DIGIT COMMERCIAL CREDIT SHIELD POLICY

UIN: IRDAN158CP0005V01202324

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.

Digit's singular mission is to make insurance simple for all. With that mission in mind, we are reimagining products and redesigning processes. Our products are designed keeping the consumer in mind, our processes are simple, fast and transparent & our documents are easy to understand. With the help of cutting-edge technology and people who bring in years of experience in both the insurance and technology domain, we want to be the new-age insurance company that's revolutionising the insurance industry. And by doing so, we want to be part of our consumers' lives by enabling them to live life, without worrying about an uncertain future.

What are the Coverages available under the Digit Commercial Credit Shield Policy?

We will indemnify You in accordance with the terms and conditions of this policy if a Buyer or category of Buyer(s) fails to pay You an undisputed Insured Debt, due to a loss event.

For indebtedness to contribute to an Insured Debt, it must be invoiced/demanded within 10 days of the date the goods were dispatched and/or service provided, unless agreed otherwise in the Policy Schedule.
Unless otherwise expressly agreed, this Policy covers your entire sales turnover/ sum insured mutually agreed between You and Us.

Loss Event

a. **Insolvency of Your Buyer** –Insolvency of your Buyer or category of Buyer(s) which, unless specified otherwise in the Policy Schedule, occurs when:
   i. a Receiver or Manager, Liquidator, Trustee, Administrator, or other similar official is appointed over a Buyer or category of Buyer(s), whether or not the appointment has been made by a Court or other similar tribunal but excluding any appointment which does not affect your rights as a creditor of the Buyer or category of Buyer(s); or
   ii. a composition, scheme of arrangement, compromise or other similar arrangement has been approved and made binding on the Buyer or category of Buyer(s) and all the Buyer's creditors; or
   iii. circumstances exist that are equivalent to any of the above.

b. **Protracted Default of Your Buyer** - which occurs on the non-payment of all or part of an undisputed Insured Debt on expiry of the Waiting Period, as specified in the Policy Schedule.

c. Rejection by
   i. the buyer after delivery, to accept the dispatched goods, subject to conditions of contract;
   ii. the buyer before shipment, where the goods are manufactured or being manufactured exclusively as per the requirements of the buyer and cannot be sold elsewhere;

d. **Collecting Bank's Failure**: Non-receipt of payment on account of collecting Bank's failure.

e. **A Political Risk occurs**- A Political Risk means direct prevention of the payment of the Insured Debt or Your performance of the sale and/or services contract as a result of any of the following political events occurring after the contract was entered into:
   i. Operation of a law or of an order, decree or regulation having the force of law which, in circumstances outside the control of the insured and/or the buyer or category of Buyer(s), prevents, restricts or controls the transfer of payment from the buyer's country to India;
   ii. Occurrence of war between the buyer's country and India;
   iii. Occurrence of war, hostilities, civil war, rebellion, revolution, insurrection or other disturbances in the buyer's country;

iv. Imposition of any law or order, decree or regulation having the force of law which, in circumstances outside the control of the insured and/or of the buyer or category of Buyer(s), prevents the import of the goods into the buyer's country;
v. Cancellation, in circumstances outside the control of the insured and/or of the buyer or category of Buyer(s), of a previously issued and currently valid authority to import the goods;
vi. Incurring, in respect of goods shipped from India, of any additional handling, transport or insurance charges which are occasioned by interruption or diversion of voyage outside India and which is impracticable to be recovered from the buyer or category of Buyer(s);
vii. Any other cause, save and except in the case of merchanting exports in which case this risk will stand excluded, which arises from an event occurring outside India but not being a cause inherent in the nature of the goods or that is within the control of the insured and/or the buyer or category of Buyer(s) or that is specifically excluded from the purview of cover under the policy.

The loss of event will be deemed to occur upon expiry of the relevant Waiting Period as specified in the Policy Schedule.

What am I not Covered for?

This Insurance does not cover any loss directly or indirectly arising out of, contributed to by, or resulting from the following, unless specifically agreed by Us and mentioned in the Policy Schedule.
We have no liability for losses resulting directly or indirectly from:

1. Wrongful or dishonest acts or omissions of the Insured or its agents; or
2. Your failure or the failure of any of Your agents to comply with contractual obligations owed to the Buyer or category of Buyer(s) or with any relevant laws or regulations in force in the relevant countries; or
3. any phenomenon of nuclear origin, or a natural disaster; or
4. war between two or more of the following countries: the United States of America, the Russian Federation, France, the People's Republic of China and the United Kingdom; or
5. the termination of any distribution, franchise or similar arrangement between You and the Buyer or category of Buyer(s) unless We have agreed to the termination beforehand in writing; or
6. Your loss of any export or import licence preventing the performance of the contract or the payment of the debt, unless You were informed after the goods were Dispatched; or
7. failure of the Buyer to accept the goods that are not the subject of a Dispute; or
8. Your failure to set a Discretionary Credit Limit in accordance with the criteria set out in the Policy Schedule; or
9. Your transfer of the payment obligation from Your Buyer to a third party without our prior agreement; or
10. exchange rate fluctuations and/or currency devaluations except in the case specified in Section E 2.4 – "Currency deposit" of the Policy Wordings, if the Buyer is unable to pay the additional amount corresponding to the depreciation of the local currency; or
11. events occurring in a third country where: goods are to be Dispatched and/or service provided to that third country; or payment is to be made from that third country, unless We have agreed otherwise beforehand in writing; or
12. insolvency or financial default of any party except the Buyer or category of Buyer(s);

The following are excluded from the Policy cover:

13. Transactions for which payment is received on or before the date You Dispatched the goods and/or service provided.
14. Transactions for which payment is made by confirmed and irrevocable or confirmed, irrevocable and renewable letter of credit.
15. Transactions for which You agreed without our prior written approval payment conditions that are more favourable to the Buyer or category of Buyer(s) than the Maximum Terms of Payment specified in the Policy Schedule.
16. Transactions with any Buyer or category of Buyer(s) located in a country that is specifically excluded from cover.
17. Transactions conducted with any Buyer or category of Buyer(s):
    - over which You have significant control, by participation in its management, administration or capital; or
    - which has similar control over You; or
    - which is part of the same group as you.

18. Transactions conducted with any Buyer or category of Buyer(s) for whom We have refused or withdrawn cover, before the date You Dispatched the goods and/or service provided unless Section E 1.3 (c) – "Amendment and withdrawal of cover" of the Policy Wordings applies.
19. Transactions conducted with a Buyer or category of Buyer(s) in a State of Default.
20. Interest for late payment or any contractual or legal damages.
21. GST, or any similar tax, unless We agree otherwise.
22. Receivables arising out of letting or leasing of real estate.
23. Transaction conducted in respect of any individual, organisational entity, product, service or any country where the Indian Government or any applicable United Nation or European Union embargo prohibits companies from doing business or providing insurance and/or reinsurance.
    If such prohibition occurs during the policy period, then all coverages provided by this policy in respect of any individual, organisational entity, product, service or any country where the Indian Government or any applicable United Nations or European Union embargo prohibits companies or individuals from doing business or providing insurance and/or reinsurance will cease to apply at the time and date that such prohibition takes effect.

How do I get the premium amount under this Policy?

Premium will be calculated on the basis of the declared turnover or sum insured mutually agreed between You and Us, multiplied by the relevant premium rate derived by applying various risk relativities.
Based on the details provided in the Proposal form, premium amount will be calculated.

What is the renewal condition under this Policy?

After cessation/expiry of the Policy Period specified in the Schedule this policy may be renewed from year to year subject to underwriting decision of Go Digit General Insurance Limited and subject to pre-receipt of renewal premium. We are not bound to mandatorily give renewal notice.

Is there any provision to cancel the policy?

Yes, the Policy can be cancelled as below:
Cancellation of the policy will be as mentioned in the Policy Schedule. However, in absence of any cancellation condition in the Policy, the following will apply.

a. Cancellation by Insured

Policy may be cancelled at the option of the Insured with Fifteen (15) days' notice of cancellation. We will be entitled to retain premium on below period scale of rates for the period for which the cover has been in existence prior to the cancellation of the Policy. The balance premium, if any, will be refundable to the insured.

In case of cancellation of Policy by the insured, premium would be refunded as per below table subject to there being no Claim under the Policy:

Period on Risk	% of Premium to be Refunded
Less than 2% of Risk Period	90%
Less than 10% of Risk Period	75%
Less than 15% of Risk Period	65%
Less than 25% of Risk Period	50%
Less than 35% of Risk Period	40%
Less than 50% of Risk Period	25%
Less than 75% of Risk Period	15%
Exceeding 75% of Risk Period	0%

b. Cancellation by Insurer:

This insurance may also at any time be terminated at the option of the Insurer, on Fifteen (15) days' notice to that effect being given to the Insured on ground of misrepresentation, fraud, non-disclosure of material facts and non-co-operation by the insured and there would be no refund of premium. No refund of premium shall be due if the Insured has made a Claim under this Policy or Policy is cancelled due to misrepresentation, fraud or non-disclosure of material facts.

What do I do in case of a claim?

In case of a claim, we request you to register a claim by contacting our Customer Service No.:1800 258 5956. You can, alternatively, also register a claim by email on: hello@godigit.com

What do I do in case of any grievance?

We are committed to extend the best possible services to its customers. However, if You are not satisfied with Our services and wish to lodge a complaint, please feel free to call Our 24X7 Toll free number 1800-258-5956 or You may email to the customer service desk at hello@godigit.com. After investigating the matter internally and subsequent closure, We will send Our response.
Email: grievance@godigit.com

For further information, please refer the below 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/

If You do not get a satisfactory response from Us and You wish to pursue other avenues for redressal of grievances, You may approach Insurance Ombudsman appointed by IRDAI under the Insurance Ombudsman Scheme.

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

This Prospectus

This prospectus gives information only. This is not an insurance contract. Each insurance cover is subject to terms and conditions, which You can read in the **Digit Commercial Credit Shield Policy** document. For any legal interpretation, policy document will hold.