

COMMERCIAL CRIME INSURANCE

POLICY WORDINGS

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COMMERCIAL CRIME INSURANCE

Claims Made Policy

In consideration of the payment of the premium the insurer agrees as follows:

1. Insurance Cover

The insurer shall indemnify the insured for their loss sustained at any time resulting from either:

- (A) fraud or dishonesty committed by any employee (acting alone or in collusion with others); or
- (B) a fraudulent act committed by any other person;

which is committed with the principal intent to cause the insured to sustain such loss and is first discovered by the insured during the policy period or the discovery period.

2. Definitions

2.1 **Any other person** means any natural person who:

- (i) is not a director, officer, partner, trustee or employee of any insured; and
- (ii) does not have and does not provide services under any contract for services, written or implied, with any insured; and
- (iii) is not in collusion with any employee.

2.2 **Associated company** means any company in which the policyholder owns any amount which is less than or equal to 50% of the issued and outstanding voting shares, including joint ventures, either directly or indirectly through one or more of its subsidiary companies, and in which the policyholder retains management control.

Cover for any associated company shall only apply in respect of loss arising out of any act covered under this policy committed whilst such entity is an associated company of the policyholder. However upon written request by the policyholder, the insurer may consider, after assessment and evaluation of the increased exposure, granting cover for acts committed prior to the acquisition of an associated company. Such cover is only valid when specifically agreed in writing by the insurer.

2.3 **Computer or funds transfer fraud** means the theft of the insured's:

- (i) assets under the direct or indirect control of a computer system by manipulation of computer hardware or software programmes or systems by any other person who does not have authorised access to such computer system by the insured; or
- (ii) funds from an account maintained by the insured at a financial institution (from which the insured or a person or organisation authorised by the insured may request the transfer, payment or delivery of funds), following fraudulent electronic, telegraphic, tested facsimile, tested telex, telephone or written instructions to debit such account and to transfer, pay or deliver funds from such account and which instructions purport to have come from the insured or a person or organisation authorised by the insured to issue such instructions, but which are fraudulently transmitted, issued, or are forged or have been the subject of fraudulent alteration by any other person.

2.4 **Counterfeit or counterfeiting** means the imitation of an authentic negotiable instrument such that the insured is deceived on the basis of the quality of the imitation to believe that the said item is the authentic original negotiable instrument. Fictitious instruments which merely

contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not counterfeit.

- 2.5 **Credit arrangement** means any credit agreement, extension of credit or hire purchase agreement, loan or transaction in the nature of a loan, lease or rental agreement, invoice, account, agreement or other evidence of debt, payments made or withdrawals from any customer's account involving items which are not finally paid for any reason.
- 2.6 **Discovered or discovery** means when any insured or any of the insured's directors, partners, officers, departmental directors, senior managers, trustees or equivalent of any insured becomes aware of any act or acts which could reasonably be foreseen to give rise to a loss covered by this policy even though the exact amount or details of a loss are not known at the time of discovery. Such discovery shall constitute knowledge possessed or discovery made by every insured.
- 2.7 **Discovery period** means the period of time specified in General provision 6.7 immediately following the non renewal or non-replacement of this policy during which written notice may be given to the insurer of any loss first discovered during such period of time in connection with any act committed prior to the end of the policy period and otherwise covered by this policy.
- 2.8 **Employee** means any natural person, other than a director or partner, who has entered into or works under a contract of service with any insured and whom such insured compensates by salary, wages and/or commissions and whom the insured has the right to govern and direct in the performance of such service. The term employee shall also mean any:
- (i) director of the insured whilst performing acts coming within the scope of the usual duties of an employee of the insured ;
 - (ii) part-time or temporary employee performing the duties of an employee under the insured's supervision;
 - (iii) retired employee appointed by the insured under a written contract whom the insured governs and directs in the performance of their service as an employee;
 - (iv) student, secondee or volunteer pursuing studies, gaining work experience or performing the duties of an employee under the insured's supervision;
 - (v) ex-employee of the insured, for a period not exceeding 90 days following the formal termination of their employment with the insured (other than where such termination is as a result of an act covered under this policy in accordance with Exclusion 3.8(i);
 - (vi) trustee, fiduciary, administrator or officer of any plan;
 - (vii) solicitor, other than a sole practitioner, retained by the insured and any employee of such solicitor whilst performing legal services for the insured;
 - (viii) person provided to the insured by an employment agency (or similar source) to perform the duties of an employee under the insured's supervision;
 - (ix) person or employee of an organisation to whom or which the insured outsource any normal administrative function;
 - (x) employee which the insured is unable to identify by name but whose act or acts have caused a loss covered under this policy, provided that the evidence submitted proves beyond reasonable doubt that the loss was due to the act of such employee.

Notwithstanding the above the term employee does not mean any person who is or acts on behalf of any external auditor, external accountant, broker, investment adviser or investment manager, factor, commission merchant, consignee, contractor or other similar agent or representative unless specifically agreed by the insurer and endorsed to this policy.

- 2.9 **Forgery or forged** means the hand-written signing or endorsing of the name of a genuine person or a copy of the said person's signature by any other person 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. Mechanically or electronically produced or reproduced signatures are treated the same as hand-written signatures.

2.10 **Fraudulent act** means:

- (i) the forgery or counterfeiting or fraudulent alteration of any money, securities or instruction upon which the insured has acted or relied and shall include incoming cheque forgery; or
- (ii) the forgery or fraudulent alteration of any cheque or similar written promise by the insured to pay a veritable sum representing money drawn upon the insured's account at any bank at which the insured maintain a current or savings account;
- (iii) the fraudulent use of any corporate credit, debit or charge card issued to the insured or any employee of the insured for business purposes where such card is forged or is the subject of fraudulent alteration provided that the insured and the employee have complied fully with the provisions, conditions or other terms under which the card was issued and provided the insured was legally liable for such loss;
- (iv) incoming cheque forgery;
- (v) computer or funds transfer fraud.

2.11 **Fraudulent alteration** means a material alteration to an instrument for a fraudulent purpose by any other person other than the person who was authorised to prepare or sign the instrument.

2.12 **Incoming cheque forgery** means the fraudulent alteration of, on or in:

- (i) any cheque or draft:
 - (a) drawn upon by any bank; or
 - (b) drawn upon by any corporation upon itself; or
- (ii) any cheque or written order or direction to pay a veritable sum representing money drawn by any public body upon itself, or any warrant drawn by any public body which the insured shall receive at any of its premises in payment or purported payment for:
 - (a) tangible property sold and delivered; or
 - (b) services rendered

subject to the insured retaining 20% of the loss in addition to the Retention as specified in Item 4 of the Schedule.

2.13 **Insured** means the policyholder and any of the policyholder's subsidiary and associated companies and any plan existing at the inception of this policy.

2.14 **Insurer** means Future Generali India Insurance Company Limited

2.15 **Investigative Specialist** means any independent investigative specialist listed by endorsement to this policy as provided under Standard Extension **TBA**.

2.16 **Loss** means the direct financial loss sustained by the insured arising from or in connection with any single act or series of related, continuous or repeated acts (which shall be treated as a single act). Loss shall not include salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits paid by the insured where earned in the normal course of employment.

Loss does not mean any loss resulting from or amounting to:

- (i) any dealing or trading in securities, commodities, futures, options, foreign or Federal funds, currencies, foreign exchange and the like unless such loss is covered under Insurance Cover 1 (A) and results in the employee making improper financial gain for

themselves or for any other individual or organisation intended by such employee to receive such benefit; or

- (ii) any reckless or inadvertent acts; or
 - (iii) the creation of a liability to a third party other than as provided under Standard Extension 4.1.
- 2.17 **Management control** means that the policyholder has the right to control the day-to-day management of the relevant entity and sets security and internal control procedures, whether financial or operational.
- 2.18 **Money** means currency, coins, bank notes and bullion, cheques, travellers cheques, registered cheques, postal orders and money orders.
- 2.19 **Outsource** means the retention and authorisation by the insured of a person or an organisation to perform a normal administrative function on behalf of the insured, provided that:
- (i) such function is performed under a written contract; and
 - (ii) the insured retain the right to audit the performance of such function; and
 - (iii) the insured can demonstrate that they have vetted the person or organisation for competency, financial stability and honesty prior to the retention and authorisation by the insured of such person or organisation to perform such function. Cover in respect of any person or organisation to whom the insured outsource any normal administrative function shall apply in excess of any indemnification or valid and collectible insurance or indemnity, contractual or otherwise, available to the outsource entity or the insured.
- 2.20 **Plan** means any pension, employee benefit, welfare benefit, share save or share option plan or charitable fund or foundation established and maintained by the insured for the benefit of the past, present and future employees of the insured or their respective beneficiaries.
- Cover for any plan shall only apply in respect of loss arising out of any act covered under this policy committed whilst such entity is a plan maintained by the insured. However upon written request by the policyholder, the insurer may consider, after assessment and evaluation of the increased exposure, granting cover for acts committed prior to the acquisition of a plan. Such cover is only valid when specifically agreed in writing by the insurer.
- 2.21 **Policyholder** means the organisation specified in Item 1 of the Schedule.
- 2.22 **Policy period** means the period of time specified in Item 2 of the Schedule or as extended by the insurer.
- 2.23 **Premises** means the interior portion of any building owned or occupied by the insured and in which they conduct their business.
- 2.24 **Securities** mean all negotiable and non-negotiable instruments or contracts, including any note, stock, bond, debenture, evidence of indebtedness, share or other equity or debt security, representing either money or property, but does not include money.
- 2.25 **Subsidiary company** means any company in which the policyholder either directly or indirectly through one or more of its subsidiaries:
- (i) controls the composition of the board of directors; or
 - (ii) controls more than half of the voting power; or
 - (iii) holds more than half of the issued share capital.
- Cover for any subsidiary company shall only apply in respect of loss arising out of any act covered under this policy committed whilst such entity is a subsidiary company of the policyholder. However upon written request by the policyholder, the insurer may consider, after assessment and evaluation of the increased exposure, granting cover for acts committed prior to the acquisition of a subsidiary company. Such cover is only valid when specifically agreed in writing by the insurer.

3. Exclusions

The insurer shall not be liable to make any payment arising from or related or amounting to any of the following:

3.1 Consequential loss

Indirect or consequential loss of any nature, including but not limited to any loss of income, interest and dividends not realised by the insured or any other individual or organisation because of a loss covered under this policy, unless if covered under Optional Extensions 5.2.

3.2 Credit risks

Loss resulting from the complete or partial non-payment of or default upon any credit arrangement or loss caused by forgery or the fraudulent alteration of assets received by the insured in purported payment for property sold and delivered on credit unless such loss is covered under Insurance Cover 1(A) or 1(B).

3.3 Directors/partners

Loss resulting directly or indirectly from any act or series of acts committed by any director or partner of the insured, whether acting alone or in collusion, except to the extent that at the time the relevant act is committed such director or partner is deemed to be an employee under Definition 2.8 (i).

3.4 Employee acts

Loss resulting directly or indirectly from any act or series of acts of any employee unless expressly covered under Insurance Cover 1(A) or any relevant extensions.

3.5 Fees, costs and expenses

Fees, costs or other expenses incurred in establishing the existence or amount of loss covered under this policy, or in prosecuting or defending any legal proceeding, or for any recall costs or costs associated with a recall, except if covered under Standard Extensions 4.2 (i) and 4.2 (ii).

3.6 Fines, penalties or damages

Fines, penalties or damages of any type for which the insured is legally liable, except direct compensatory damages if covered under Standard Extension 4.1.

3.7 Fire

Loss or damage caused by fire, other than loss of or damage to money, securities, safes or vaults if covered under Standard Extension 4.3.

3.8 Loss sustained after knowledge

Loss caused from the time any (a) insured or any of the insured's directors, partners, trustees, officers, departmental directors, senior managers or equivalent of any insured or (b) any party to whom the insured outsource shall have knowledge or information that such employee or any other individual or organisation has committed any act or acts of fraud, dishonesty, criminal damage or theft:

- (i) whilst such employee is in any insured's service or during the term of employment with any insured; or
- (ii) prior to an employee being employed by any insured,

3.9 **Major shareholder**

Loss involving any person who, at the time of committing an act which results in a loss covered by this policy, owns or controls more than 5% of the insured's issued share capital of any insured.

3.10 **Non-violent crime**

Loss of and/or damage to any money, securities or property without the use of any force and violence other than in respect of:

- (i) money and/or securities on the premises or in transit if covered under Standard Extension 4.3; or
- (ii) a fraudulent act committed by any other person; or
- (iii) loss committed by an employee of the insured and covered under Insurance Cover 1 (A);

3.11 **Premises damage**

Damage or destruction to any:

- (i) premises or building, however caused; or
- (ii) contents and fixtures and fittings in the premises unless covered under Optional Extension 5.1.
- (iii) safes or vaults unless covered under Standard Extension 4.3(i)

3.12 **Prior or subsequent discovery of loss**

Loss the insured discovered:

- (i) prior to the commencement of the policy period; or
- (ii) subsequent to the expiry of the policy period or discovery period.

3.13 **Profit, loss or inventory computation**

Loss, the proof of which is dependent solely upon a:

- (i) profit and loss computation or comparison; or
- (ii) comparison of inventory records with an actual physical count.

However, where an employee is involved and has been identified, inventory records and actual physical count of inventory can be submitted as supporting documentation of loss, provided it is otherwise covered under the terms and conditions of the Policy.

3.14 **Proprietary information, trade secrets and intellectual property**

Loss of or arising from directly or indirectly the accessing of any confidential information including but not limited to trade secrets, computer programmes, customer information, patents, trademarks, copyrights or processing methods.

3.15 **Radioactivity and nuclear**

Loss, expense, liability or consequential loss of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

3.16 **Violent crime by any individual or organisation**

Loss arising out of theft occasioning the use of forcible and violent means unless:

- (i) if covered under Standard Extension 4.3 or Optional Extensions 5.1 or 5.2; or
- (ii) committed by an employee (acting alone or in collusion with others) and covered under Insurance Cover 1 (A).

3.17 **Voluntary exchange or purchase**

Loss arising out of the voluntary giving or surrendering (whether or not such giving and surrendering is induced by deception) of money, securities or other property in any exchange or purchase, unless:

- (i) such loss is committed by an employee (acting alone or in collusion with others) and covered under Insurance Cover 1(A); or
- (ii) is as a result of a fraudulent act committed by any other person.

3.18 **War**

Loss which arises directly or indirectly out of war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportion of or amounting to a popular uprising, military or usurped power, martial law, riot, the act of any lawfully constituted authority

3.19 **Terrorism Damage Exclusion**

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 Exclusion 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.

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 Insurer 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.

4. Standard Extensions

Subject to all of the terms, exceptions and conditions of this policy, cover is extended as follows:

4.1 Care custody and control

Cover is extended to include loss of money, securities belonging to any other individual or organisation, but which is in the care custody or control of the insured and for which the insured is liable. Such amount is part of and not in addition to the Limit of Liability specified in Item 3 of the Schedule.

4.2 Fees, costs and expenses

(i) Legal fees

Cover is extended to indemnify the insured for reasonable legal fees, costs and expenses incurred and paid by the insured in the **defence** of any demand, claim, suit or legal proceeding which the insured subsequently establishes results directly from a loss covered under this policy, provided that:

- (a) such indemnity is limited to Rs. 1.5 Crores or 5% of the Limit of Liability specified in Item 3 of the Schedule which ever is lesser and such amount is part of and not in addition to the Limit of Liability specified in Item 3 of the Schedule;
- (b) the insurer shall not be liable to make any payment for fees, costs or other expenses (whether such fees, costs or expenses be for legal, accounting or other services) incurred by the insured in establishing the existence, validity or amount of any loss under this policy, other than if covered under Standard Extension 4.2(ii);
- (c) such legal fees, costs and expenses are incurred with the prior written consent of the insurer;
- (d) there is no duty upon the insurer to advance any legal fees, costs or expenses to the insured prior to the conclusion of the demand, claim, suit or legal proceeding;
- (e) such legal fees, costs and expenses are not recoverable from any other party.

For the purpose of this Standard Extension 4.2(i) **defence** shall mean a situation whereby the insured is acting as a defendant in a court of law.

(ii) Use of investigative specialists

Cover is extended to include the fees and expenses of an investigative specialist, to investigate the facts behind a loss covered or loss potentially covered under this policy and to determine the quantum of such loss. No Retention amount shall be applied to the expense of the investigative specialist and such expense paid by the insurer will be limited to Rs. 1.5 Crores or 5% of the Limit of Liability specified in Item 3 of the Schedule whichever is the lesser. Such amount is payable in addition to the Limit of Liability specified in Item 3 of the Schedule.

Provided that an investigative specialist is nominated by the insured from the pre-approved panel of the Insurer the investigative specialist may proceed to investigate any loss notified under this policy. The investigative specialist shall not be any entity or person with a clear conflict of interest. Should the insured wish to nominate an investigative specialist not on the pre-approved panel of the Insurer, the insurer's prior written approval is required before any fees, costs or expenses are incurred which are recoverable under this policy. The insurer retains the right to attend the initial meeting with the insured and investigative specialist.

The investigative specialist shall advise how the insured's controls were or may have been breached and summarise recommendations which may prevent future similar losses.

A report shall be issued in English (in a format agreed by the insurer) in duplicate to the insured and the insurer.

No changes shall be made to the list of investigative specialists endorsed to this policy during the policy period unless such amendments are agreed to by the policyholder and the insurer.

(iii) **Reconstitution costs**

Cover is extended to include the reasonable cost of rewriting or amending the insured's software programmes or systems with the prior written consent of the insurer where such rewriting or amending is necessary to correct the programmes or amend the security codes following a loss covered under this policy. The insurer's liability for such rewriting or amending is limited to Rs 1.5 Crore for any single loss and in the aggregate and such amount is part of and not in addition to the Limit of Liability specified in Item 3 of the Schedule.

4.3 **Money or securities – damage, destruction or disappearance**

Cover is extended to include:

- (i) the physical loss of or damage to or actual destruction or disappearance of money or securities including damage to or actual destruction of safes or vaults incurred in connection with such loss; and/or
- (ii) theft of money or securities by any other person, whether occasioning the use of force or violence or not, occurring:
 - (a) within the premises; or
 - (b) within the interior of any banking premises or similar recognised place of safe deposit; or
 - (c) whilst in transit and in the care, custody and control of a director or employee of or a partner in the insured; or
 - (d) whilst in the care, custody and control of any security company or armoured motor vehicle company, which is duly authorised by the insured to retain the care and custody of such money or securities;

provided that this Standard Extension:

- (1) is limited to Rs. 1.5 Crores in respect of any single loss as a result of physical loss of or damage to or actual destruction of money or securities caused by fire; and
- (2) is always in excess of any other valid and collectable insurance or indemnity (or would be valid or collectible except for the application of the retention

amount or the exhaustion of the limits of liability), contractual or otherwise, available to the insured; and

- (3) is part of and not in addition to the Limit of Liability specified in Item 3 of the Schedule

4.4 **New entities – newly created or acquired**

Cover is extended to include:

- (i) any newly created subsidiary or associated company or plan formed or established by any insured during the policy period; or
- (ii) any merger with, or consolidation with, or purchase of, or other acquisition of the assets of another business. Indemnity under this policy shall apply to acts committed from the date of such merger with, or consolidation with, or purchase of, or other acquisition of the assets of another business.

Cover in respect of both (i) and (ii) above is afforded to such subsidiary or associated company or plan or assets only in respect of loss arising out of any act covered under this policy committed whilst such entity is or was a subsidiary or associated company or plan of the policyholder and this policy shall only apply in respect of such an entity for loss discovered after the commencement of such cover. In the event of (i) or (ii) above such new entity shall be covered hereunder provided that such entity:

- (a) has a total gross annual turnover and total number of employees which are less than 15% of the combined total gross annual turnover and total number of employees of all insureds; and
- (b) has not discovered any single loss of a type covered by this policy within the last 3 years which, whether insured or not and before the application of any retention, deductible or excess, was individually greater than 30 % of the Retention specified in Item 4 of the Schedule; and
- (c) conducts business activities which are comparable to the insured's business as most recently advised to the insurer; and
- (d) is governed by controls and procedures which are as effective as those most recently advised to the insurer by the insured creating or acquiring such entity.

If the new entity fails to meet the conditions set out in (a), (b), (c) and (d) above the insurer may agree upon written request to provide cover hereunder for acts committed on or after the date of such creation, merger, consolidation, purchase or acquisition but only upon the condition that within 90 days of the acquisition of the newly created or acquired subsidiary or associated company or plan or assets, the insurer shall have been provided with full particulars of the newly created or acquired subsidiary or associated company and any additional premium and/or amendment to the policy has been agreed by the insurer.

5. **Optional Extensions**

Subject to all of the terms, exclusions and conditions of this policy, cover is extended as follows unless shown as Not Included in Item 6 of the Schedule:

5.1 **Criminal damage**

Cover is extended to include loss sustained as a result of criminal damage committed with the principal intent to cause the insured to sustain such loss by:

- (i) any employee (acting alone or in collusion with others); or
- (ii) any other person where such loss occurs at the premises; provided that this Extension:

- (a) is limited to Rs. 1.5 Crores any single loss and in the aggregate and such amount is part of and not in addition to the Limit of Liability specified in Item 3 of the Schedule; and
- (b) excludes loss resulting from criminal damage to money and securities and safes and vaults ; and
- (c) excludes damage occasioned by fire, howsoever caused; and
- (d) is always in excess of any other insurance or indemnity contractual or otherwise available to the insured; and
- (e) does not apply in addition to Standard Extension 4.2(iii) Reconstitution Costs in respect of the same act or series of related, continuous or repeated acts.

5.2 Interest receivable or payable

Cover is extended to include the amount of any interest which would have been receivable but for a loss covered under this policy, or which becomes payable by the insured resulting directly from a loss covered under this policy provided that the insurer's liability for such interest receivable or payable:

- (i) is that which is calculated by applying the average of the Reserve Bank Of India base rate in force between the time of sustaining such loss and the date of discovery of such loss; and
- (ii) is limited to 15% of the Limit of Liability specified in Item 3 of the Schedule and such amount is part of and not in addition to the Limit of Liability specified therein.

5.3 Violent and forcible theft of property by any other person

Cover is extended to include:

- (i) Loss caused by theft or attempted theft following entry to or exit from the premises by forcible and violent means by any other person resulting in:
 - (a) theft of any tangible property (other than contents and fixtures and fittings); or
 - (b) theft of any contents, fixtures and fittings limited to Rs. 1.5 Crores any single loss, such amount being part of and not in addition to the Limit of Liability specified in Item 3 of the Schedule; or
- (ii) Loss caused by theft or attempted theft incurred whilst in transit due to forcible and violent means exercised by any other person resulting in theft of any tangible property whilst in transit by a director or employee of or a partner in the insured ; provided that this Extension:
 - (a) is in excess of any other valid and collectible insurance or indemnity, contractual or otherwise, available to the insured; and
 - (b) is part of and not in addition to the Limit of Liability specified in Item 3 of the Schedule.

For the purpose of this Optional Extension 5.3 property shall not include money and securities.

6. General Provisions

6.1 Limit of Liability

The Insurer's total liability for all loss or losses paid during the Policy Period shall not exceed the aggregate Limit of Liability as set forth in Item 3 of the Schedule.

6.2 **Limit of liability under this policy and prior insurance**

Loss which is covered partly by this policy and partly by any other policy (including policies of which this is a renewal) issued by the insurer or any other member company of American International Group Inc. to the insured, for which the previous discovery period has not expired, shall be limited to the larger amount of insurance under the previous policy or this policy and shall on no account be cumulative.

6.3 **Non accumulation of liability**

Regardless of the number of years this policy is in force and irrespective that it is or may be renewed and regardless of the number of premiums paid, the Limit of Liability as specified in Item 3 of the Schedule shall not be cumulative from year to year or period to period.

6.4 **Retention and other insurance**

For each and every loss, cover under this policy will be excess of the greater of:

- (i) the Retention specified in Item 4 of the Schedule; or
- (ii) the amount of any other valid and collectible insurance or indemnity, contractual or otherwise, available to the insured.

Retention shall not apply in respect of:

- (a) any plan, where such plan is required by law to comply with the Employee Retirement Income Security Act 1974 (ERISA) in the United States of America (USA); or in a capacity as trustee or fiduciary under law (statutory or non-statutory including common) or administrator of any pension, profit sharing or employee benefits programme, including but not limited to an actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Provident Fund Act of 1952 (India) or the Payment of Gratuity Act, 1972 (India), Employee Pensions Scheme, 1995 (India), Employee Retirement Income Security Act of 1974 (USA) or the Pensions Act 1995 (UK) and any amendments to any of the foregoing thereto or any similar provisions of the law from time to time in force, common or statutory, of any state, territory, jurisdiction, or political subdivision thereof;
 - (b) use of any investigative specialist as provided under Standard Extension 4.2 (ii).

If a loss is covered partly under this policy and partly under a prior policy issued by another insurer or carrier, the Retention under this policy applicable to the loss will be reduced by the retention or deductible actually applied to loss under such other policy.

6.5 **Single policy**

This policy is a single contract of insurance and if more than one insured is covered this policy shall nevertheless be and remain a single contract of insurance for the benefit of the insured as joint insured and, accordingly, without limitation:

- (i) the policyholder shall act for itself and for all insured for all purposes under this policy, including but not limited to the giving and receiving of notice, the giving of notice of loss, the payment of premiums that may become due and the receipt and acceptance of any endorsements issued to form a part of this policy;
- (ii) payment of any loss under this policy to the policyholder shall fully release the insurer with respect to such loss, however, in the event that any loss sustained by any Indian plan is covered under this policy, payment shall be made by the insurer to the trustees of such funds for and on behalf of the beneficiaries;
- (iii) if there is more than one insured under this policy and any such entity other than the policyholder ceases for any reason to be covered under this policy, then the remaining insureds shall continue to be joint insured for all purposes under this policy;

- (iv) knowledge possessed or discovery made by any insured or by any director, partner, trustee, officer, departmental director, senior manager or equivalent thereof of any insured shall for all purposes constitute knowledge possessed or discovery made by every insured;
- (v) the insurer's liability for loss sustained by any or all of the insured shall not exceed the amount for which the insurer would be liable had all such loss been sustained by any one of the insured; as specified under Item 3, Limit of Liability in the Schedule.
- (vi) in calculating loss covered under this policy, where another insured receives a benefit corresponding or relating to such loss, that benefit will be set off against the value of such loss.

6.6 **How to give notice and report a loss**

- (i) Notice of loss shall be given in writing directly to

Future Generali India Insurance Company Limited
Claims Team – Claims Manager – Non-Motor Claims

If posted the date of posting shall constitute the date that notice was given, and proof of posting shall be sufficient proof of notice.

- (ii) The insured shall, as a condition precedent to the obligations of the insurer under this policy:
 - (a) give written notice to the insurer as soon as practicable but in any event no later than 60 days after loss is discovered; and
 - (b) give notice to the police. and
 - (c) provide the insurer with all requested information and documents and cooperate with the insurer in all matters pertaining to the loss; and
 - (d) furnish to the insurer affirmative proof of loss with full particulars within 6 months of discovery in the absence of a conclusive report by an investigative specialist.

6.7 **Discovery period**

If the policyholder chooses not to renew or extend this policy and does not replace this policy with a similar policy or cover with the insurer or any other party, then the policyholder shall have the right to a discovery period of 90 days following the effective date of non-renewal with the insurer.

6.8 **Loss settlement**

The insurer may, with the insured's consent, settle any claim for loss of property with the owner. Any property for which the insurer has made indemnification shall become the property of the insurer. At its discretion, the insurer may pay the actual cash value or make applicable repairs or replacements.

6.9 **Basis of valuation**

In no event shall the insurer be liable for more than:

- (i) the actual market value, determined by that published in the Economic Times or Business Standard in India or equivalent local daily financial newspaper of securities, foreign funds, currencies or precious metals at the close of business on the day the loss was discovered, or, if less, the actual cost of replacing the securities;

- (ii) 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 furnished by the insured in order to reproduce books of accounts and records;
- (iii) the cost of labour for the actual transcription or copying of electronic data furnished by the insured, in order to reproduce such electronic data;
- (iii) the actual cash value of other property at the time of loss or the actual cost of repairing or replacing the property with property or material of like quality or value, whichever is less. The actual cash value of other property if held by the insured as a pledge, or as collateral for an advance or a loan, shall be considered not to exceed the value of the property as determined and recorded by the insured when making the advance or loan, or in the absence of a record, the unpaid portion of the advance or loan plus accrued interest at legal rates.

6.10 Recoveries

Recoveries (except from insurance, reinsurance, sureties or indemnity), will be allocated in the following order of reimbursement:

- (i) firstly, for any costs and expenses reasonably and necessarily incurred in relation to the recovery;
- (ii) secondly, the insured will be reimbursed for any loss exceeding the Limit of Liability specified in Item 3 of the Schedule;
- (iii) thirdly, the insurer will be reimbursed for any settlement made; and
- (iv) lastly, the insured will be reimbursed for loss equal to the Retention amount specified in Item 4 of the Schedule.

6.11 Subrogation

In the event of any payment under this policy, the insurer shall be subrogated to the extent of such payment to all of the insured's rights of recovery in respect of the payment. The insured shall execute all papers required and shall do everything necessary to secure any rights including the execution of any documents necessary to enable the insurer effectively to bring suit in the name of the insured whether such acts shall be or become necessary before or after payment by the insurer.

6.12 Arbitration

“The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy.

Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.”

6.13 Assignment

This policy and any rights under it cannot be assigned without written consent of the insurer.

6.14 Changes in risk during policy period

If during the policy period any of the following **changes in risk** take place, then the cover provided under this policy is amended to apply only to those acts committed prior to the effective date of such change in risk.

For the purpose of this General provision **changes in risk** mean:

- (i) the liquidation of the policyholder, or the appointment of a receiver, liquidator, manager or administrator in respect of the policyholder; or
- (ii) the liquidation of any single insured or the appointment of a receiver, liquidator, manager or administrator of such insured; or
- (iii) the consolidation or merger of the policyholder with another business entity, or upon any purchase, assignment, transfer, pledge or sale of assets or shares occasioning any change in control of the policyholder; or
- (iv) a change of control of any insured; or
- (v) knowledge that an act of fraud or dishonesty or criminal damage has been committed by any employee of the insured or any director, partner, trustee, officer, departmental director, senior manager or equivalent as set out under Exclusion 3.8.

6.15 Proposal and representation

In granting cover to any one insured, the insurer has relied upon the statements and particulars in the proposal together with its attachments and other information supplied. All such statements, attachments and information are the basis of and are incorporated into the contract. The insured shall not conceal or misrepresent any material fact or circumstance when making such representation.

6.16 Title and italics

The titles of these paragraphs are for convenience only and do not lend any meaning to this contract. In this policy, words in italics have special meaning and are defined.

6.17 Bankruptcy

Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve the Company of its obligation under this Policy.

6.18 Currency Clause

All Limits of Liability, premiums and other amounts as expressed in this Policy are in Indian Rupees

6.19 Cancellation

Cancellation of policy can be cancelled only on the ground of miss-representation, fraud, non-disclosure of material facts or non-cooperation of the insured.

The Company may cancel this policy by giving thirty days' notice in writing of such cancellation to the Insured's last known address and in such an event the Company will return a pro-rata portion of the premium for the unexpired part of the Insurance.

The Policy may also be cancelled by the Insured by giving thirty days' notice in writing to the Company, in which event the Company will retain premium at short-period scale as per the following table provided there is no claim under the Policy during the period of Insurance. In case of any claim under the Policy no refund of premium shall be allowed.

Table of Short Period Rates	
Period of Risk (days up to)	Amount of premium to be retained by the Company
7	10%
30	25%
60	35%
90	50%
120	60%
180	75%
240	85%
Exceeding 240	100%

6.21 Territory

Coverage shall extend only to the Territory as listed in the Schedule for this policy. .

The construction, interpretation, meaning and enforcement of the provisions of this policy shall be determined in accordance with and governed by the laws of the Republic of India.

6.22 Fraud

(A) Any person who, knowingly and with intent to defraud the Company or other person, files a proposal for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act which will render the policy voidable at the Company's sole discretion and result in a denial of insurance benefits.

(B) If a claim is in any respect fraudulent, or if any fraudulent or false plan, specification, estimate, deed, book, account entry, voucher, invoice or other document, proof or explanation is produced, or any fraudulent means or devices are used by the **Insured**, policyholder, beneficiary, claimant or by anyone acting on their behalf to obtain any benefit under this policy, or if any false statutory declaration is made or used in support thereof, or if loss is occasioned by or through the procurement or with the knowledge or connivance of the **Insured**, policyholder, beneficiary, claimant or other person, then all benefits under this policy are forfeited.

6.23 Conformity

The provisions of this Policy shall be read subject to the provisions of any statute governing Its construction. If the provisions of this policy are inconsistent with such statute then the provisions of this policy shall be deemed to be amended so as to comply with the statute.

REDRESSAL OF GRIEVANCE

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

Website: <https://general.futuregenerali.in/> Toll Free: 1800-220-233 / 1860-500-3333 / 022-67837800

Email: Fgcare@futuregenerali.in

Courier: Grievance Redressal Cell, Future Generali India Insurance Company Ltd. Lodha I –Think Techno Campus, B Wing –2nd Floor, Pokhran Road –2, Off Eastern Express Highway Behind TCS, Thane West – 400607

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 fggro@futuregenerali.in or call at: 7900197777

For updated details of grievance officer, kindly refer the link <https://general.futuregenerali.in/customer-service/grievance-redressal>

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. Kindly refer the annexure on Grievance Redressal Procedures.

Grievance may also be lodged at IRDAI Bima Bharosa (an Integrated Grievance Management System) - <https://bimabharosa.irdai.gov.in/>

GRIEVANCE REDRESSAL PROCEDURE

Dear Customer,

At Future Generali, we continuously strive for service excellence to give you exceptional customer experience. This helps us build trust and long-term relationship with you.

We request you to read the policy document including the terms and conditions carefully. This will help you understand your plan and drive maximum benefits. We want to ensure the plan is working for you and welcome your feedback.

What is a grievance?

“Complaint” or “Grievance” means expression (includes communication in the form of electronic mail or other electronic scripts, Inbound Call, SMS, Letter), of dissatisfaction by a complainant with insurer, distribution channels, intermediaries, insurance intermediaries or other regulated entities about an action or lack of action about the standard of service or deficiency of service of such insurer, distribution channels, intermediaries, insurance intermediaries or other regulated entities.

- ▶ Explanation: An inquiry/ query or request does not fall within the definition of the 'complaint' or 'grievance'.
- ▶ Complainant means a policyholder or prospect or any beneficiary of an insurance policy who has filed a complaint or grievance against an insurer or a distribution channel.

We are always here for your help. You may use any of the following channels to reach us-

Helpline	Website	Email	Branch GRO	Complaint form
Call us on 1800 220 233/ 1860 500 3333/ 022-67837800	Click here to know more	Write to us at fgcare@futuregenerali.in	Click here to know your nearest branch.	Click here to raise a complaint

By when will my grievance be resolved?

- ▶ You will receive grievance acknowledgement from us within 3 business days for your complaint.
- ▶ Final resolution will be shared with you within 2 weeks of receiving your complaint.
- ▶ Your complaint will be considered as closed if we do not receive any reply from you within 8 weeks from the date of receipt of response.

How do I escalate my complaint if I don't receive a response on time?

- ▶ You may write to our Grievance Redressal Office at fggro@futuregenerali.in
- ▶ You may send a physical letter to our Grievance Redressal Cell, Head Office at the below address-

Future Generali India Insurance Company Ltd.

Lodha I – Think Techno Campus, B Wing – 2nd Floor, Pokhran Road – 2,
Off Eastern Express Highway Behind TCS, Thane West – 400607

GRIEVANCE REDRESSAL PROCEDURE

What if I am not able to register my grievance?

You can comfortably raise a grievance via any of the above-mentioned avenues. If you face any challenge, you may write to the provided email IDs for help.

If you still face any challenge, you may use any of the below options to raise a complaint with the Insurance Regulatory and Development Authority (IRDAI)-

- ▶ Call toll-free number **155255**
- ▶ **Click here** to register complaint online

Is there any special provision for senior citizen to raise grievance?

We understand our customers and their needs. Thus, have a separate channel to address the grievances of senior citizens. The concerns will be addressed to the senior citizen's channel (care.assure@futuregenerali.in) as complaints for faster attention or speedy disposal of grievance, if any.

Insurance Ombudsman:

If you are still dissatisfied with the resolution provided, you may opt to approach the Office of the Insurance Ombudsman, provided the same is under their purview.

Click here to know the guidelines for taking up a complaint with the Insurance Ombudsman.

In case you wish to send your complaint to insurance ombudsman.

Click here to access the list of insurance ombudsman offices.