

 ಕರ್ನಾಟಕ ಗ್ರಾಮೀಣ ಬ್ಯಾಂಕ್	KARNATAKA GRAMIN BANK (A Scheduled Bank owned by Govt: Sponsored by :Canara Bank) GA Wing, H.O No.32 Sangankal Road, Gandhinagar, Ballari -583103. Ph: 08392-260418, 260461, e-mail: psitw.premises@kgbk.in KaGB: HO:GAW/SC/61/2020-21 Date: 25.02.2021
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Subject: Request for Proposal - Renewal of Bankers Indemnity & other Assets Insurance Policies from 1st April, 2021 to 31st March, 2022.

We wish to inform that the bank intends to renew **Bankers Indemnity and other asset insurance policies for the financial year 2021 -2022 period**. The Sealed tenders are invited by Karnataka Gramin Bank from all IRDAI approved General Insurance Companies. In this context bank has appointed **M/s. Anand Rathi Insurance Brokers Ltd.(for any queries-contact 9743000087 and Email id:- sanathshetty@rathi.com)** to assist the bank.

The Insurance Companies are invited to submit the premium quotation in a sealed envelope super-scribing "Tender submission for Bankers Indemnity And Other Insurance Policies" on or before **18th March, 2021 at 5.00 P.M.** to the following address. The pre-bid meeting will be held on **10th March 2021 at Head Office Ballari** and all the sealed quotations will be opened on **19th March 2021 at Head Office Ballari at 3.00 PM** in the Tender Committee Meeting of the Bank at Head office.

Address: The General Manager
General Administration Wing
Head Office
Karnataka Gramin Bank
Sangankal Road
Gandhinagar
Ballari-583103

Insurance coverage of all Offices/Work Places/Branches located in Karnataka either owned and /or rented, existing as well as future including but not limited to:

1. Currency Chest Branches / Bullion Branches
2. Head Office/Corporate Office
3. Regional Offices/Zonal Offices
4. Branch Offices
5. Extension Counters
6. ATM Centers / Cash Deposit Kiosk / Bunch Note Acceptor /Cash Acceptor Kiosk (Offsite/Onsite- Owned and /or Rented), E.D. P systems centers
7. Training Centers
8. Residential Building/ Buildings/Flats/Guest Houses Etc.
9. Representative Offices
10. Mobile Units(including ATM/CDM/CRM/CMSU)

BANKERS INDEMNITY POLICY- SCHEDULE

1	NAME OF INSURED	Karnataka Gramin Bank
2	INSURED ADDRESS	Head Office - Ballari No - 32, Sangankal Road, Gandhinagar Ballari-583103
3	POLICY PERIOD	01.04.2021 to Midnight 31.03.2022

INSURING CLAUSES / SUM INSURED AND EXCESS

Sr No.	INSURING CLAUSES	Sum Insured (In Rupees)	Policy Excess
1	Basic Sum Insurance	3,00,00,000	10% of claim amount under Sections (A to H) but not exceeding INR 25,000
2	Additional Sum Insurance for Sections		
A	On premises	30 Crores	
B	In Transit	10 Crs	
C	Forgery & Alteration	Within Basic SI	
D	Employee Dishonesty	5Crores	
E	Hypothecated goods	Within Basic SI	
F	Registered post Parcel/courier	Within Basic SI	
G	Appraisers	4crores	
H	Janata Agent / Collection agents or likes / Pigmy Collection agents ,NND agents/Choti Bachat /YojanaAgents/Business Correspondent / Business Facilitator/Affiliate/Associates	Within Basic SI	
I	Securities	3 Crores	INR 25,000 each and every Loss
J	Computer & Electronic Crime/ Cyber Crime/ Loss due to electronic data Processing	1 Crores	INR 25000 for each and every loss
K	Counterfeit Currency	Within Basic Sum Insurance AOA : Rs 1 Lac	INR 2000 for each and every loss
L	Infidelity of Bank Appointed	Within Basic Sum Insurance	INR 25000

L	Infidelity of Bank Appointed Vendor/vendors/all outsourced service providers	Within Basic Sum Insurance	INR 25000 for each and every loss
M	ATM/CDM/ Cash Recyclers Related Fraud	Within Basic Sum Insurance	10% of each loss but not exceeding INR 25,000
O	Negligence and Errors and Omissions	Within Basic Sum Insurance	INR 25000 for each and every loss
P	Spurious Gold Cover	Within Basic Sum Insurance AOA : Rs 50 Lakhs	INR 25000 for each and every loss
Q	Liability arising out of Opening of Bank A/c With forged documents	50 Lakhs	INR 10000 for each and every loss

Note: Retroactive Period need to be extended up to 3 years from date of loss

The Following Terms & Conditions would be also part of the policy

- 1) Policy covers loss of damage due to Fire & Allied perils, RSMD, Act of Terrorism/ Naxalite activities and all types of AOG perils including STFI cover
- 2) 72 hours clause will be applicable for AOG perils

For Loss due to terrorism risk for all the sections the excess would be 0.5% of the Sum Insured subject to a minimum of ₹ 25,000/-

Asset Insurance Policies

Standard Fire and Special Perils Policy for all the assets of the Bank		
	Description	Sum Insured INR
	Properties to be Covered: Bank's own building / buildings, all types of Civil work, renovation, alteration and contents of every description, Plant, Machinery, Accessories including Electrical / Electronic Installation, Lifts, DG sets, AC Equipments, IT-Assets installed / lying, Furniture, Fixture, Fittings, Office Equipments, Stationary and all other Contents as per latest Bank's balance sheet, from owned building as well as rented premises. Entry in Fixed Assets Register (computerized) as per Fixed Assets Management System (FAMS) will be taken as proof of existence of the item and no other proof in the form of Original Bill / Invoice, etc. will be asked for by the Insurance Company at the time of claim settlement	
	Locations to be Covered: All Offices/ Branches located in India including: • Corporate Office/ Local Head Offices/ Corporate Centre establishments • Zonal Offices / Circle Offices • Regional Offices • Branch Offices • Extension Counters • ATM Centers/ Cash Depositing Machines/ Cash accepting machine (CAM) Banking Kiosks, (onsite/ offsite) • Currency chest branches • Residential Buildings/Flats • Guest Houses, etc. • Training centers.	
	1. Civil work, Building/Buildings/flats including all types of civil work, plinth and foundation, compound wall, Renovation/alternations for owned Buildings / Flats.	5,00,00,000
	2. Contents of every description including Plant, Machinery, Accessories, Electrical/Electronic installation, Lifts, DG Sets, IT Assets, ATM Centers, FFF, Office Equipment and all other contents including stationery items.	94,15,00,000
	Total Sum Insured	99,15,00,000

Add Ons	
Earthquake (Fire and Shock)	Required
Storm Tempest Flood Inundation	Required
Terrorism	Required
Architects, Surveyors, Consulting Engg. Fees	Upto tariff limits
Debris Removal (including foreign debris)	Upto tariff limits
Market Value Clause	Required
Local Authority Clause	Required
Designation of Property Clause	Required
72 Hours Clause	Required
Goods Held in Trust/Care or Custody	Required
On account payments - 75%	Required
Waiver of Fire Brigade Report for the Losses upto to Rs 3 Lakhs	Required
Automatic Reinstatement of Sum Insured	Required
Waiver of survey: Waiver of survey for all losses net of deductible up to Rs. 50,000/-, subject to submission of self-survey report form with supporting invoice/bills/documents/stock report/ledger.	Required

Slip - Burglary Insurance Policy

Please note:	
Locations to be Covered: Covering Contents for all banks premises with in Karnataka on clearly mention First loss basis For amounting to RS 10 crores. All Offices/ Branches located in India including: • Corporate Office/ Local Head Offices/ Corporate Centre establishments • Zonal Offices/ Circle Offices • Regional Offices • Branch Offices • Extension Counters • ATM Centers/ Cash Depositing Machines/ Cash accepting machine (CAM) Banking Kiosks, (onsite/ offsite) • Currency chest branches • Residential Buildings/Flats	10,00,00,000

	• Guest Houses, etc. • Training centers.	
	Office Contents- however the total exposure for contents 94.15 crores.	
	Scope of Cover • The loss or damage to the insured's property due to burglary/theft/larceny/dacoity.	
	FFF	
	Plant & Machinery	
	Others including Electrical /Electronic items	
	Stocks at plant including Raw Materials, Stocks in Process and Finished Goods	
	ISC Parcels	
	Branches, CO, HO and any other locations – Contents	
	New Branches to be opened - WIP – Contents	
	Total Sum Insured	
	Add Ons	
	Theft	Required
	RSMD	Required
	Goods held in trust clause	Required
	Loss/ damage due to actual or attempted burglary/ larceny/robbery/, House Breaking, holdup, Dacoity and attempted threat	Required
	Only intimation to Police Authorities for claims up to Rs.3.00 lacs (i.e. Waiver of FIR for claims up to INR 3.00 lacs). For claims above Rs.3.00 lacs, FIR is required.	Required

For Karnataka Gramin Bank


General Manager
General Administration Wing

BANKERS INDEMNITY POLICY

Whereas the Insured, named in the schedule hereto has made to the Insurer a written Proposal which it is agreed shall form the basis of this Insurance and has paid *the premium specified in the schedule, all provisions of the said schedule and the written Proposal being hereby incorporated in forming part of this Policy.

The Insurer hereby undertakes and agrees, subject to the following terms, exclusions, limitations, general definitions and conditions, to make good to the Insured, as stated in the insuring clauses, or in any amendment endorsements attached thereto, in excess of the amounts of the deductibles/excess stated to be applicable, such financial loss sustained by the Insured subsequent to the retroactive date and discovered by the Insured during the period of the Policy and subject always to the Policy Limits as stated in the schedule or in any amendment endorsements attached thereto.

The Insured is requested to read this Policy and if it is incorrect, return it immediately for correction.

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

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

GENERAL DEFINITIONS

References in this Policy to the singular shall also include references to the plural and references to the male gender shall also include references to the female gender, and vice versa in both cases.

The words or phrases defined below have a specific meaning. They have this meaning wherever they appear in the Policy and are shown with an initial capital letter.

1. **"Acceptance"** means a bill of exchange upon which is signified by the drawee his assent to the order of the drawer.
 2. **"Insured"** means the Insured named and stated in the Schedule of this Policy and any Subsidiaries
 3. **"Bill of Exchange"** means an unconditional order in writing, address by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a fixed or determinable future time a sum certain in money to or to the order of a specified person, or to bearer.
 1. **"Bill of Lading"** means a document of title issued by a carrier to the order of a shipper and is transferable to another person by endorsement and delivery.
 2. **"Certificate of Deposit"** means a written acknowledgement by a bank of a deposit of funds 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.
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3. **"Cheque"** means a Bill of Exchange, drawn on a bank directing it to pay the sum specified on demand.

4. **"Counterfeited"** means the imitation of an instrument that is authentic such that the Insured is deceived on the basis of the quality of the imitation to believe that the imitation is the authentic original instrument. Fictitious instruments which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not counterfeit.

For the purpose of Insurance of Securities, Counterfeit shall be deemed to mean as **"Counterfeit"**, as used herein, means the reproduction of an authentic Security or Similar Written Instrument, as set forth above, such that the Insured is deceived on the basis of the quality of the imitation so as to believe that said item is the authentic original instrument.

5. **"Draft"** means Bills of Exchange payable on demand drawn by or on behalf of the bank upon itself whether payable at the head office or other offices of the insured

6. **"Employee" or "Employees"** means

- a. The Insured's officers and other full and part-time staff compensated by salary or wages (including a Director of the Insured who is employed as a salaried officer or employee) while acting in the course of their employment by the Insured at or from the Premises of the Insured,
- b. a Director of the Insured (other than one who is employed as a salaried officer or employee) but only while performing acts coming within the scope of the usual duties of an employee by resolution of the Board of Directors of the Insured while acting at or from the Premises of the Insured,
- c. one or more persons, Business Correspondence/Business Facilitators provided by an employment contractor to perform employee duties for the Insured under the Insured's supervision; at or from any of the premises of the Insured & Business correspondence /Business Facilitators.
- d. one or more of the Insured's retired officers or employees who have been retained by them as consultants, other than consultants involved in the Insured's Data Processing activities, while acting in their capacities as such consultants; and
- e. one or more persons engaged by the Insured as consultants, other than consultants involved in the Insured's Data Processing activities, while acting in their capacity as such, and
- f. a guest student, volunteers, work experience participants pursuing studies or duties in any of the Insured's premises,
- g. contractors or special visitors expressly authorised by the Insured to be on the Insured's premises and whilst under the supervision of the Insured,
- h. employees of security and maintenance contractors while such contractors are temporarily performing services for the Insured whilst under the Insured's supervision,
- i. a person on secondment to the Insured from his or her employer to perform employee duties for the Insured under the Insured's supervision.

In addition to the above the definition of employee shall mean all employees of the insured whether permanent, temporary or under contract including apprentices and under contract of any outstanding agency with whom the insured has entered or may be entering during the period of insurance into any contract relating to the business of the Insured.

7. **"Forgery" or "Forged Signature" or "Forged as to the Signature"** means the handwritten signing or endorsing of the name of another person without authority or with the intent to deceive. It does not include the signing or endorsing of one's own name, with or without authority in any capacity, for any purpose. Mechanically or electronically produced or reproduced copies of another person's signature shall be treated the same as a handwritten signature.
 8. **"Insurer"** means the General Insurance Company viz Insurance Co Ltd
 9. **"Loan" or "Loans" or "Advance"** means
 - a. Any loan or Advance or transaction in the nature of, or amounting to, a loan or extension of credit, including a lease, made by or obtained by or from the Insured,
 - b. Any note, account, invoice, agreement, or other evidence of debt, assigned or sold by or to, or discounted otherwise acquired by the Insured,
 - c. Any payments made or withdrawals from a customer's/employee account involving an uncollected item and any other similar transaction
 10. **"Letter of Credit"** means an engagement in writing by a bank, made at the request of a customer, that the issuer will honour drafts or other demands for payment upon compliance with the conditions specified in such Letter of Credit.
 11. **"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.
 12. **"Policy"** means:
 - a. the Schedule, insuring clause(s), definitions, exclusions, conditions, and other terms contained herein; and
 - b. any endorsement attaching to and forming part of the Policy either at inception or during the Policy Period; and
 - c. the proposal.
 13. **"Promissory Note"** means an unconditional promise in writing made by one person to another signed by the maker, engaging to pay, on demand or at a fixed or determinable future time, a sum certain in money to, or to the order of, a specified person or to bearer.
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14. **"Property"** means the following tangible items: paper currency, foreign exchange, treasury notes, coins, bullion, pledged gold, gold on consignment, jewellery, precious metals of all kinds and in any tangible form and articles made there from, gems (including uncut gemstones), precious and semi-precious stones, stamps, insurance policies, travellers cheques, Cheques, certificates of stock, bonds, coupons, and all other types of securities, bills of lading, warehouse receipts, trust receipts, Bills of Exchange, Bankers Acceptances, Bankers Drafts, Bankers Cheques, Certificates of Deposit, share certificates, Gift Cheques, Travellers Cheques, Pay orders, Demand Drafts, Securities, Deposits, Term Deposits and Withdrawals Slips, Letters of Credit, Promissory Notes, Insurance Policies, import export documents, money orders, withdrawal notes/receipt/order, orders upon public treasuries, title deeds, certificates of title and all other negotiable and non-negotiable instruments or contracts representing money or other property (real or personal) , ATM/CDM keys, credit cards, debit cards, recharge cards, data magnetic tapes, any other storage media, coupons, postage stamps, revenue stamps, stamp papers, postal order, pay order, draft, bank guarantee documents, or representing interests in money or other property (real or personal) and other valuable papers, financial documents, including books of accounts and other written records used by the Insured in the conduct of its business in which the Insured has interest, or which are held by the Insured for any purpose or in any capacity and whether so held gratuitously or otherwise and whether legally liable therefore or not.. Also covered are Dividend Warrants &/or Interest Warrants &/or Refund Orders issued by the Bank against its own shares &/or securities. Any new activity dealing in cash started by the insured shall also be covered.

Cash and Securities 'In Transit' would include all but not limited to include cash including foreign currency/securities transited from/to our branches/offices/ATMs, other banks including co-operative banks, primary credit societies, post offices, treasuries, RBI, LIC offices, any other institution or office where Bank is required to remit/collect cash/securities and office/premises of customer approved by the Insured, with or without specific order or with extended orders.

15. **"Premises"** means Insured's office at the address stated in the schedule and any other permanent or temporary, leased or owned or allowed to use arrangement office occupied by the Insured or on its behalf for the purpose of conducting business including ATMs, Mobile Offices, Cash collection centers, Currency management centers, KIOSKs, Cash Management Service units, Cash Deposit Machines, mobile vans and likes and /or all vaults, safe deposit, safe deposit vaults, safe deposit boxes, strong room, defender safe. The premises also includes office of the Insured's bankers having custody of property for safekeeping purposes in any recognized place of safe deposit in course of normal business, including integrated currency chest. Office of a transfer or registration agent having custody of property for the purpose of exchange, conversion, registration or transfer in the usual course of business also constitute as Premises. All new premises owned or hired or leased during the course of the policy period are deemed to be covered. Additionally all descriptive items mentioned under locations forming a part of the schedule are also covered.

16. **"Proposal"** means the application for insurance completed by the Insured and any ancillary information and documentation supplied by the Insured in connection with this insurance.
17. **"Withdrawal Receipt"** means a written instrument acknowledging receipt of funds from an account maintained with the Insured by a depositor including but not limited to withdrawal slips.
18. **Securities, Documents or Similar Written Instruments** shall be deemed to mean:
- i. original (including original counterparts) negotiable or non-negotiable agreements in writing, other than as set forth in (ii), (iii) and (iv) below, having value which value is, in the ordinary course of business, transferable by delivery of such agreements with any necessary endorsement or assignment; or
 - ii. original corporate, partnership or personal guarantees; or
 - iii. a Certificated Security or a Statement of Un-certificated Security; or
 - iv. an Instruction; or
 - v. an assignment, transfer, power of attorney, stock power, or guarantee presented in connection with the transfer, pledge or release from pledge of an Un-certificated Security and which transfers, pledges or releases from pledge or purports to transfer, pledge or release from pledge such Un-certificated Security

For the purpose of "Forged Securities", the definition of "Securities or Similar Written Instruments" means only the original (including original counterparts) negotiable or non-negotiable agreements in writing, having value which value is, in the ordinary course of business, transferable by delivery of such agreements with any necessary endorsement or assignment; or

- (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,
- (b) Bonds similar in form to corporate bonds issued by partnerships, which bonds are secured by mortgages, deeds of trust or collateral trust agreements,
- (c) Government or Government Guaranteed and Local Authority stocks, certificates of indebtedness, bonds, coupons or warrants issued by the Government of any Country or by any of its respective Agencies, States, Provinces, Counties, Cities, Towns or Municipalities, National Saving Certificate
- (d) Deeds of trust, mortgages upon real property and upon interests in real property and assignments of such mortgages,
- (e) Promissory Notes except:
 - (i) those issued or purporting to have been issued for use as currency, or
 - (ii) those secured or purporting to be secured directly or indirectly by assigned accounts or what purport to be assigned accounts, or

- (iii) when payable at and paid by the Insured,
 - (f) Certificates of Deposits, Letters of Credit, and Bank Guarantee and Bill of Lading, Insurance Policies when pledged to the Insured as security for a Loan except Certificates of Deposit issued by the Insured,
 - (g) Commercial Paper, Railway receipts and other instruments such as Title deeds, cheques, pay orders, invoice, bills of lading, bills of exchange etc.
19. **"Automated Teller Machine"** means an unmanned electronic terminal installed at the premises of the Insured (including stand-alone terminals), and bearing the Insured's designated logo or insignia, which can read the magnetic encoding of a 24 Hour Banking Card and permits a 24 Hour banking cardholder of the Insured to perform certain basic financial transactions including the ability to deposit or receive money or Property and to send electronic instructions to a data centre authorizing the processing of debit and credit entries to the cardholders accounts. This definition also includes cash deposit machines
20. **"Evidences of Debt"** 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.
21. **"Financial Organization"** means:
- i. Any bank, credit institution, financial institution, undertaking for collective investment in securities, investment firm, asset management company, building society, friendly society or similar organization.
 - ii. Recognized investment exchange, recognized clearing house, designated investment exchange or designated clearing house, overseas investment exchange, overseas clearing house;
 - iii. Any regulated investment exchange or clearing house of the same type and nature as described in (b) above operating in any other country worldwide; and
 - iv. Any Custodian.
22. **"Instruction"** means a written order to the issuer of an Un-certificated Security signed by or appearing to have been signed by the registered owner, the registered pledge or a person acting in a fiduciary capacity for the registered owner requesting that the transfer, pledge or release from pledge of the Un-certificated Security specified therein be registered.
23. **"Loss"** or **"Losses"** or **"Lost"** means:
- a. The financial loss sustained by the Insured (or by any person or organization following the loss of Securities or other property under the care, custody and control of the Insured or for which the Insured is legally liable).
 - b. Direct compensatory damages (but not multiples thereof) awarded to a third party or settlements negotiated with the Insured's consent to reimburse a third party for their direct

financial loss suffered as a result of an act, omission or event covered by Section of this Policy;

- c. Interest Receivable or Payable;
- d. Claims Expenses incurred in accordance with applicable Insuring Clause (Claims Expenses);
- e. Verification Costs incurred in accordance with applicable Insuring Clause (Verification Costs);
- f. Legal fees, costs and expenses incurred in accordance with applicable Condition (Legal Fees, Costs and Expenses).

25. "Trading" means any dealings in securities, metals, commodities, futures, options, funds, currencies, foreign exchange, and any other instruments traded through an established securities or commodities exchange.

INSURING CLAUSES :

A. ON PREMISES

By Reason of:

- a. Property within the Premises being lost through:
 - i. theft, larceny, false pretences, burglary, robbery or hold-up committed by persons physically present on the premises where the Property is located, or
 - ii. mysterious unexplainable disappearance, or
 - iii. being damaged, destroyed or misplaced howsoever or by whosoever caused, While such Property is within the Insured's Premises, or actually within any recognized place of safe deposit or is actually within the premises of any Financial Organization / Business Correspondent / Business Facilitators in the usual course of business.
- b. Loss of Property, through any of the perils specified in the preceding paragraph, in the possession of any client or customer of the Insured, or of any representative of such client or customer, within the premises of the Insured for the purpose of transacting banking business with the Insured, whether or not the Insured is legally liable for the loss thereof and excluding in any event loss caused by such client or customer or representative. In the scenario of such a loss the claim will be paid directly to the client of the bank who has suffered the loss.
- c. Notwithstanding anything said to the contrary in the policy , it is agreed that this policy indemnifies the cost of restoration of electronics records of securities or assets which are represented by the book entries in electronic form in an ordinary course of business as a depository participants
- d. This section is extended to include cover for property on premises/vaults of outsourced agencies as per limit mentioned in cover A (ii) the schedule of the policy.
- e. The assureds' legal liability caused by damage, destruction or loss by any cause, theft or disappearance of any property and/or money or articles of intrinsic value the property of

customers and/or depositors contained in the safe deposit vaults of the insured's premises anywhere including such property or articles or boxes are in the said premises but temporarily outside the safe deposit vaults. The insured's legal liability shall be deemed a direct financial loss for the purposes of this policy.

B. IN TRANSIT

By reason of:

- a) Loss, damage or destruction of Property from any cause (including by mysterious unexplainable disappearance) and negligence as well as fraud of the employees of the insured while the Property is in transit anywhere in the custody of an Employee of the Insured or any person designated by the Insured to act as its messenger or while in the custody of any Service Provider/outsourced agencies/vendors for the purpose of transportation on behalf of the Insured,
- b) Any non-negotiable instruments being lost or damaged from any cause while in transit anywhere in the custody of any Security Company.

Special Condition:

Transit shall be deemed to commence from the time the transporting person receives such items from or on behalf of the Insured and shall be deemed to end immediately upon delivery to the designated recipient or its agent.

C. FORGERY OR ALTERATION

By reason of:

- i. Forgery or Fraudulent Alteration of, on, or in any Cheques, Bills of Exchange, Acceptances, Drafts, Certificates of Deposit, Transfer Orders, Letters of Credit, Money Orders, Order upon Public Treasuries, Stock Redemption forms, Stock Transfer forms, Promissory Notes, Withdrawal Receipts for the withdrawal of funds or any other documents;
- ii. The Insured, or any Financial Organization acting on behalf of the Insured, having acted or relied upon any written instructions or advices addressed to the Insured and authorizing or acknowledging the transfer, payment, delivery or receipt of any funds or property (including property or un-certificated securities) which instructions or advices either bear a Forged Signature or have been Fraudulently Altered. Those instructions or advices which are transmitted to the Insured by e-mail, cablegram, tested telex or other similar tested instructions by a person other than the said customer, client or Financial Organization purporting to send such instructions or advices and which are received by the Insured in written form shall be deemed to bear a Forged Signature.
- iii. The Payment by the Insured of Forged or Fraudulently Altered promissory notes or of promissory notes bearing forged endorsements.

- iv. All CTS related frauds to be covered
- v. By reason of the payment made in respect of bogus or fictitious or forged or raised cheques and/or drafts and/or genuine cheques and/or traveler cheques and/or gift cheques and/or fixed deposit receipts and/or bills of discount and/or other credit facilities issued by the insured bearing forged endorsements or the establishment of any credit to any customers on the faith of such documents whether received over the counter or through the clearing houses or by mail.

Special Condition:

The Insured must have relied upon the Forged Signature or the Fraudulent Alteration, either of which shall have been material and shall have caused the loss. This section will include cover for loss being caused to the insured due to the insured not being in compliance of applicable RBI guidelines/circulars/rules/regulations and other statutory/compliance requirements.

D. DISHONESTY

By reason of:

Loss resulting solely and directly from dishonest, fraudulent or malicious acts or omission by any Employee of the Insured (including loss being caused to the insured due to the insured not being in compliance of applicable RBI guidelines/circulars/rules/regulations and other statutory/compliance requirements) wherever committed and whether committed alone or in collusion with others, including loss of Property through any such acts by Employee with the intension either to cause the Insured to sustain such loss or to obtain any improper personal financial gain to said Employee .

Special Conditions:

Notwithstanding the foregoing, it is agreed that concerning Loans or Trading this Insuring Clause covers only such direct financial loss that results from dishonest or fraudulent acts committed by an Employee whereby an improper personal financial gain is obtained by such Employee.

E. HYPOTHECATED GOODS :

By reason of:

Loss by Fraud and/or Dishonesty by the employee(s) of the Insured in respect of any goods and/or commodities pledged or hypothecated to the Insured under the insured's control.

F. REGISTERED POSTAL SENDINGS :

By reason of:

Loss by Robbery, Theft, or by other causes not herein excepted whilst in direct transit or intended to be dispatched by Registered Insured Post/courier from the Office of the Insured to

the Consignee provided that each post parcel shall be insured with the Post Office. Provided always that the Company's liability for any one consignment and/or loss shall be limited to INR 10 lakhs.

G. APPRAISERS :

By reason of:

Loss by Infidelity or Criminal Acts on part of the 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. This section to include cover for infidelity and criminal acts on part of the employees whilst acting as appraisers. This section will also include cover for infidelity and criminal acts of property valuers and advocates.

H. JANATA AGENTS/CHHOTI BACHAT YOJANA AGENTS/COLLECTION AGENTS/PIGMY COLLECTION AGENTS/NND AGENTS OR LIKE /BUSINESS CORRESPONDENT/BUSINESS AFFILIATE/FACILATORS/ASSOCIATES:

By reason of:

Loss by Infidelity or Criminal Acts on part of the Janata Agents / Chhoti Bachat Yojana Agent/Collection agents/Pigmy collections agents/NND or like, Business Correspondents, Business Associates, Business Facilitators, Business Affiliates or persons performing duties of a like nature provided that such agents are regular part-time commercial agents of the bank.

I. SECURITIES

By reason of:

The Insured or any Financial Organization or other authorized representative acting on behalf of the Insured having in good faith and in the ordinary course of business acted upon any Security, Documents or Similar Written Instruments which prove to be:

- i. bear a Forged Signature, or
- ii. bear a Fraudulent Alteration, or
- iii. are Counterfeit, or
- iv. are lost or stolen.

Special Conditions:

- a. Actual physical possession of Securities or Similar Written Instruments by the Insured or, with respect to Loans in which the Insured participates, by the Insured's correspondent bank, at the time the Insured acts upon said items is condition precedent to recovery under

this Policy. Concerning Loans, such physical possession must be continuous, up to and including the time that any loss by reason of such Securities or Similar Written Instruments is discovered.

- b. Securities or Similar Written Instruments which are either lodged or deposited with another Banking Institution or recognized Depository for safekeeping purposes by the Insured (or its correspondent bank), or are placed in the custody of a transfer or registration agent by the Insured (or its correspondent bank) for the purpose of exchange, conversion, registration or transfer in the usual course of business, shall be deemed to be in continuous physical possession.
- c. The foregoing Securities or Similar Written Instruments must be in written/printed characters and of a nature with which the Employee acting thereupon is conversant. The Insured must have relied upon the Forged Signature or the Fraudulent Alteration, either of which shall have been material and shall have caused the loss.

Special Definitions:

"Securities or Similar Written Instruments" as used herein means only the original (including original counterparts) negotiable or non-negotiable agreements in writing, having value which value is, in the ordinary course of business, transferable by delivery of such agreements with any necessary endorsement or assignment; or

- (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,
- (b) Bonds similar in form to corporate bonds issued by partnerships, which bonds are secured by mortgages, deeds of trust or collateral trust agreements,
- (c) Government or Government Guaranteed and Local Authority stocks, certificates of indebtedness, bonds, coupons or warrants issued by the Government of any Country or by any of its respective Agencies, States, Provinces, Counties, Cities, Towns or Municipalities, National Saving Certificate
- (d) Deeds of trust, mortgages upon real property including Equitable Mortgage of title deeds and upon interests in real property and assignments of such mortgages,
- (e) Evidencing title to property like encumbrance certificate, tracks receipts, fake title deeds, possession certificate
- (f) Bill of exchange, bill of lading, profit and loss, letter of credit and balance sheet, export import related documents
- (g) Promissory Notes except:
 - i. those issued or purporting to have been issued for use as currency, or
 - ii. those secured or purporting to be secured directly or indirectly by assigned accounts or what purport to be assigned accounts, or
 - iii. when payable at and paid by the Insured, or

(h) Certificates of Deposit, Letters of Credit and Bank Guarantee

(i) Commercial Paper, Railway receipts and other instruments such as Title deeds, cheques, pay orders, invoice etc.

(J) Fake warehouse receipts by Collateral Managers/ Warehouse Owners need to be covered.

"Counterfeit", as used herein, means the reproduction of an authentic Security or Similar Written Instrument, as set forth above, such that the Insured is deceived on the basis of the quality of the imitation so as to believe that said item is the authentic original instrument.

The excess applicable for this section will be INR 25,000 each and every loss.

J. COMPUTER SYSTEMS RIDER (COMPUTER & ELECTRONIC CRIMES COVERAGE)/CYBER CRIME/LOSS DUE TO ELECTRONIC DATA PROCESSING

By Reason of

Theft of money/securities from Insured's or their customers account(s) including misuse of plastic cards or like (except lost or stolen) either due to fraudulent or criminal act and /or by fraudulent input of data and /or virus/malware/any kind of cyber attack including but not limited to modification of electronic data and/or alteration of electronic data and /or hacking/phishing/DDOS attacks. It is further agreed that this cover will be available only if insured and its service providers computer system/ Network system(owned/hired), payment gateways, Data Centers, Mobile Apps/Mobile banking, Internet Banking, IMPS, UPI platforms, Electronic Voice Transfers/ or any Electronic System are compromised as a part of the cyber attack/frauds.

Legal liability arising due to SMS OTP or soft PIN not delivered or delivered wrongly including losses arising due to alerts not delivered on time or failed to deliver and the customer complaints raised against that.

K. COUNTERFEIT CURRENCY

By reason of:

Loss by the receipt and payment by the Insured in good faith and in the ordinary course of business of any counterfeit / altered paper currency or coin issued or purporting to have been issued as legal tender in any Country.

L. INFIDELITY OF THE BANK APPOINTED VENDORS/ VENDORS/ALL OUTSOURCED SERVICE PROVIDERS :

By reason of:

Loss of money and or securities resulting solely and directly from dishonest and fraudulent acts by employees of the vendors/service providers appointed by 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 whether committed alone or in collusion with others.

M. LOSS OF CASH &/OR ITEMS FOR DEPOSIT FROM ATM/CASH RECEPTORS AND ATM/ CASH ACCEPTORS RELATED FRAUD :

In consideration of the Insured having paid additional premium it is hereby declared and agreed that subject to the terms, conditions, exceptions, and limitations specified in this endorsement, the Company agrees to make good to the Insured such direct financial loss as stated hereunder, sustained by the Insured at any time and discovered by the Insured during the Policy Period and subject always to the limits of Indemnity and deductibles/excess as stated in the within mentioned endorsement.

i. Loss of Cash and / or items for deposit:

By reason of any cash and/or items for deposit being lost, damaged or destroyed due to any cause, including but not limited to mysterious unexplainable disappearance, while such cash and/or items are (or are supposed to be) within any Automated Teller Machine /Cash Deposit Kiosk / Bunch Note Acceptor owned &/or operated by the Insured.

ii. Unauthorized taking of cash and/or items for deposit

By reason of the unauthorized taking of cash from Automated Teller Machine / Cash Deposit Kiosk / Bunch Note Acceptor as a direct result of a person either

- a. Fabricating an access or identification card or using a fabricated access or identification card.
- b. Altering an access or identification card or using an altered access or identification card.
- c. Using an access or identification card which has been lost by or stolen from the Bank or their printer or the person to whom the card was issued (including while in transit between the foregoing) including duplication of pin maker

iii The property and/or money through the insured having affected the payment funds by the debit of a 24 hour banking card holders current or deposit accounts, the insured having relied upon electronic instructions directed through any ATM and purporting to have been entered by the card holder but which have been entered by a person other the said card holder and who is

- a) Gaining access to such ATM by means of lost or stolen debit, credit and/or any other card issued by the insured or
- b) Acting with fraudulent intent and causing a loss through a cloned/duplicate card

iv Additional cover for losses arising through POS terminals using cloned/lost/stolen ATM cards

v Property and/or money being lost through an illegal act or withdrawal by a customer acting under duress or being damaged or destroyed, howsoever or by whomsoever causes, while such property is contained in any Automated Teller Machine situated anywhere.

N. NEGLIGENCE AND ERRORS AND OMISSIONS

In consideration of the payment of an additional premium, 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 / Negligence of the Insured employee. The Policy provides an indemnity to the insured in respect of insured's legal liability to the third parties for any third party claims.

Special Conditions;

Including losses arising out of the insured not being in compliance of applicable RBI guidelines/circulars/rules/regulations and other statutory / compliance requirements

O.SPURIOUS GOLD COVER

By reason of

Loss arising out 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, counterfeit, and/or sham.

The excess applicable for this section will be INR 25,000 each and every loss.

P. LIABILITIES ON OPENING OF BANK ACCOUNTS BY SUBMISSION OF FORGED DOCUMENTS:

By reason of:

Loss resulting directly from Forgery or fraudulent documents and/ or alteration of documents, on, or in any residence proof, Pan card or any other documents used for opening bank accounts, Drafts, Certificates of Deposit, Letters of Credit, Withdrawal slip etc causing loss to Bank as a liability for others (customers or institutions or regulatory authorities) will be indemnified by the insurance company.

The excess applicable for this section will be of each and every loss for INR 10,000/-

EXCEPTIONS

The Company shall not be liable in respect of

a) Any **Loss** or damage occasioned by or through or in consequence whether directly or indirectly of any of the following occurrences:

i) War, Invasion, Act of Foreign Enemy, hostilities, warlike operations (whether war be declared or not), civil war Mutiny, military, or popular uprising, insurrection, rebellion, revolution, military or usurped power, martial law, or state of siege, or any of the events or causes which determine of the proclamation or maintenance of martial law or state of seige

b) **Losses** resulting wholly or partially from the Wrongful Acts or default of any Directors, or Partners of the **Insured** other than salaried.

c) **Losses** resulting directly or indirectly from trading actual or fictitious whether in the name of the **Insured** or otherwise 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 with any account recording the same

d) **Loss** destruction or damage to any **Property** whatsoever or any **Loss** or expense whatsoever resulting or arising there from or any consequential **Loss**

(e) any legal liability of whatsoever nature directly or indirectly caused by or contributed to , by or arising from ionizing radiations or contamination by radioactivity from any source whatsoever or from nuclear weapons material.

REINSTATEMENT

At all times during the period of insurance the insurance cover shall be maintained to the full extent of the respective Sum Insured, in consideration of which, upon the settlement of any loss under this Policy prorated 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 above shall be deducted from the net claim amount payable under the Policy. Thus continuous cover to the full extent will be available, notwithstanding any previous loss for which the Company may have paid hereunder and irrespective of the fact whether 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 cover to the Insured subject only to the right of the Company for deduction from the claim amount when settled, of prorated premium to be calculated from the date of discovery of each independent loss till the 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 omission of any person(s).

RETROACTIVE PERIOD OF COVER: 3 years period

The Company shall not be liable for losses not sustained within a retroactive period, Provided that in such retroactive period the insurance was continuously in force but in no event the Company shall be liable to pay any claim in respect of a loss or damage sustained prior to the retroactive date.

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

CLAIMS SERIES CLAUSE

For the purpose of this policy where a series of and/or several loss of money/securities, claims are attributable directly or indirectly to the same cause/person, all such losses/claims shall be added together and all such losses/claims shall be treated as one claim and such loss/claim shall be deemed to have been made the point in time when the first of the claims was made in writing.

GENERAL CONDITIONS

1. Exclusive Policy Benefit

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

2. Discovery

This Policy applies to loss discovered by the Insured during the Policy Period. Discovery occurs when the Insured becomes aware of facts which would cause a reasonable person to assume that a loss covered by the Policy has been or will be incurred, even though the exact amount or details of loss may not then be known.

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

3. Notification / Claims Procedure

Upon the happening of any event giving rise or likely to give rise to a claim under this policy, coming to the knowledge of the Insured:

- a) Lodge forthwith a complaint with the Police and take all practicable steps to recover the Property lost and to apprehend the guilty person(s) and to take appropriate departmental action against such person(s).
- b) As a condition precedent to its right to be indemnified under this Policy, the Insured shall, as soon as possible and in any event at the earliest after discovery by the Insured of any loss hereunder, give written notice thereof to the Underwriters.

4. Interpretation; Forum Selection; Service of Process

- a) The construction, interpretation and meaning of the terms, exclusions, limitations and conditions of this Policy shall be determined in accordance with the law (s) of India and in accordance with the English text as it appears in this Policy.
- b) In the event that the Insurer does not pay the amount claimed by the Insured to be due hereunder, the Insurer and the Insured shall bring suit in a Court of competent jurisdiction of India. Service of process in any such legal proceedings shall be made upon the person (s) named in the schedule who are duly authorised to accept Service of process on behalf of the Insurer.

5. Basis of Valuation

a) Valuation of Securities and Foreign Currencies

- i. 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.

- ii. 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.
 - iii. 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.
 - iv. If the applicable coverage of this Policy is subject to a deductible amount as specified in 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) Valuation of Jewellery /Ornaments: Value for the purpose of settlement of any claim in respect of jewellery/ornaments under this Policy shall be market value on the dates of loss.
- 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, or damage covered, the Insurer shall not be liable for more than the actual cash value of such Property, or of items covered under Insuring Clause. The Insurer may, at its election, pay the actual cash value of, replace or repair such Property.

6. Lost Instruments

It is agreed that in the event of a valid claim hereunder in respect of the loss of securities, the Insured may file a "Lost Instruments Bond" for the purpose of obtaining the issuance of duplicate securities.

It is further agreed that subject to the Insurer's prior consent being obtained to the filing of such "Lost Instruments Bond", the Insurer will indemnify the Insured for such sum or sums, not exceeding however the limits of liability expressed in this Policy which the Insured may be required to pay either during the currency of this Policy or any time thereafter by reason of any indemnifying agreement delivered by the Insured to the Company issuing the "Lost Instrument Bond".

Lost Securities, Document, or Similar Written instruments

- a. If Securities, Documents or Similar Written Instruments are able to be reissued then the Insured may reissue them, or arrange for them to be reissued, with the prior approval of the Underwriter (such approval shall not be unreasonably denied, delayed or withheld) and the value of those Securities, Documents or Similar Written Instruments shall be the actual cost of their reissue plus any interest charges incurred in doing so.
- b. To the extent that the Limit of Indemnity is not exhausted by the Insured in the reissuing of Securities, Documents or Similar Written Instruments in accordance with sub-clause (i) above, the direct financial loss shall also include any premium required to be paid by the

Insured to purchase lost instrument bonds for the reissuing of duplicate Securities, Documents or Similar Written Instruments without reference to their total face value.

- c. The direct financial loss shall also include any sums which the Insured may be required to pay either during the period of the policy or any time thereafter by reason of any lost instrument bonds issued or purchased by the Insured as referred to in sub-clause (ii) above.
- d. The Insured shall pay the cost of obtaining such lost instrument bond referred to in sub-clause (iii) above for that portion of the direct financial loss which falls within the applicable retention or which is in excess of the Limit of Indemnity remaining available for the payment of direct financial loss.
- e. The Underwriter shall reimburse the Insured for the cost of obtaining such lost instrument bond referred to in sub-clause (iii) above for that direct financial loss which exceeds the applicable retention and is within the Limit of Indemnity.
- f. If for any reason it is not possible to re-issue Securities, Documents or Similar Written Instruments the value of such Securities, Documents or Similar Written Instruments shall be determined by the closing market value of such Securities, Documents or Similar Written Instruments on the day of Discovery of the direct financial loss (or if Discovered during a weekend or national holiday, on the next Business Day thereafter). The basis of valuation shall include any accrued interest (including coupons), dividends and privileges up to the date of Discovery of the direct financial loss.
- g. The valuation of Securities, Documents or Similar Written Instruments shall include external interest or interest charges up to the date of Discovery of the direct financial loss necessarily incurred by the Insured, or for which the Insured is legally liable, as the direct result of a loss of Securities, Documents or Similar Written Instruments covered under this Policy.
- h. In relation to Securities, Documents or Similar Written Instruments, the valuation of Securities, Documents or Similar Written Instruments shall include any loss of subscription, conversion, redemption or other similar privileges the value of such privileges shall be the closing market value of such privileges immediately preceding the expiration thereof.

7. Salvage and Recovery

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

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

8. Co-operation

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

- i. submit to examination by the Insurer and subscribe to the same under oath; and
- ii. produce for the Insurer's examination all pertinent records;
- iii. co-operate with the Insurer in all matters pertaining to the loss; and
- iv. cause all persons interested in the matter, so far as it is within the Insured's power including employees, to submit to examination by the Insurer and subscribe to the same under oath.

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

9. Subrogation

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

10. 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 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 follows:
 - i. that the total liability of the Insurer on account of any loss or losses or series of losses caused by acts or omissions of any person whether one of the Employees of the Insured or not, or acts or omissions in which such person is concerned or
 - ii. implicated (and treating all such losses up to discovery as one event), shall not exceed the Limit of liability of the applicable Insuring Clause, and
 - iii. 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 of the Schedule; and
 - iv. 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 of the 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 Schedule.

- c) Deductible: The Insurer shall be liable only in excess of the deductible of the applicable
- d) The deductible shall apply to the Ultimate Net Loss sustained by the Insured subsequent to the Retroactive Date.
- e) "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.

11. 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.

12. Cancellation or Termination

The Company may at any time, cancel this policy by giving 30 days' notice in writing by Regd. A.D. to the Insured at his last known address and in which event return to the Insured the premium charged under the Policy on pro-rata basis for the unexpired period of the Policy. The Insured may also cancel this policy by giving 15 days' notice in writing to the Company, (provided no claim has been paid or reported till the date of advice for cancellation) in which case, the Insured shall be entitled to return of premium less premium on the Company's customary short period scales for the duration the said Policy has been in force.

13. Fraud

If the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall be void and all claims hereunder shall be forfeited.

14. Arbitration and Disclaimer

If any dispute or difference shall arise as to the quantum to be paid under the policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within 60 days of any party invoking arbitration the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/ difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of The Arbitration and Conciliation Act, 1996.

It is clearly agreed and understood that no difference or dispute shall be referable to arbitrations as herein before provided, if the Company has disputed or not accepted liability under or in respect of this policy.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that award by such arbitrator/ arbitrators of the amount of the loss or damage shall be first obtained.

It is also hereby 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 a suit in a Court of Law, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

15. Rights of Recovery

Any amount which but for the acts or defaults on which the claim shall be found would have become payable by the Insured to the employee in respect of whom a claim is made hereunder or any other money which shall be due to such employee from the Insured shall be deducted from the amount payable under this Policy and that all moneys estate and effects of such employee in the hands of or received or possessed by the Insured and or claims which may be or may prior to the settlement of the claim become due from the Insured to the Employee and also all moneys or effects which shall come into the possession or power of the Insured for or on account of such Employee in respect of whom any claim shall be made on this Policy shall be applied by the Insured in and towards making good the amount of his claim under this Policy in priority to any other claim of the Insured upon such moneys estate or effects. The Company shall without thereby being held to admit any claim be entitled at any time in the Company's own or the Insured's name to take steps for the recovery of any property claimed for and the Insured shall be bound to give the Company all information and reasonable assistance in so doing. The Insured may also be required as a condition of any settlement to procure settled. Any money recovered after settlement of any claim shall be the property of the Company not exceeding however the amount paid by the Company.

16. Observance of Terms and Conditions

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

17. Renewal Notice

The Company shall not be bound to issue any renewal notice nor shall be bound to accept the renewal premium thereunder.

18. Terrorism Damage Coverage Endorsement

"It is hereby declared and agreed that in consideration of payment of additional premium the Terrorism Damage Exclusion Warranty provision forming part of the within mentioned policy stands deleted. The expression/s "terrorism and/or act of terrorism" shall have the same meaning/s as contained in Terrorism Damage Exclusion Warranty.

This endorsement does not cover loss of or damage caused by

A.

- I. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.
- II. Permanent or temporary dispossession resulting from confiscation, commandeering, requisition or destruction by order of the Government or any lawfully constituted Authority.
- III. Permanent or temporary dispossession of any building or plant or unit of machinery resulting from the unlawful occupation by any person of such building or plant or unit or machinery or prevention of access to the same.
- IV. Burglary, housebreaking, 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.

This clause includes cover for loss or 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.

The limit of coverage under this endorsement shall not exceed the basic sum insured. Naxalite attacks will also be covered as a part of this clause.

19. LEGAL FEES AND EXPENSES

The Underwriters shall indemnify the Insured against reasonable legal fees and legal expenses incurred and paid by the Insured with the prior approval of the Underwriters in the defence of any suit or legal proceeding brought against the Insured, with respect to which the Insured establishes that the act or acts which have been committed, or the events which have occurred, would entitle the Insured to recover under this Policy. Legal fees and legal expenses paid by the Underwriters in defending any suit or legal proceeding shall be applied subject to General Condition to the reduction of the Aggregate Limit of Indemnity and the Sub-Limit for the applicable Insuring Clause.

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

If multiple causes of action are alleged in any such suit or legal proceeding some of which

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

If the amount of the Insured's loss is greater than the amount recoverable under this Policy, or if a Deductible is applicable, or both, the liability of the Underwriters under the first paragraph of this General Condition is limited to the proportion of the legal fees and legal expenses incurred and paid by the Insured or by the Underwriters that the amount recoverable under this Policy bears to the total of such amount plus the amount which is not so recoverable. Such prorated amount shall be applied in reduction of the Aggregate Limit of Indemnity and the Sub-Limit for the applicable Insuring Clause.

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

The Underwriters may but are not obligated to conduct the defence of such suit or legal proceeding referred to in the first paragraph of this General Condition. At the Underwriters' election the Insured shall permit the Underwriters to conduct the defence of such suit or legal proceeding, in the Insured's name, through legal representatives of the Underwriters' selection. The Insured shall give all reasonable information and assistance that the Underwriters shall deem necessary to the defence of such suit or legal proceeding.

Legal fees and legal expenses paid by the Underwriters in defending any suit or legal proceeding shall be applied to the reduction of the Aggregate Limit of Indemnity and the Sub-Limit for the applicable Insuring Clause.

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

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

SPECIAL CONDITIONS

Special conditions attached and forming part of the Banker's Indemnity Policy No. _____ effective from 01-04-2021 to 31-03-2022

The Policy covers

1. Cash in all ATM's (inclusive of Off Site ATM's)/branch offices/Currency chest offices or any other premises of the banks shall be treated as Cash on Premises. There shall be no requirement of Guards / CCTV / Alarm System at the ATMs centers/branches. Claims shall not be repudiated/reduced solely on the ground of non-functioning of installed Alarm System / CCTV on the day of the incident.
2. All Employees of the Bank whether Permanent including, Part Time as well as Contract employees are covered.
- 3) Cash in Transit shall mean and include Cash in Transit either by Bank through its own employees / contracted employees or through Agencies/vendors/service providers

engaged by the Bank, cash in transit between currency chests, any branches of the bank / any banks, ATMs (cover till completion of replenishment process), door step banking etc and vice-versa. It also includes Loading and Unloading of cash at various points during the transit. This cover is also extended to losses that may arise whilst ATM maintenance services are being carried out.

- 4) The subject Policy covers Computer and Electronic Crime committed also by the Bank Employees &/or contract employees of the agencies to whom any jobs are outsourced by the Bank.
- 5) Notwithstanding anything contained in this policy to the contrary the subject policy covers fraud by staff in respect of any goods and/or commodities pledged or hypothecated or mortgaged or deposited with the Bank.
- 6) Notwithstanding anything contained in this policy to the contrary the subject policy covers loss due to misappropriation including robbery theft of money and/or securities sent through post &/or courier.
- 7) Cash includes foreign currency but claim in respect of foreign currency shall be paid in Indian Rupees.
- 8) The indemnity in respect of jewellery and related valuables should be based on market value on the dates of loss
- 9) The movement of cash may be done either by the vehicles owned by bank/hired vehicle/ employee's own vehicle / public / Private transport (Rail/Road/ Air/Water born Vessels)/ on foot as the case may be
- 10) Policy covers loss of damage due to Fire & Allied perils, RSMD, Act of terrorism/ naxalite activities and all types of AOG perils
- 11) 72 hours clause will be applicable for AOG perils
- 12) Loss of cheques/ instruments deposited in the drop box also covered for Fraud and/or dishonesty , under the policy
- 13) Covers "losses resulting wholly or partially from any negligent act of the Insured's Employee" during transit (it also includes cover for agencies / banking correspondents / banking facilitators)
- 14) Though the Bank has laid down conditions for money in bank premises (maximum retention / hold-up in a day), however such conditions should not be the ground for rejecting/ reducing any claim. Kindly note that this condition stands waived and the claim should be paid in full.
- 15) On account payment of 75% to be granted / paid where Final Police report is awaited (in all cases including fraud cases.)
- 16) No additional term, condition or any such stipulation, not specified in the quote would not be entertained later.
- 17) Waiver of FIR for claims upto Rs 2 lakh under Bankers Indemnity Policy.