
- iii. For any losses discovered or intimated after the date of cancellation advice by the insured in case of the policy has been cancelled at the request of the insured.
- iv. for losses not sustained within the retroactive period not exceeding the years as mentioned in the policy schedule, prior to the date of discovery of any such loss or losses

Provided that in such retroactive period the insurance was in continuously in force with the same company, but in no event the company shall be liable to pay any claim in respect of a loss or damage sustained prior to the inception of the original policy.

Further, provided that losses which became payable under this clause shall be subject to terms, conditions exceptions of the policy currently in force on the date of discovery.

**d) VALUATION OF SECURITIES:** In estimating the amount of any loss, the value of securities shall be taken at the average market price or value in India Rupees on the date of discovery of such loss (omitting Sundays and Holidays) and if there be no market price/or value for same or any of them on such day, then the value thereof shall be the value as agreed between the respective parties or in the event of difference as ascertained by arbitration.

**e) VALUATION OF JEWELLERY / ORNAMENT:** Value for the purpose of settlement of any claim in respect of jewellery/ornament under this Policy shall be as per the 100% value as recorded in the register of the bank at the time of pledging of jewellery or ornaments of value recorded in the bank's register after latest valuation.

## EXCLUSIONS

The Company shall not be liable in respect of, unless specifically agreed and indicated on the policy schedule

- a) Any loss or damage occasioned by or through or in consequence whether directly or indirectly of any of the following occurrences.
  - i. Earthquake, Volcanic Eruption, subterranean fire or any other convulsions of nature
  - ii. Flood, inundation, Hurricane, Typhoon, storm, Tempest, Tornado, Cyclone or Atmospheric disturbances (not applicable to mobile offices)
  - iii. War, Invasion, act of foreign enemy, hostilities or war like operation (whether war be declared or not), civil war.
  - iv. Mutiny, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.
  - v. Mysterious and Unexplainable Disappearance

Any loss happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly of any of the said occurrences shall be deemed to be loss which is not covered by this accept to the extent that insured shall prove that such loss happened independently of the existence of such abnormal conditions.

- b) Losses resulting wholly or partially from any negligent act or omission of the insured employee.
- c) Losses resulting wholly or partially from the wrongful act or default of any directors or partners of the insured other than salaried.
- d) Losses of any money and/or securities and/or personal property confided to the care of insured, normal value and description of which have not been ascertained by the insured before loss.
- e) Losses resulting directly/ or indirectly from trading, actual or fictitious, whether in the name of the insured or other wise and whether or not within the knowledge of the insured, and notwithstanding any act or omission on the part of any employee in connection therewith whether acting within the scope of authority or not or with any account recording the same.
- f) (i) Loss, destruction of or damage to any property whatsoever of any loss or expense whatsoever resulting or arising there from any consequential loss.  
 (ii) Any legal liability of whatsoever nature:  
 directly or indirectly caused or contributed to by or arising from ionising radiations or contamination by radioactivity from any source whatsoever or from nuclear weapon material.
- g) Losses attributable directly or indirectly to a manipulation or faulty computer or other EDP system and/or any fraudulent use of the computer or other EDP system by the employee or outsiders, irrespective of whether the computer or EDP system belongs to the insured or it is shared by the insured with other on service contract basis or otherwise.
- h) Losses due to any acts or omissions committed by the concerned employee(s) after the discovery of a loss in which the said employee(s) was involved.
- i) Losses arising directly or indirectly out of any use of automated teller machine.
- j) War and hazardous substances**  
 We do not cover treatment directly or indirectly arising from or required as a consequence of:
  1. War, invasion, acts of foreign enemy hostilities (whether or not War is declared), civil war, rebellion, revolution, insurrection or military or usurped power, mutiny, riot, strike, martial law or state of siege, attempted overthrow of Government; or
  2. Chemical contamination or contamination by radioactivity from any nuclear material whatsoever or from the combustion of nuclear fuel; or
  3. any acts of terrorism

#### **TERRORISM DAMAGE EXCLUSION WARRANTY:**

Notwithstanding any provision to the contrary within this insurance it is agreed that this insurance excludes loss, damage cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and / or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purpose including the intention to influence any government and/or to put the public, or any section of the public in fear.

The warranty also excludes loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to action taken in respect of any act of terrorism.

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expenses is not covered by this insurance the burden of proving the contrary shall be upon the insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Subject otherwise to the terms, conditions and exceptions of the policy.

## **GENERAL CONDITIONS**

### **1. NOTICE:**

Every notice or communication to be given or made under this policy shall be delivered in writing to the office of the company with which this insurance is affected.

### **2. MISDESCRIPTION:**

This Policy shall be void and all premium paid hereon shall be forfeited by the company in the event of misrepresentation, misdescription or non-disclosure of any material particular.

### **3. REASONABLE CARE:**

The insured shall take all reasonable steps to safeguard the property insured against any accident loss or damage and to secure all doors, windows and other openings and all safes, strong room etc.

### **4. CANCELLATION**

**Cancellation by Insured:** You may cancel this policy by sending 7 days written notice to Us. We will then allow a refund after retaining the premium based on the following table, subject to nil claims during the policy period.

**Short Period Scale**

<b>Period of cover up to</b>	<b>Rate of annual premium rate to be retained</b>
1 Month	25.00%
2 Month	37.50%
3 Month	50.00%
4 Month	62.50%
5 Month	75.00%
6 Month	100.00%

**Cancellation by Insurer:**

- i. We may cancel the policy by sending 7 days' notice to You. You will be entitled to pro-rata refund of premium for unexpired period of the policy from the date of cancellation, which are liable to repay on demand.
- ii. Policy may be cancelled by the Company on the grounds of misrepresentation, fraud, non-disclosure of material facts and non-co-operation by the insured. There will not be any refund if the policy is cancelled on grounds of misrepresentation, fraud or non-disclosure of material facts.

### **5. CONDITIONS PRECEDENT TO LIABILITY:**

It is a condition precedent to any liability under this policy that the insured shall comply in all material respect with the following: -

- a) **Premises:** The insured shall install the alarm system at all vulnerable branches of the bank/ financial institution. In respect of branches holding Rs.50 lacs not exceeding Rs. 1 crore apart from installing alarm system, the insured should have additional security agreements to safeguard the property insured against. In respect of the branches holding Rs 50 lacs not exceeding Rs. 1 crore apart from installing alarm system the insured shall make arrangements for every additional security to safeguard the property insured against.
- b) For cash in transit exceeding Rs. 5lacs and upto Rs. 10 lacs one escort with firearm can be provided. For cash in transit exceeding Rs. 10 lacs, two guards with fire arms shall escort, out of which one sit along with driver and other at the rear irrespective of whether the insured's own vehicle is used or whether a private vehicle is engaged.

A manual of instructions covering the procedure for money/and securities shall be kept on the premises. Joint custody shall be established and maintained for safeguarding of –

- i. Money or securities while in safes or vaults.
- ii. all keys to safes and vaults, and
- iii. codes, cyphers and test keys.

Joint custody means the handling of the above in the presence of or under the observation of at least one other

person, such person being equally accountable for the physical protection and safeguarding of the various security items including money locks and combinations of vaults and safes must be arranged that no one person can open them alone.

Dual control shall be established and maintained for handling of

- i. All types of securities, negotiable and non-negotiable instruments and unissued and blank forms of said items.
- ii. The reserve supply of official cheques, drafts and unissued traveller's cheque.
- iii. Dormant accounts of depositors.
- iv. Codes, cyphers, and test keys.

(Dual Control means the work of one person in processing transaction being verified by the second person and both sharing the accountability.

There should be joint rotation of employees handling money and /or securities

In addition of the normal audit of the books of accounts of the business by the insured's statutory auditor there shall be a review of internal controls at least once in two financial years at all premises.

Premises including Insured's computer centres and facilities at which the business is carried on and shall retain the cards relating to such review.

## 6. 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 Insured and the Insurer or in default thereof by arbitration. If, however, such securities or foreign funds or currencies shall be replaced by the Insured with the approval of the Insurer, the value shall be the actual cost of replacement.

If the applicable coverage of this Policy is subject to a deductible/ excess amount as specified in the Policy schedule and/or is not sufficient in amount to indemnify the Insured in full for the loss of securities for which claim is made hereunder, the liability of the Insurer is limited to the 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 Insured 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 Insured in order to reproduce such books and other records.

### c. PROPERTY OTHER THAN FOREIGN CURRENCIES, SECURITIES OR RECORDS

In case of loss or damage to any Property other than foreign currencies, securities, books of account or other records, the Insurer shall not be liable for more than the actual cash value of such Property. The Insurer may, at its election, pay the actual cash value of, replace or repair such Property.

## 7. SANCTION CLAUSE

We 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 or such benefit would expose **Us** to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America, or any other applicable jurisdiction.

## 8. CLAIM NOTIFICATION & PROCEDURE

It is a condition precedent to Our liability, that on the discovery of any act or default or any circumstances which may give rise to a claim, You shall:

- a. forthwith give written notice to the issuing office of the Insurer, immediately and, in any event, within 7

days of such discovery.

- b. report the loss to the Police immediately and in any event within 24 hours of its discovery and obtain the FIR.
- c. take all reasonable steps to minimize the quantum of any Claim that may be made and/or any further loss that might arise, and
- d. expeditiously and at Your cost provide Us and Our representatives and appointees with access to and all of the information, assistance, records and documentation in relation to the loss and Our liability hereunder that might reasonably be incurred.
- e. In case the claim is not settled within the specified timelines, then the claimant is entitled for interest as per the rate specified in prevailing regulatory provisions.

## 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 limits the Insurer's total liability for all losses during the Policy Period as specified in the Policy schedule 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 specified in the Policy Schedule) as follows:
  - i. that the total liability of the Insurer on account of any loss of losses or series of losses caused by acts or omissions of any person whether one of the Employees of the Insured 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 liability mentioned in the Policy 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 liability of the applicable Insuring Clause stated in the Policy Schedule; and
  - iii. that, should more than one Insuring Clause apply, the total liability of the Insurer shall not exceed the Limit of liability under one of the applicable Insuring Clauses stated in the Policy Schedule and in no event shall each Limit of liability 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 Policy Limits stated in the Policy Schedule.
- c. **Deductible:** The Insurer shall be liable only in excess of the deductible of the applicable Insuring Clause stated in the Policy 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 Insured subsequent to the Retroactive Date.
- d. **Ultimate Net Loss** shall mean the actual net loss to the Insured after making proper deduction for all recoveries including but not limited to payments against principal, interest and commissions and salvages (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 Insured incurred in the investigation or adjustment of claims, actions or proceedings, unless specially agreed by the 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. EXAMINATION OF BOOKS OF ACCOUNTS.

In case of any loss to the insured, if required by the company, the agents of the company shall be entitled at all reasonable time to examine into the circumstances of the such loss and the insured shall on being required so to do by the company produce all books, accounts, receipts and documents relating to or containing entries relating to the loss in his possession and furnish copies of the extracts from such of the documents as may be required by the company so far as they relate to such claim or will in any way enable the company ascertain the correctness or the liability of the company under this policy.

## 11. SALVAGE & RECOVERY

In case of recovery on account of any loss covered under this policy, the amount recovered, after recovering the actual cost of obtaining or making such recovery but excluding the assured's on layout and/or establishment costs, shall be applied in the following order: -

- i. To reimburse the Assured in full for a 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 or if payment thereof shall have been made, to the reimbursement of the underwriters.
- iii. Finally to that part of such losses sustained by the Assured by reason of any excess or deductible clause as specified in the schedule or to that part of such loss covered by any policy(ies) of which this policy is excess.

#### **12. SUBROGATION:**

The insured and any claimant under this policy shall at the expense of the company do and concur in doing and permit to done all such acts and things as may be necessary or reasonably required by the company for the purpose of enforcing any rights and remedies or of obtained relief or indemnity from other parties to which to which the company shall be or would became entitled or subrogated upon the company paying for or making good any loss or damage under this policy whether such acts and things shall be or become necessary or required before or after the insured's indemnification by the company.

#### **13. CONTRIBUTION**

If at the time of any loss covered by this policy there shall be any other insurance covering the same property whether effected by the insured or not, then the company shall not be liable for more than its rateable proportion thereof.

#### **14. FRAUD**

If any claim under this policy shall be in any respect fraudulent or if any fraudulent means or devices are used by insured or any one acting on the insured's behalf to obtain any benefit under this policy, all benefits under this policy shall be forfeited.

#### **15. RENEWAL**

The Company shall not be bound to accept any renewal premium nor give notice that such is due. Every renewal premium (which shall be paid and accepted in respect of this Policy) shall be so paid and accepted upon the distinct understanding that no alteration has taken place in the facts contained in the proposal or declaration herein before mentioned and that nothing is known to the Insured that may result to enhance the risk of the Company under the guarantee hereby given. No renewal receipt shall be valid unless it is on the printed form of the Company and signed by an authorized official of the Company. On renewal, the benefits provided under the policy and/or terms and conditions of the policy including premium rate may subject to change.

#### **16. Jurisdiction:**

This policy shall be governed by the laws of India and is subject to the exclusive jurisdiction of the courts of India.

#### **17. POLICY DISPUTES**

Any dispute concerning the interpretation of the terms, conditions, limitations and/or exclusions contained herein is understood and agreed to by both the Insured and the Company to be subject to Indian Law.

#### **18. ARBITRATION CLAUSE**

The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy. Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

#### **19. OBSERVATION OF TERMS AND CONDITIONS**

The due observance and fulfilment of the terms, conditions and endorsements of this policy in so far as they relate to anything to be done or compiled with by the insured shall be a condition precedent to any liability of the company to make any payment under the policy.

#### **20. 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 Insured, or the appointment of a receiver or manager, or the entering into of any scheme of arrangement or composition with creditors
- b) The Insured 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 Insured 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 Insured shall promptly provide the Insurer with such further information as the Insurer shall require and then the Insured shall pay such additional premium as the Insurer may require consequent upon such change.

However, failure to report such transactions within 30 (thirty) days of the date of such transaction shall be an election by the Insured to terminate this Policy as of the commencement of the thirty day period. Reporting of the transaction shall not have been accomplished by the Insured unless acknowledged in writing by the Insurer.

## 21. OTHER INSURANCE OR INDEMNITY

This Insurance does not cover any loss which at the time when such loss is discovered is insured by or would but for the existence of this Policy, be insured by any other existing policy or policies except in respect of any excess (not exceeding the Policy limits as specified in the Policy Schedule) beyond the amount which would have been payable under such other policy or policies including any deductible applicable there-under had this Insurance not been effected.

This Insurance shall apply only as excess over any insurance, whether such other insurance is stated to be primary, contributing, excess or contingent, and/or indemnity obtained by the Insured or by a Security or Armoured Motor Vehicle Company or by another entity on whose premises the loss occurred or which employed the person causing the loss or the messenger conveying the Property involved.

## 22. SUPERSEDED COVER

With respect to any loss set forth in sub-section (a)(i) of General Condition (10) Limit of Liability of this Policy which is recoverable in whole or in part under any other bonds or policies issued by the Insurer to the Insured or to any predecessor in interest of the Insured and terminated or cancelled 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 Insurer 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 Insured 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 the Insurer and terminated, cancelled or allowed to expire, the Insurer, with respect to any loss sustained prior to such termination, cancellation or expiration and discovered within the period permitted under such other bonds or policies for the discovery of loss thereunder, 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.

## CUSTOMER GRIEVANCE REDRESSAL POLICY

In case of any grievance the insured person may contact the company through

Website: [www.godigit.com](http://www.godigit.com)

Toll Free: 1-800-258- 4242

Email: [hello@godigit.com](mailto:hello@godigit.com)

Senior citizens can now contact us on 1-800-258-4242 or write to us at [seniors@godigit.com](mailto:seniors@godigit.com)

Insured person may also approach the grievance cell at any of the company's branches with the details of grievance

If Insured person is not satisfied with the redressal of grievance through one of the above methods, insured person may contact the grievance officer at [grievance@godigit.com](mailto:grievance@godigit.com)

For updated details of grievance officer, kindly refer the link: → [Click Here](#)

If Insured person is not satisfied with the redressal of grievance through above methods, the insured person may also approach the office of Insurance Ombudsman of the respective area/region for redressal of grievance as per Insurance Ombudsman Rules 2017

Grievance may also be lodged at IRDAI Integrated Grievance Management System- <https://irdai.gov.in/igms1>

The contact details of the Insurance Ombudsman Centres are mentioned below: (Note: Address and contact number of Governing Body of Insurance Council).

Sl. No	Office of Insurance Ombudsman	Address	Email	Landline NOs.
1	AHMEDABAD	Jeevan Prakash 6th floor Near S.V. College Relief Road Tilak Marg Ahmedabad- 380 001. Gujarat	E-mail: oio.ahmedabad@cioins.co.in	079-25501201, 079-25501202
2	BENGALURU	Jeevan Soudha Building, PID No.57-27-N-19, Ground Floor. No. 19/19 24th Main Rd. 1st Phase J.P. Nagar Bengaluru- 560 078.	Email: oio.bengaluru@cioins.co.in	080-26652048, 080-2665 2049
3	BHOPAL	UC of India Zonal Office Bldg. 1st Floor, South Wing, Jeevan Shikha, Opp. Gayatri Mandir 60-B Hoshangabad Road Bhopal-462 011	Email: oio.bhopal@cioins.ca.in	0755-2769201, 0755-2769202, 0755-2769203, 0755-2769200
4	BHUBANESWAR	62 Forest Park, Bhubaneswar PIN -751 009.	Email: oio.bhubaneswar@cioins.co.in	0674-2596455, 0674-2596429, 0674-2596003, 0674-2596461
5	CHANDIGARH	Jeevan Deep, Ground Floor LIC of India Bldg, SCO 20-27 Sector 17-A. Chandigarh -160017	E-mail: oio.chandigarh@cioins.co.in	0172-2706468, 0172-2773101, 0172-2990938, 0172-2706196, 0172-2707468, 0172-2772101, 0172-2990942
6	CHENNAI	Fatima Akhtar Court, 4th fir 453 (old 312), Anna Salai Tevnampet. Chennai 600018	E-mail: oio.chennai@cioins.co.in	044-24333668, 044-24333678
7	DELHI	2/2 A 1st Floor. Universal Ins. Buildina. Asaf Ali Road New Delhi- 110002.	Email : oio.delhi@cioins.co.in	011-46013992
8	GUWAHATI	Jeevan Nivesh Bldg. 5th Floor Near Pan Bazar S.S. Road Guwahati-781001	E-mail: oio.auwahati@cioins.co.in	0361-2631307, 0361-2632204 0361-2732937, 0361-2632205
9	HYDERABAD	6-2-46 1st Floor Moin Court Lane Opp. Hyundai Showroom A. C. Guards. Lakdi-ka-pool, Hyderabad 500004	E-mail: oio.hvderabad@cioins.co.in	040-23376991, 040-23312122 040-23376599, 040-23328709
10	JAIPUR	Jeevan Nidhi II, Ground Floor Bhawani Singh Road Ambedkar Circle Jaipur -302005.	E-mail: oio.jaipur@cioins.co.in	0141-2740363
11	KOCHI	10th Floor LIC Bldg, Jeevan Prakash OPP Maharaj College Ground M.G. Road, Ernakulam Kochi- 682011	E-mail: oio.ernakulam@cioins.co.in	0484-2358759, 0484-2358734, 0484-23S8336
12	KOLKATA	7th Floor of Hindustan Building (Annex). 4 CR Avenue Kolkata-700072	E-mail: oio.kolkata@cioins.co.in	033-22124339, 033-22124341
13	LUCKNOW	Jeevan Bhavan Phase II, 6th Floor Nawal Kishore Road, Hazratgani, Lucknow- 226001,	E-mail: oio.lucknow@cioins.co.in	0522-4002082
14	MUMBAI	3rd Floor, Jeevan Seva Annexe, S.V.Road Santacruz West Mumbai-400 054.	E-mail: oio.mumbai@cioins.co.in	022-69038800, 022-69038827 /8829, 022-69038831/8832
15	NOIDA	Bhagwan Sahai Palace 4th fir, Main Road Nava Bans Sector 15 Noida-201301	E-mail: oio.noida@cioins.co.in	0120- 2514252, 0120-2514253, 0120-4027589
16	PATNA	2nd Floor Lalit Bhawan Bailey Road. Patna- 800001	E-mail: oio.patna@cioins.co.in	061-22547067, 061-22547068
17	PUNE	3rd Floor Jeevan Darshan -LIC of India Bldg N.C. Kelkar Road Narayan Peth Pune- 411030.	Email: oio.pune@cioins.co.in	020-24471175
18	THANE	2nd Floor Jeevan Chintamani Building, Vasantrao Naik Mahamarg, Thane (West), Thane - 400604	Email: oio.thane@cioins.co.in	022-20812868, 022-20812869

Note: COUNCIL FOR INSURANCE OMBUDSMAN ,3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 – 69038801/03/04/05/06/07/08/09 Email: [inscoun@cioins.co.in](mailto:inscoun@cioins.co.in)

For updated details of Ombudsman details, request to please check Council of Insurance Ombudsmen website available on <https://www.cioins.co.in/Ombudsman>

## **ENDORSEMENTS UNDER THIS POLICY**

The Product has following endorsements available under the product which will be applicable if specifically opted by the proposer and mentioned in the Policy Schedule:

S. No	Endorsement Cover name
1.	Computer and Electronics Crime
2.	Error/Omissions/ fraud & dishonesty of employee in the provision of professional services, to cover losses due to inadequate or failed internal processes, people and systems
3.	Loss of Keys
4.	Cost of reconstruction of documents as a result of a covered peril
5.	Spurious Gold cover
6.	Legal fees
7.	Investigation Costs
8.	Additional costs of working including renting fee for additional premises, costs of additional external workforce, costs related to transportation of equipment or documents.
9.	Locker Liability
10.	Offices and Contents
11.	Stop Payment Liability
12.	Confiscation
13.	Terrorism Cover

### **ENDORSEMENT 1. COMPUTER AND ELECTRONICS CRIME**

In consideration of the payment of an additional premium, the Company hereby undertake and agree, subject always to the terms, conditions and exclusions of this policy, to indemnify the Insured in excess of the amounts of the Deductible applicable against such direct financial loss as is provided for herein sustained by the Insured subsequent to the Retroactive Date and first discovered by the Insured during the Policy Period stated and notified in accordance with the terms and Conditions in the Schedule, up to an amount not exceeding the Aggregate Limit of Indemnity stated in the Schedule.

The Company will, as part of and subject to the relevant policy limit specified in the schedule, the applicable deductible and other terms and conditions of this policy, will provide an indemnity for claims made in respect of the following losses:

#### **Insuring Clause 1: Computer Systems**

By reason of the Insured 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

- a) the Insured's Computer System; or
- b) a Service Bureau's Computer System; or
- c) any Electronic Funds Transfer System; or
- d) 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 Insured'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 Insured's Computer System.

which fraudulent acts were instructed by or committed by a person who intended to cause the Insured to sustain a loss or to obtain financial gain for himself or any other person.

#### **Insuring Clause 2: Electronic Computer Programs**

By reason of the Insured 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 Insured to sustain a loss or to obtain financial gain for himself or any other person.

### **Insuring Clause 3: Electronic Data and Media**

By reason of

- a. malicious alteration or destruction or attempt thereat of Electronic Data by any person while the Electronic Data are stored within the Insured'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 Insured or in the custody of a person designated by the Insured 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 Insured 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 Insured 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 Insured 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 Insured's Computer System, provided that the Insured is the owner of such Electronic Computer Programs or is legally liable for such loss or damage.

### **Insuring Clause 4: Computer Virus**

By reason of

- a. the Insured 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 thereat of the Insured's Electronic Data due to a Computer Virus caused by any person while such Electronic Data are stored within the Insured's Computer System or a Service Bureau's Computer System; and
- b. the destruction or attempt thereat of the Insured's Electronic Data as the result of a Computer Virus caused by any person while such Electronic Data are stored within the Insured's Computer System or a Service Bureau's Computer System.

### **Insuring Clause 5 Electronic and Telefacsimile Communications**

By reason of the Insured 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 Insured authorizing 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 Insured's Computer System or to the Insured's Communications Terminal and fraudulently purport to have been sent by a customer, Automated Clearing House, an office of the Insured, or another financial institution but which communications were either not sent by said customer, Automated Clearing House, an office of the Insured, or another financial institution or were fraudulently modified during the physical transit of Electronic Data Processing Media to the Insured or during Electronic Transmission to the Insured's Computer System or to the Insured'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 authorized person other than the individual initiating the transfer request and any such Telefacsimile must also bear a Forged Signature or Fraudulent Alteration.

**Insuring Clause 6: Electronic Transmissions**

By reason of a customer of the Insured, 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 Insured to its customer, an Automated Clearing House or a financial institution authorizing 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 Insured or were the direct result of fraudulent modification of Electronic Data during physical transit of Electronic Data Processing Media from the Insured or during Electronic Transmission from the Insured's Computer System or the Insured'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 Insured's Computer System or during Electronic Transmission from the Insured's Computer System into the customer's Computer System while the Insured is acting as a Service Bureau for the said customer; and

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

**Insuring Clause 7: Electronic Securities**

By reason of a Central Depository having transferred, paid or delivered any funds or property or debited any account of the Insured on the faith of any electronic communications purporting to have been directed by the Insured to the Central Depository authorizing the transfer, payment or delivery of said funds or property or the debiting of the Insured'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 Facsimile, 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 Insured to the Central Depository but which communications were either not sent by the Insured to the Central Depository or were fraudulently modified during physical transit of Electronic Data Processing Media from the Insured or during Electronic Transmission from the Insured's Computer System or the Insured's Communications Terminal to the Central Depository and for which loss the Insured is legally liable to the Central Depository.

**Insuring Clause 8: Voice Initiated Transfers**

By reason

- a. the Insured having transferred any funds or delivered any property on the faith of any voice initiated instructions directed to the Insured authorising the transfer of funds or delivery of any property in a Customer's account to other banks or financial institutions for the credit to persons allegedly designated by the Customer and which instructions were made over the telephone to those employees of the Insured specifically authorised to receive said instructions at the Insured's offices and fraudulently purport to have been made by a person authorised and appointed by a Customer to request by telephone the transfer of such funds or delivery of such property but which instructions were not made by said Customer or by any officer, director, partner or employee of said Customer or were fraudulently made by an officer, director, partner or employee of said Customer whose duty, responsibility or authority did not permit him to make, initiate, authorise, validate or authenticate Customer voice initiated instructions, which fraudulent acts were committed by said person who intended to cause the Insured or the Customer to sustain a loss or to obtain financial gain for himself or any other person;

- b. the Insured having transferred any funds or delivered any property on the faith of any voice initiated instructions purportedly communicated between the Insured's offices authorising the transfer of funds or delivery of any property in a customer's account between the Insured's offices for the credit to persons allegedly designated by the Customer and which instructions were purportedly made over the telephone between the Insured's offices to those employees of the Insured specifically authorised to receive said interoffice instructions by telephone, and fraudulently purport to have been made by an employee of the Insured authorised to request by telephone such transfer of funds or delivery of property but which fraudulent acts were committed by a person, other than an employee of the Insured, who intended to cause the Insured or the Customer to sustain a loss or to obtain financial gain for himself or any other person.

#### **SPECIAL DEFINITION**

**"Customer"** as used in this Insuring Agreement means any corporate, partnership or trust customer or similar business entity which has a written agreement with the Insured for customer voice initiated funds transfers, which agreement shall be in the form of a corporate resolution containing a list of individuals authorised to initiate and authenticate voice initiated funds transfers, which list must specify the telephone numbers as well as monetary limits for all initiators/authenticators. Such written agreement shall also outline the terms and conditions under which the service is provided including a limitation of liability accepted by the Insured.

#### **SPECIAL CONDITION**

All voice-initiated instructions purportedly received from a customer for the transfer of funds or property must be tested or subject to a call-back to an authorised person other than the individual initiating the transfer request.

#### **DEFINITIONS SPECIFIC TO THIS ENDORSEMENT**

1. **"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.
2. **"Central Depository"** means any clearing corporation, including the Reserve Bank of India, 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.
3. **"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.
4. **"Computer System"** means a computer suitable for multi-use applications that is capable of 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.
5. **"Computer Virus"** means a set of unauthorised instructions, programmatic or otherwise, that propagate themselves through the Insured's Computer System and/or networks which instructions were maliciously introduced by a person other than by an identifiable employee.
6. **"Customer Communication System"** means those communications systems as declared in the Proposal Form which provide customers of the Insured with direct access to the Insured's Computer System.
7. **"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.
8. **"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.

9. "**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.
10. "**Electronic Data Processing Media**" means tapes or discs or other bulk media, whether magnetic or optical, on which Electronic Data are recorded.
11. "**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 Insured participates.
12. "**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.
13. "**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.
14. "**Evidences of Debts**" means instruments executed by a customer of the Insured and held by the Insured which in the regular course of business are treated as evidencing the customer's debt to the Insured including records of charges and accounts receivable.
15. "**Forged Signature**" means the handwritten /digitally 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.
16. "**Fraudulent Alteration**" means the material alteration of a Telefacsimile for a fraudulent purpose by a person other than the person who signed and prepared the instrument.
17. "**Insured's Computer System**" means those Computer Systems operated by the Insured and which are either owned by or leased to the Insured or are declared in the Proposal Form.
18. "**Service Bureau**" means a natural person, partnership or corporation authorised by written agreement to perform data processing services using Computer Systems.
19. "**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.
20. "**Telefacsimile**" means a system for transmitting written documents by means of electronic signals over telephone lines to equipment maintained by the Insured within a specially secured area for the purpose of reproducing a copy of said document.
21. "**Telephone Banking System**" means a telephone banking communications system as declared in the proposal form which provides customers of the Insured with direct access to the Insured'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.
22. "**Tested**" means a methods of authenticating the contents of a communication by affixing thereto a valid test key which has been exchanged between the Insured and a customer, Automated Clearing House, Central Depository, another financial institution or between the offices of the Insured for the purpose of protecting the integrity of the communication in the ordinary course of business.

**ENDORSEMENT 2. ERROR/OMISSIONS, FRAUD & DISHONESTY OF EMPLOYEE IN THE PROVISION OF PROFESSIONAL SERVICES, TO COVER LOSSES DUE TO INADEQUATE OR FAILED INTERNAL PROCESSES, PEOPLE AND SYSTEMS**

In consideration of the payment of an additional premium, policy may be extended to cover the above subject to following endorsement wordings:

It is hereby agreed and declared that, notwithstanding anything in the within written policy contained to the contrary, the Policy shall extend to include Losses resulting wholly or partially from any Errors / Omissions.

#### **ENDORSEMENT 3. LOSS OF KEYS**

In consideration of the payment of an additional premium, policy may be extended to cover the above subject to following endorsement wordings:

Insurer will indemnify bank for expenses incurred for replacement of lost or stolen keys including the cost of locksmith charges, new looks and replacement keys and other associated costs.

#### **ENDORSEMENT 4: COST OF RECONSTRUCTION OF DOCUMENTS AS A RESULT OF A COVERED PERIL**

In consideration of the payment of an additional premium, policy may be extended to cover the above subject to following endorsement wordings:

We will indemnify the insured the cost, charges and expenses incurred in replacement or restoring documents but only for the value of the material and not for their value to the insured which may have destroyed, damaged or lost or mislead. It is understood that the said documents consist of Deeds, agreements, records, books, letters and certificate. Bearer bonds, coupons, bank or currency notes or other negotiable instruments shall be deemed to be excluded from the Policy.

#### **ENDORSEMENT 5: SPURIOUS GOLD COVER**

In consideration of the payment of an additional premium, policy may be extended to cover the above subject to following endorsement wordings:

By Reason of: Loss arising of Insured relying upon the Pledged Gold /Ornaments/ Jewelleries having kept by insured's customer as a security towards loan availed and it being spurious, fake and or counterfeit.

#### **ENDORSEMENT 6: LEGAL FEES**

In consideration of the payment of an additional premium, policy may be extended to cover the above subject to following endorsement wordings:

We will 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 shall be within the Limits specified in the Schedule of the Policy.

It is understood, however, that if such loss, claim or damage does not exceed the applicable deductible in the Schedule, Underwriters 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, then Underwriters 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 Underwriters 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 Underwriters 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 Underwriters) shall advise that such proceedings should be contested.

#### **ENDORSEMENT 7: INVESTIGATION COSTS**

In consideration of the payment of an additional premium, policy may be extended to cover the above subject to following endorsement wordings:

We will indemnify the expenses related to investigating and identifying of the cause or exact location of loss or damage. This is payable only if prior approval of the insurer is taken before incurring the expense. Maximum amount payable under this head is as mentioned in the Policy schedule and subject to deductible /excess as mentioned therein

#### **ENDORSEMENT 8: ADDITIONAL COST OF WORKING (INCLUDING RENTING FEE FOR ADDITIONAL PREMISES, COSTS OF ADDITIONAL EXTERNAL WORKFORCE, COSTS RELATED TO TRANSPORTATION OF EQUIPMENT OR DOCUMENTS)**

In consideration of the payment of an additional premium, policy may be extended to cover the above subject to following endorsement wordings:

it is hereby agreed and declared that in the event of the premises described in the policy and occupied by the insured, hereinafter referred to as 'PREMISES' being destroyed or damaged due to fire, riot and strike, malicious damage burglary or house breaking, theft and robbery, company will indemnify the insured for the following additional cost of working.

**Renting Fee for Additional Premises:** If premises described in the policy and occupied by the insured become unfit/unusable for performing operation related to occupation due to fire, riot and strike, malicious damage burglary or house breaking, theft and robbery, We may cover the cost of renting temporary premises to continue operation for the period beginning from the date of operation of any of the Insured Perils until the 'PREMISES' is rendered fit for occupation such period not exceeding such reasonable time as is required to restore the premises with due diligence to a condition fit for occupation or the maximum indemnity period as opted by you and mentioned in Policy Schedule whichever is earlier.

**Costs of Additional External Workforce:** If Insured needs to hire additional external workforce to maintain operations due insured events described above, company will indemnify the insured for the cost.

**Transportation of Equipment or Documents:** If Insured needs to move asset(s) which belongs to premise(s) described in the Policy schedule for the purpose of continuing operation related to occupation due to the insured events mention above then company will indemnify the cost of transportation.

#### **ENDORSEMENT 9: LOCKER LIABILITY**

In consideration of the payment of an additional premium, policy may be extended to cover the above subject to following endorsement wordings:

*"Banks shall be liable to compensate the customer for any loss of contents of the locker due to their negligence or any act of omission or commission. The liability of banks in such instances shall be as per the Part VII of the RBI circular DOR.LEG.REC/40/09.07.005/2021-22 dated August 18, 2021."*

#### **ENDORSEMENT 10: OFFICES AND CONTENTS**

Loss of or damage

- a) To furnishings, fixtures, equipment (except computers, computer systems, computer networks and peripheral equipment, computer programs and other computer related equipment), stationery, supplies or safes and vaults within any premise of the Insured.
- b) caused by Fire, Riot and Strike, malicious damage, terrorist Risk, burglary, robbery, hold up, theft or larceny, or any attempt thereat, or to the interior of any such office by vandalism or malicious mischief,
- c) Where the Insured is the owner of such furnishings, fixtures, equipment, stationery, supplies or safes and vaults and is liable for such loss or damage.

#### **ENDORSEMENT 11: STOP PAYMENT LIABILITY**

In consideration of the payment of an additional premium, policy may be extended to cover the above subject to following endorsement wordings:

By reason of the insured having complied or failed to comply with the request of any customer of the insured or an authorized agent of such customer to stop payment on any cheque or draft made or drawn upon or against the insured by such customer or by an authorized agent of such customer and which results in a loss to insured customer, thereby liability falling upon insured to pay to its customer.

#### **ENDORSEMENT 12: CONFISCATION**

In consideration of the payment of an additional premium, policy may be extended to cover the above subject to following endorsement wordings:

this provides coverage for items confiscated by Police and/or Government authority as a result of the items being identified, unknown to the original insured, as the proceeds of crime, up to the limit of liability contained within the Risk Details herein. For Confiscation / Expropriation- Seizure Mahazar and all other relevant documents should be furnished as required depending on the nature of the claim.

**ENDORSEMENT 13: TERRORISM COVER**

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment by the Insured to the Company of additional premium as stated in the Schedule, it is hereby agreed and declared that notwithstanding anything stated in the 'Terrorism Risk Exclusion' of this Policy to the contrary, this Policy is extended to cover physical loss or physical damage occurring during the period of this Policy caused by an act of terrorism, subject to the exclusions, limits and excess hereinafter contained,

For the purpose of this cover, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

This cover also includes loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of terrorism by the duly empowered government or Military Authority.

Provided that If the Insured is eligible for indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any recovery due from such plan or scheme.

For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, para military forces, police or any other authority constituted by the government for maintaining law and order.

**LOSSES EXCLUDED**

This cover shall not indemnify loss of or damage to property caused by any or all of the following:

1. loss by seizure or legal or illegal occupation;
2. loss or damage caused by:
  - i. voluntary abandonment or vacation,
  - ii. confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;
3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;
4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;
5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;
6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;
7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;
8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.

This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile;

9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion;

10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;
11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
13. loss or increased cost as a result of threat or hoax;
14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of terrorism;
15. loss or damage caused by mysterious disappearance or unexplained loss;
16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any processor operations or omissions of any kind.
18. Any loss due to fines or damages for breach of contract, or penalties of whatever nature;
19. Any infidelity, fraudulent, dishonest or criminal act by any director, officer or trustee of the Insured whether acting alone or in collusion with others;
20. Any debt, insolvency or commercial failure, whether to provide bond or security or otherwise, or any other financial cause of any party or person whatsoever.

### **Limit Of Indemnity**

The limit of indemnity under this cover shall not exceed the Total Sum Insured given in the Policy Schedule or INR 20,000,000,000 per compound/location whichever is lower.

In respect of sabotage and/or terrorism cover for dwellings, limit of indemnity shall not exceed Total Sum Insured as mentioned in the Policy Schedule or INR 4,000,000,000 per compound/location whichever is lower.

In respect of several locations being covered under a single policy on a floater basis, the maximum aggregate loss suffered from all the locations mentioned in the Policy schedule shall not exceed Total Sum Insured as mentioned in the Policy Schedule or INR 20,000,000,000/- whichever is lower.

In respect of several insurance policies within the same compound/location with one or different insurers, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 20,000,000,000. If the actual aggregate loss suffered at one compound/location is more than INR 20,000,000,000, the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

### **Excess\***

Shops & Residential Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 10,000 and Maximum of INR 500,000

Non-Industrial Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 25,000 and Maximum of INR 1,000,000

Industrial Risks: 5% of the claim amount for each and every claim subject to Minimum of INR 100,000 and Maximum of INR 25,00,000

\*Whichever is applicable.