

**DIGIT CARRIER'S LEGAL LIABILITY POLICY**  
**PROSPECTUS**

**Go Digit General Insurance Ltd.**

Go Digit General Insurance Ltd. ("Digit") is a new general insurance company being set up in India and is backed by Fairfax Financial Holdings Ltd. Fairfax is a large Canada based diversified financial services group engaged in General Insurance, Reinsurance and Investment management across more than 30 countries.

At Digit, our mission is to make Insurance products that are simple and transparent. For us, making Insurance simple translates into – Easy interface for customers to interact with us, Simple products, Simple and effective claims' process. Our goal is to offer products and services that customer really wants and back it by service, that we can be proud of. We have a team that brings in years of experience in Insurance and technology companies. We want to become a part of consumers' lives and enable them to live without worrying about uncertain future.

**Product Introduction**

Every business is exposed to the risk of legal liability that may arise in connection with the Business Activity. At Digit, we understand the burden that Common Carriers may have to bear, and we have designed a "Digit Carrier's Legal Liability Policy" which will protect the Common Carriers against their legal liability for actual Physical Loss of or Damage to Goods or Merchandise whilst being transported in India by a Vehicle, by the Common Carrier under a contract of carriage.

**Who Can buy this Product?**

This Product can be bought by any Common Carrier who can be an individual, partnership, private limited or public limited Company.

This Product can be bought by both retail and commercial customers.

**What are the Coverages available under this Policy?**

We will indemnify You against Your legal liability for actual Physical Loss of or Damage to Goods or Merchandise whilst being transported in India by a Vehicle, details of which are specified in the Policy Schedule, by You under a contract of carriage in writing Provided that:

- i. such loss or damage is directly caused by fire, explosion and/or accident to the carrying Vehicle stated in the Policy Schedule during the Policy Period and within the Duration stipulated hereunder, on account of Your negligence or negligence or criminal act of Your employees or servants; and
- ii. the Vehicle is damaged by such fire or explosion or accident and a claim in respect thereof is admitted under the Motor Insurance Policy covering the same.

The indemnity shall also include the necessary and reasonable defence costs and expenses that may be incurred by You, with Our written consent, in defending the alleged legal liability claim in connection with the lost or damaged Goods or Merchandise covered under this Policy.

**DURATION**

The Cover under this Policy shall apply only to fire or explosion or accident occurring during or after loading of the Goods on the Vehicle at the point of origin and until unloading of the same at the destination named in the contract of carriage or expiry of 3 days, unless specifically agreed otherwise and mentioned in Your Policy Schedule, after the first arrival of the Vehicle at the city or town of such destination, whichever may first occur.

Subject to the limits, terms, conditions, exclusions contained herein or endorsed hereon..

### What are the exclusions under this Policy?

We shall not be liable to indemnify You under this Policy in respect of the following, unless specifically agreed otherwise and mentioned in Your Policy Schedule/Certificate of Insurance:

1. Liability for loss or damage to Goods or Merchandise due to accident occurring beyond the Policy Period and Duration of insurance stipulated in Your Policy Schedule.
2. Liability for death/injury/property damage under Motor Vehicles Act arising out of use of the Vehicle or liability of any other nature whatsoever except in respect of Goods or Merchandise as per terms of Coverage clause stipulated herein.
3. Liability undertaken by You under any contract or agreement unless such liability would have arisen and You would have been liable at law governing the carriage viz. the Carriage of Road Act, 2007 including amendments if any, notwithstanding such agreement.
4. Liability in respect of damage to Goods or Merchandise
  - a. belonging to You or to any of Your servant, agent or sub-contractor or to any other party, except those being transported by You under a contract of carriage entered into by You in its standard form.
  - b. in Your custody or control or any of Your servant's, agent's or sub-contractor's or any other party's custody or control, except such Goods or Merchandise are transported by You under a contract of carriage entered into by You in its standard form.
5. Liability for loss or damage to Goods or Merchandise arising from:
  - a. Inherent defect or vice, including insects, moth, vermin, mildew, mould, damp, wear and tear, deterioration, spontaneous combustion or decay of perishable Goods.
  - b. Depreciation, delay, loss of market, or any action including confiscation by a lawful or any Public Authority
  - c. Consequential Loss arising from loss or damage to Goods.
  - d. War (whether declared or not), act of foreign enemy, hostilities, civil war, rebellion, mutiny, insurrection or usurped power, civil commotion, act of God,
  - e. ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or from nuclear weapons material.
  - f. any change in Law after issue of this insurance
  - g. refusal on the part of Government, Government Agency or other competent authority to grant any necessary permit, License or sanction or deciding to revoke or qualify any such permit.
  - h. strikes and/or riots
  - i. Acts of Terrorism
  - j. Contraband or Goods which are being smuggled or otherwise transported illegally.

### What are the conditions applicable to this Policy?

Below General Conditions are applicable to this Policy:

#### 1. Entire Contract

The Policy and the Policy Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Policy Schedule shall bear such specific meaning wherever it may appear. The terms, conditions and

exclusions of this Policy (and any phrase or word contained therein) shall be interpreted in accordance with Indian Law

**2. Observance Of Terms And Conditions**

The due observance and fulfilment of the terms, conditions and endorsements of this Policy by You and/or Your agents or servants insofar as they relate to anything to be done or complied with by You, shall be condition precedent to Our liability to make any payment under this Policy.

If there shall be any misstatement in or omissions of a material fact from the information supplied by You whether by the said Proposal and declaration or otherwise, this Policy shall be null and void and any premium paid thereon shall be forfeited.

No transfer in the interest in this Policy and no waiver of any terms, provisions, conditions and endorsements of this Policy or renewal thereof shall be valid unless made in writing and signed by Us

**3. Duty Of Disclosure**

This Policy shall be void and all premiums paid hereon shall be forfeited to Us in the event of misrepresentation, misdescription or non-disclosure of any material fact in the Proposal form, personal statement, declaration and connected documents, or any material information having been withheld.

**4. Alterations to the Policy**

The Policy shall also stand cancelled with immediate effect if:

- a. The laws relating to carriage of Goods are altered in any way
- b. Any change occurs in the ownership or management of the Insured or the area of Operation
- c. Any material change occurs in the information provided in the proposal form unless such change or alteration is brought to the notice of the company in advance and revised terms and premium required by the Company are agreed to and paid.
- d. In the event of such cancellation after a claim has arisen during the current Policy period no refund of premium shall be made. In the event of such cancellation and no claim having arisen prior to the date of cancellation, pro-rata refund of premium for complete unexpired months shall be allowed.

**5. Notices And Alterations To The Policy**

Every notice and communication to Us required by this Policy shall be in writing.

**6. Fraud**

If a claim be made by or on behalf of the Insured which shall be in any respect unsound or fraudulent or intentionally exaggerated or if any false declaration or statement be made in support thereof no claim shall be recoverable hereunder.

**7. Duties of Insured**

- a. It is duty of the Insured and his/her employees/agents in all circumstances, to act with reasonable dispatch and take such measures as may be necessary for the purpose of averting or minimizing a loss.
- b. You shall always ensure that all rights against bailees, or other third parties are properly preserved and exercised as a condition precedent to claim under this Policy.
- c. You shall at all times exercise necessary care to ensure that:
  - I. only competent employees and agents are employed to handle the Goods and the Vehicles;
  - II. the Vehicles and their accessories and fittings are maintained in sound roadworthy condition and are fit for the purpose for which they are used;
  - III. all statutory requirements including Rules and Regulations imposed by any public authority are duly observed and complied with in respect of use of the Vehicle and carriage of the Goods.

- d. The details of all contracts of carriage issued, freight earned and of all vehicles employed or utilized shall be properly recorded and the Insured shall at all times allow the Company to inspect such account and records and furnish copies as may be required by the Company
- e. The Insured shall maintain written record at each of its depots or delivery stations of the condition and nature of Goods received in an apparently damaged condition immediately at the time of such receipt.

#### 8. Claims

- a. Upon the happening of any event or occurrence giving rise or likely to give rise to a claim under the Policy You shall:
  - I. Immediately and in any event within 7 days, from the date of occurrence of the accident giving rise to a claim under this Policy, give written notice to Us to the address shown in the Policy Schedule and at Your own expense, furnish all such information, explanation, vouchers, proof and such other evidence to substantiate the claim as may be reasonably required by Us. In no case shall the Company be liable for any loss or damage not notified to the Company within 15 days of the happening of the event.
  - II. Take effective and immediate action against person or persons responsible for the occurrence resulting in the loss or damage to the Goods or Merchandise and recover the same.
  - III. Take steps to secure the Goods or Merchandise from further loss/damage.
- b. Your Failure to comply with the above shall discharge Us from liability towards loss or damage arising out of such event.
- c. Any notice of claim or proceeding against You for loss or damage to Goods or Merchandise in circumstances covered by this Policy shall be immediately intimated in writing to Us.
- d. No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of You in respect of any claim made or likely to be made under this Policy, without Our prior written consent.
- e. We may at Our sole discretion, have the right to take over and conduct in Your name the defence or settlement of any claim against You or to prosecute in Your name any claim for recovery of loss incurred under this Policy from any third party who may be liable to You. We shall have the full discretion in the conduct of such proceedings including settlement thereof and in such event You shall provide all necessary information, assistance and support as We may require in that behalf. Your obligation shall include attendance at hearings, trials, tendering oral and documentary evidence, securing the attendance of witnesses and in such manner as may be necessary for effective defence, settlement or prosecution by the Company.

#### 9. Claim Settlement

The Company shall settle or reject a claim, as the case may be, as per prevailing guidelines.

#### 10. Subrogation

Upon settlement of a claim, the Company shall be entitled to subrogation of rights and remedies that You may have against any other party in respect of the loss or damage to Goods or Merchandise.

#### 11. Contribution

If in respect of any liability covered by this Policy there is any other insurance covering the same liability of the Insured, We shall not be liable to pay or contribute more than a rateable proportion of such liability. This Condition shall apply notwithstanding the existence of any clause or condition of non-contribution or non-participation in the other insurance Policy or cover, unless specifically agreed other wise and mentioned in Your Policy Schedule.

#### Cancellation

- a. Cancellation by Insured:

The Insurer shall -

- i. Annual Policy: refund proportion premium for unexpired policy period, if the term of the policy is upto one year and there is no claim(s) made during the policy period.
- ii. Long Term Policies - refund premium for the unexpired policy period, in respect of policy with the term more than one year and the risk coverage for such policy years has not commenced.

**b. Cancellation by Company:**

Policy may be cancelled by the Company on the grounds of established fraud, by giving minimum notice of 7 (seven) days to the insured.

**12. Renewal Notice**

We shall neither be bound to issue any renewal notice nor to accept renewal premium thereunder. Unless renewed as herein provided, this Policy shall terminate at the expiration of the period for which the premium has been paid.

**13. Reinstatement of Limit of Indemnity**

In the event of liability arising under the Policy or the payment of claim under the Policy, the Limit of Indemnity per any one-year under the Policy shall get reduced by the extent of quantum of liability to be paid or actual payment of such claim. Reinstatement of limit of indemnity to the original level, will be as per the mutual agreement between the Insured and the Insurer, on payment of extra premium.

**14. Limitation Period**

It is hereby further expressly agreed and declared that if the Company shall disclaim liability to the Insured for any claim hereunder, and such claim shall not within 12 calendar months from the date of such disclaimer have been made the subject matter of any suit or proceeding in a Court of Law or other forum having jurisdiction, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable thereafter.

**15. Governing Law**

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. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within India and to comply with all requirements necessary to give such court the jurisdiction. All matters arising hereunder shall be determined in accordance with the laws of India.

**Do I need to pay any amount from my pocket at the time of claim?**

Deductible is the part of the claim that is to be first paid by you and we are liable to pay the remaining part of the claim.

You can opt deductible as a percentage of Sum Insured, ranging from 0% to 10%.

**What discounts are available under this policy?**

If You have opted for Voluntary Deductible, the discount applicable on the final rate will be 2 times of the chosen voluntary deductible percentage.

For example, if the insured has taken a policy for which the Sum Insured is INR 1,00,000 and has chosen a voluntary deductible of 5% then the discount applicable will be  $5\% * 2 = 10\%$  and the voluntary deductible under each claim shall be  $5\% * 1,00,000 = \text{INR } 5,000$ .

**What is the maximum period of cover available under this Policy?**

The coverage under this Policy can be opted for maximum 1 Year.

**How do I get the premium amount for this Insurance Cover?**

Based on filled proposal form and information furnished, we will provide you with the premium amount.

**What is the renewal condition under this Policy?**

We are not bound to accept any renewal premium or give notice that renewal is due. Under normal circumstances, renewal will not be refused except on the grounds of moral hazard, misrepresentation or fraud of the Insured.

The renewal premium shall be as per the rates approved by IRDAI on the date of renewal for this product.

**What do I do in case of a claim?**

You can approach the Insurance Ombudsman, depending on the nature of Your grievance and the financial implications, if any. Information about Insurance Ombudsmen, their jurisdiction and powers is available on the website of the Insurance Regulatory and Development Authority of India (IRDAI) at [www.irdai.gov.in](http://www.irdai.gov.in), or of the General Insurance Council at [www.generalinsurancecouncil.org.in](http://www.generalinsurancecouncil.org.in), the Consumer Education Website of the IRDAI at <http://www.policyholder.gov.in>, or from any of Our Offices.

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:

<https://www.godigit.com/claim/grievance-redressal-procedure>

The policyholder or the claimant also has the option to register the complaint on-line at IRDAI's Bima Bharosa by visiting <https://bimabharosa.irdai.gov.in/>

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

Please keep below details handy at the time of registering claims as this information will help us serve you faster: Policy Number, Location of Loss, Date and Time of Loss & Contact Number of the Insured/Caller.

**IMPORTANT NOTE:** Above is a summary of Coverage and Exclusions, please refer to detailed Policy Terms & Conditions and Policy Schedule for full description which shall prevail in the event of any claim/complaint/dispute.