

Policy Wording

CRIME INSURANCE POLICY

In consideration of payment of the premium and subject to the Schedule, the limitations, conditions, provisions and other terms of this policy, the Company and the **Insured** agree as follows:

SECTION 1. INSURING CLAUSES

1.1 INSURING CLAUSE 1 - EMPLOYEE THEFT COVERAGE

The Company shall be liable for direct losses of **Money, Securities** or other property caused by **Theft** or forgery by any identifiable **Employee** of any **Insured** acting alone or in collusion with others.

1.2 INSURING CLAUSE 2 - PREMISES COVERAGE

The Company shall be liable for direct losses caused by the actual destruction, disappearance, wrongful abstraction or **Computer Theft** of **Money** or **Securities** within or from the **Premises, Banking Premises** or night depository chute or safe maintained by any bank or trust company.

Coverage under this Insuring Clause shall also include:

- (A) loss of or damage to other property by **Robbery** or attempt thereof within the **Premises**,
- (B) loss of or damage to such property contained within any safe which results from **Safe Burglary** or attempt thereof within the **Premises**,
- (C) damage to a locked safe, cash drawer, cash box or cash register within the **Premises** by felonious entry or attempt thereof or loss by felonious abstraction of such container from within the **Premises**; and
- (D) damage to the **Premises** resulting from such **Safe Burglary** or **Robbery**.

1.3 INSURING CLAUSE 3 - TRANSIT COVERAGE

The Company shall be liable for direct losses caused by the actual destruction, disappearance or wrongful abstraction of **Money** or **Securities** outside the **Premises**, while being conveyed by the **Insured**, a partner of the **Insured**, an **Employee**, an armoured motor vehicle company or any other person duly authorised by the **Insured** to have custody thereof or while temporarily within the home of a partner of the **Insured**, an **Employee** or any such other natural person.

Coverage under this Insuring Clause shall also include:

- (A) loss of or damage to other property by **Robbery** or attempt thereof outside the **Premises** while the property is being conveyed by a partner of the **Insured** or an **Employee** or an armoured motor vehicle company; and
- (B) loss by **Theft** of such property while temporarily within the home of a partner or an **Employee**.

1.4 INSURING CLAUSE 4 - DEPOSITORS FORGERY COVERAGE

The Company shall be liable for direct losses caused by forgery or alteration of, on or in any cheque, draft, promissory note, bill of exchange, or similar written promise, order or direction to pay a sum certain in **Money**, made or drawn by, or drawn upon the **Insured**, or made or drawn by one acting as agent of the **Insured**, or purporting to have been made or drawn as set forth above, including:

- (A) any cheque or draft made or drawn in the name of the **Insured** payable to a fictitious payee and endorsed in the name of the fictitious payee;
- (B) any cheque or draft procured in a face to face transaction with the **Insured** or with one acting as agent of the **Insured** by anyone impersonating another and made or drawn payable to the one impersonated and endorsed by anyone other than the one impersonated; and
- (C) any payroll cheque, payroll draft or payroll order made or drawn by the **Insured** payable to bearer as well as to a named payee and endorsed by anyone other than the named payee without authority of the payee.

For purposes of this Insuring Clause mechanically reproduced facsimile signatures shall be treated the same as handwritten signatures.

If the **Insured** or the **Insured's** bank of deposit, at the request of the **Insured**, shall refuse to pay any of the foregoing instruments made or drawn as set forth above alleging that the instruments are forged or altered, and this refusal shall result in suit being brought against the **Insured** or bank to enforce payment and the Company shall give its written consent to the defence of the suit, then any reasonable attorneys' fees, court costs or similar legal expenses incurred and paid by the **Insured** or bank in defence shall be considered a loss under this Insuring Clause, and the liability of the Company for such loss shall be in addition to any other liability under this Insuring Clause.

If, at the **Insured's** request, the Company waives any rights it may have against the bank upon which the instrument was drawn, the **Insured** and the bank shall assign to the Company all of their rights against any other person,

firm or corporation.

SECTION 2: EXCLUSIONS

2.1 Exclusions Applicable to All Insuring Clauses.

Coverage under this policy does not apply to:

- (A) loss arising from, or in consequence of any claim, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
 - due to war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or confiscation or nationalisation or requisition or destruction of, or damage to, property by or under the order of any government or public or local authority.
- (B) loss caused or contributed to by **Theft** or any other fraudulent, dishonest or criminal act committed by a partner of the **Insured**, whether acting alone or in collusion with others;
- (C) loss involving the cost of reproducing any information contained in any lost or damaged manuscripts, records, accounts, microfilms, tapes or other records;
- (D) any expenses incurred by the **Insured** in establishing the existence or the amount of any loss covered under this policy;
- (E) loss of income not realised by the **Insured** as the result of any loss covered under this policy;
- (F) loss of trade secrets, confidential processing methods or other confidential information of any kind;
- (G) fees, costs or expenses incurred or paid by the **Insured** in prosecuting or defending any legal proceeding or claim (other than legal proceedings covered under Insuring Clause 4) whether or not such proceeding results or would result in a loss recoverable under this policy;
- (H) loss unless reported and proved in accordance with Section 4.5 of this policy;
- (I) loss unless discovered and written notice thereof given to the Company within (1) sixty (60) days following termination of this policy in its entirety or (2) one (1) year following such termination if the termination results from the voluntary liquidation or voluntary dissolution of the first named **Insured**; or
- (J) loss sustained by any **Insured** unless discovered and written notice thereof is given to the Company within sixty (60) days following termination of this policy as to such **Insured**, or
- (K) loss under any Insuring Clause which is terminated in its entirety unless discovered and written notice thereof given to the Company within sixty (60) days following such termination.

2.2 Exclusions Applicable to Insuring Clause 1 Employee Theft Coverage

Coverage under Insuring Clause 1 does not apply to:

- (A) loss caused by any **Employee** not engaged in the regular service of the **Insured** within the territory set forth in Item 4 of the Schedule;
- (B) loss caused by an **Employee** if an elected or appointed officer of the **Insured** possesses knowledge of any act or acts of **Theft**, fraud or dishonesty committed by such **Employee**: (1) in the service of the **Insured** or otherwise during the term of employment by the **Insured**, or (2) prior to employment by the **Insured** provided that such conduct involved **Money, Securities** or other property valued at Rs. 450,000 or more;
- (C) loss caused by any broker, factor, commission merchant, consignee, contractor or other agent or representative of the same general character;
- (D) loss resulting directly or indirectly from trading whether or not in the name of the **Insured** and whether or not in a genuine or fictitious account; or
- (E) loss or that part of any loss the proof of which involves in any manner (1) a profit and loss computation or comparison or (2) a comparison of inventory records with an actual physical count; provided, however, that where the **Insured** establishes wholly apart from such comparison that it has sustained a loss covered under Insuring Clause 1, and has identified the **Employee** involved, then it may offer its inventory records and actual physical count of inventory in support of the amount of loss claimed.

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2.3 Exclusions Applicable to Insuring Clauses 2 Premises Coverage and 3 Transit Coverage

Coverage under Insuring Clause 2 and 3 does not apply to loss or damage:

- (A) which occurs outside of the territory set forth in Item 4 of the Schedule;
- (B) due to **Theft** or any other fraudulent, dishonest or criminal act (other than **Safe Burglary** or **Robbery** or attempt thereof) by any **Employee**, director, trustee or authorised representative of the **Insured** whether acting alone or in collusion with others;
- (C) due to fire, except (1) loss of or damage to **Money** or **Securities**, or (2) damage to any safe or vault caused by the application of fire thereto for the purpose of **Safe Burglary**;
- (D) due to the giving or surrendering of **Money** or **Securities** in any exchange or purchase;
- (E) of or to manuscripts, records, accounts, microfilm or tapes;
- (F) due to forgery;
- (G) of or to **Money**, **Securities** or other property while in the mail or in the custody of a carrier for hire other than an armoured motor vehicle company;
- (H) of or to **Money**, **Securities** or other property while in the custody of any bank, trust company, similar recognised place of safe deposit, armoured motor vehicle company or any person who is duly authorised by the **Insured** to have custody of the property unless the loss is in excess of the amount recovered or received by the **Insured** under (1) the **Insured's** contract, if any, with, or insurance carried by, any of the foregoing, or (2) any other insurance or indemnity in force which would cover the loss in whole or in part, in which case this policy shall cover only such excess;
- (I) due to nuclear reaction, nuclear radiation or radioactive contamination or to any act or condition incident to any of the foregoing; or
- (J) of or to **Money**, **Securities** or other property as a result of kidnap, ransom or other extortion payments (as distinguished from the proceeds of a **Robbery**) surrendered to any person as a result of a threat to do (1) bodily harm to any person, or (2) damage to the **Premises** or other property owned by the **Insured** or held by the **Insured** in any capacity.

2.4 Exclusions Applicable to Insuring Clause 4 Depositors Forgery Coverage Coverage under Insuring Clause 4 does not apply to loss through forgery or alteration of, on, or in:

- (A) any instrument, if such forgery or alteration is committed by any **Employee** or by any person in collusion with any **Employee**; or
- (B) any registered or coupon obligations issued or purported to have been issued by the **Insured** or any coupons attached thereto or detached therefrom.

SECTION 3.: GENERAL CONDITIONS

3.1 OWNERSHIP

The Company's liability under this policy shall apply only to **Money**, **Securities** and other property owned by the **Insured** for which the **Insured** is legally liable or held by the **Insured** in any capacity whether or not the **Insured** is liable; provided that the Company shall not be liable for damage to the **Premises** unless the **Insured** is the owner or is liable for such damage.

3.2 JOINT INSURED

Only the first named **Insured** shall have any right to claim, adjust, receive or enforce payment of any loss and shall be deemed to be the sole agent of the others for such purposes and for the giving or receiving of any notice or proof required to be given by the terms of this policy and for the purpose of effecting or accepting any amendments to or termination of this policy. Each and every other **Insured** shall be conclusively deemed to have consented and agreed that none of them shall have any direct beneficial interest herein or any right of action hereunder whatsoever and that this policy or any right of action hereon shall not be assignable; but knowledge possessed or discovery made by any **Insured** or by any partner or officer of any **Insured** shall constitute knowledge possessed or discovery made by all of the **Insureds** for the purposes of this policy. All losses and other payments, if any, payable by the Company, shall be payable to the first named **Insured**, without regard to such **Insured's** obligations to others; and the Company shall not be responsible for the proper application of any payment made. The Company shall not be liable for loss sustained by one **Insured** to the advantage of any other **Insured**. If the Company shall agree to and shall make payment to any **Insured** other than the one first named, such payment shall be treated as though made to the first named **Insured**.

3.3 CONSOLIDATION OR MERGER

If, through (1) consolidation or merger with, (2) acquisition of the majority stock ownership of, or (3) acquisition of the assets of some other entity,

exposures are created which are covered by this policy by reason of the description of the **Insured**, the **Insured** shall give the Company written notice of the consolidation, merger or acquisition within thirty (30) days and shall pay the Company an additional premium; otherwise coverage as may be provided for such other entity shall be null and void from the date of the consolidation, merger or acquisition.

3.4 OTHER INSURANCE

If the **Insured** or any other party at interest in any loss covered by this policy has any bond, indemnity or insurance which would cover such loss in whole or in part in the absence of this policy, then this policy shall be null and void to the extent of the amount recoverable or received under such other bond, indemnity or insurance; but this policy shall cover such loss, subject to its exclusions, conditions and other terms, only to the extent of the amount of such loss in excess of the amount recoverable or received under such other bond, indemnity or insurance.

3.5 LIABILITY FOR PRIOR LOSSES

The liability of the Company for loss sustained prior to (1) the effective date of this policy, or (2) the effective date additional **Insureds** or coverages are subsequently added, is subject to the following:

- (A) the **Insured** or some predecessor in interest of the **Insured** carried some other bond or policy (other than a fidelity bond or policy, with respect to such loss under Insuring Clause 4) which, at the time such loss was sustained, afforded on or at the **Premises** at which the loss was sustained or on the person or persons (whether **Employee** of the **Insured** or not) causing the loss, some or all of the coverage of the Insuring Clause of this policy applicable to the loss; and
- (B) such prior coverage and the right of claim for loss hereunder continued under the same or some superseding bond or policy without interruption from the time the loss was sustained until the date specified in (1) or (2) above; and
- (C) the loss shall have been discovered after the expiration of the time for discovery of such loss under the last such bond or policy.

The liability of the Company with respect to such loss shall not exceed the limit of liability under the coverage in force at the time the loss was sustained, or the limit of liability under the Insuring Clause of this policy applicable to the loss, whichever is smaller.

3.6 ALTERATION AND ASSIGNMENT

No change in, modification of, or assignment of interest under this policy shall be effective except when made by written endorsement which signed by an authorised employee of HDFC ERGO General Insurance Company Limited.

SECTION 4.: PROVISIONS AFFECTING LOSS SETTLEMENT

4.1 LIMITS OF LIABILITY

- (A) The Company's maximum liability for all loss shall not exceed the Limit(s) of Liability as set forth in Item 2 of the Schedule for this policy, regardless of the number of **Insureds** sustaining the loss
- (B) All loss resulting from a single act or any number of acts of the same **Employee** will be treated as a single loss and the applicable Limit of Liability of this policy will apply.

4.2 NON-ACCUMULATION OF LIABILITY

- (A) When there is more than one **Insured**, the maximum liability of the Company for loss sustained by one or all **Insureds** shall not exceed the amount for which the Company would be liable if all losses were sustained by any one **Insured**.
- (B) Regardless of the number of years this policy remains in effect and the total premium amounts due or paid, the amount the Company shall pay for any loss shall not be cumulative from year to year or from **Policy Period** to **Policy Period**.

4.3 DEDUCTIBLE - NO SUPERSEDED INSURANCE CARRIER INVOLVED

From each loss sustained or discovered by the **Insured** after deducting all recoveries (except insurance or sureties held by the **Insured** or the Company for their benefit) on account thereof made prior to payment shall be deducted the amount(s) specified in Item 3 of the Schedule. No deductible shall apply to loss sustained or discovered by any **Employee Benefit Plans** unless a deductible amount is specified for such **Plans** in Item 3 of the Schedule.

4.4 DEDUCTIBLE - SUPERSEDED INSURANCE CARRIER INVOLVED

Should any loss be discovered which is partly recoverable under this policy and partly recoverable under a prior bond or policy containing a deductible amount, the deductible amount specified in Item 3 of the Schedule shall be reduced by the deductible amount applied to such loss by the superseded insurance carrier.

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4.5 REPORTING OF LOSS - LEGAL PROCEEDINGS AND INSURED CLAIMS PROCEDURES

As a condition precedent to liability, upon knowledge or discovery by a proprietor, partner or officer of any **Insured** of loss or of an occurrence which may become a loss, written notice shall be given to the Company at the earliest practicable moment, and in no event later than sixty (60) days after such discovery. Within four (4) months after such discovery the **Insured** shall furnish to the Company affirmative proof of loss with full particulars. The proof of loss shall be accompanied by any and all documents relevant to such loss, including but not limited to internal or external records of any kind, correspondence, legal documents or such other documents as the Company may deem necessary for claim handling. Proof of loss under Insuring Clause 4 shall include the instrument which is the basis of claim for the loss; but if it shall be impossible to file the instrument, the affidavit of the **Insured** or the **Insured's** bank of deposit setting forth the amount and cause of the loss shall be accepted instead. Such complete written notice and supporting documentation shall form the basis of the Company's assessment of loss.

Legal proceedings for recovery of any loss hereunder shall not be brought after the expiration of three (3) years from the discovery of such loss, except that any legal proceedings to recover hereunder on account of any judgment against the **Insured** or any of the **Insured's** banks of deposit in any suit referred to in Insuring Clause 4, or to recover any such expenses paid in any such suit shall be begun within three (3) years from the date upon which the judgment in such suit shall become final. If any limitation embodied herein is prohibited by any law controlling the construction, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

At the Company's request, the **Insured** shall submit to examination by the Company, subscribe the same under oath if required, and produce for the Company's examination all pertinent records at such reasonable times and places as the Company shall designate, and shall co-operate with the Company in all matters pertaining to any loss or claim.

All notices to the Company shall be given in writing addressed as:

Notice of claim or circumstances which could give rise to claim:
 Claims Department Manager
 HDFC ERGO General Insurance Company Limited, 6th Floor, Leela Business Park, Andheri Kurla Road, Andheri East, Mumbai - 400 059, India.

All other notices: Specialty
 Insurance Department
 HDFC ERGO General Insurance Company Limited, 6th Floor, Leela Business Park, Andheri Kurla Road, Andheri East, Mumbai - 400 059, India.

Such notice shall be effective on the date of receipt by the Company at such address.

4.6 VALUATION

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

- (A) the actual market value of lost, damaged or destroyed **Securities** at the close of business on the business day immediately preceding the day on which the loss is discovered, or for more than the actual cost of replacing the **Securities**, whichever is less;
- (B) the cost of blank books, pages, tapes or other blank materials to replace lost or damaged books of account or other records;
- (C) the actual cash value at the time of loss of other lost, damaged or destroyed property or for more than the actual cost of repairing or replacing the property with property of similar quality and value, whichever is less; or
- (D) the Rupee value of a foreign currency based on the cash rate of exchange published by the Reserve Bank of India on the day any loss involving foreign currency is discovered.

4.7 RECOVERIES

If the **Insured** shall sustain any loss covered by this policy, then all recoveries (except from sureties, insurance, reinsurance or indemnity taken by or for the benefit of the Company) made after the loss, less the actual cost of recovery, shall be distributed as follows:

- (A) if the loss is not subject to a deductible, the **Insured** shall be fully reimbursed from such recoveries for the amount of the loss which exceeds the amount of coverage provided by this policy and any balance shall be applied to the reimbursement of the Company;
- (B) if the loss is subject to a deductible, the **Insured** shall be reimbursed from such recoveries for any loss which exceeds the amount of coverage provided by this policy less the deductible amount, any balance shall be applied to reimbursement of the Company to the extent of its loss and any remainder paid to the **Insured**. If there is no excess loss the total recoveries shall be distributed first in reimbursement to the Company to the extent of its loss and any remainder paid to the **Insured**.

4.8 SUBROGATION

In the event of any payment under this policy, the Company shall be subrogated, to the extent of such payment, to all the **Insured's** rights of recovery and the **Insured** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Company to effectively bring suit in the name of the **Insured**.

4.9 KNOWLEDGE OF PRIOR THEFT

For the purposes of this policy and the exclusions contained in Section 2.2(B), knowledge possessed by the **Insured** means knowledge possessed by a partner, director or an elected or appointed officer who is aware of the employment of a person and that person's prior acts of **Theft**, fraud or dishonesty.

At the sole discretion of the Company, coverage may be extended to any individual upon written application by the **Insured** and consent given by the Company.

SECTION 5.: EMPLOYEE BENEFIT PLANS

5.1 EMPLOYEE BENEFIT PLANS

The Employee Benefit Plans listed in item 5 of the Schedule are included as **Insureds** under Insuring Clause 1. With respect to losses sustained or discovered by any such Plan, Insuring Clause 1 as contained in Section 1.1 is deleted and replaced by the following:

" The Company shall be liable for direct losses for **Money, Securities** or other property caused by any fraudulent or dishonest act or acts committed by any **Employee** of any **Insured** acting alone or in collusion with others."

For the purposes of Employee Benefit Plan Coverage, the words "sixty days" are deleted from Section 2.1 wherever they appear and the words "one year" are substituted in their place.

- 5.2 In compliance with Title 1 of the U.S. Employee Retirement Income Security Act of 1974, as amended, or similar provision of any national, state, territory or local statutory or common law any where in the world, payment by the Company under this policy to the first named **Insured** shall be held by such **Insured** for the use and benefit of the Employee Benefit Plans sustaining such loss. If such payment is in excess of the amount of coverage required by such Act for said Plans, such excess shall be held for the use and benefit of any other named Plans should such Plans also discover loss recoverable hereunder. If **Money, Securities** or other property of two or more Employee Benefit Plans named above are commingled, recovery hereunder for loss of such **Money, Securities** or other property shall be shared by such Plans on a pro rata basis in accordance with the amount of coverage each such Plan is required to carry by such Act.

SECTION 6.: TERMINATION PROVISIONS

6.1 TERMINATION AS TO ANY EMPLOYEE

This policy shall terminate as to any **Employee** (1) immediately upon discovery by the **Insured**, any partner of the **Insured** or any elected or appointed officer of the **Insured** (not in collusion with such **Employee**) of any act of **Theft** or other fraudulent or dishonest act by the **Employee**, without prejudice to the loss of any property then being conveyed by the **Employee** outside the **Premises**, or (2) twenty (20) days after the receipt by the **Insured** of a written notice of termination from the Company, whichever first occurs.

6.2 TERMINATION OF POLICY OR INSURING CLAUSE

This policy shall terminate in its entirety:

- (A) ten (10) days after receipt by the **Insured** of a written notice of termination from the Company, in the event of non-payment of premium, unless the premium is paid within such ten (10) day period;
 - (B) upon the receipt by the Company of a written notice of termination from the **Insured**;
 - (C) upon the voluntary liquidation or dissolution of the first named **Insured**;
 - (D) upon the appointment of (1) a receiver, trustee or other fiduciary of the property of the **Insured**, or (2) a committee for the dissolution thereof;
 - (E) upon expiration of the policy period as set forth in Item 6 of the Schedule; or
 - (F) at such other time as may be agreed upon by the Company and the first named **Insured**;
- whichever first occurs.

Any Insuring Clause or coverage for any **Insured** other than the first named shall terminate thirty (30) days after the receipt by the **Insured** of a written notice of termination from the Company or upon the request of the **Insured**.

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The Company shall refund the unearned premium computed at customary short rates if the policy is terminated by the **Insured**. Under any other circumstances the refund shall be computed pro rata.

The Company shall have no obligation to renew this policy upon its expiration or termination.

6.3 TERMINATION OF PRIOR BONDS OR POLICIES

The taking effect of this policy shall terminate, if not already terminated, all previous liability of the Company to the **Insured** under bonds or policies specified in Item 8 of the Schedule of this policy. By reason of the issuance of this policy, the prior bonds or policies shall not cover any loss not discovered and notified to the Company prior to the effective date of this policy as specified in Item 6 of the Schedule.

SECTION 7.: POLICY DEFINITIONS

When used in this policy:

Banking Premises means the interior of that portion of any building or buildings occupied by any bank, trust company or similar recognised place of safe deposit.

Computer Theft means the intentional taking of **Money** or **Securities** through use of a computer located at the **Insured's Premises** or elsewhere.

Employee means one or more persons while in the regular service of any **Insured** in the ordinary course of the **Insured's** business during the term of this policy and whom any **Insured** compensates by salary, wages and/or commissions and has the right to govern and direct in the performance of such service; and shall also mean:

- (A) any non-compensated officer of any **Insured**.
- (B) any former Employee for a period not exceeding thirty (30) days following termination of such person's services,
- (C) any director or trustee of any **Insured** while performing acts coming within the scope of the usual duties of an employee,
- (D) any individual or individuals assigned to perform employee duties for any **Insured**, within the **Insured's Premises**, by any agency furnishing temporary personnel on a contingent or part-time basis; provided, however, that this policy does not cover any loss caused by any such individual if such loss is also covered by any insurance or sureties held by the agency furnishing such temporary personnel to the **Insured**, and
- (E) any one or more of the natural persons while in the service of any Employee Benefit Plan (included as **Insureds** herein) as fiduciary, trustee, administrator, officer, or employee and any other natural person required to be bonded by Title 1 of the U.S. Employee Retirement Income Security Act of 1974 as amended, or similar provision of any national, state, territory or local statutory or common law anywhere in the world.

Insured means, collectively, those organisations designated in Item 1 of the Schedule for this policy and any **Subsidiary**.

Money means only currency, coin, bank notes and bullion.

Premises means that portion or the interior of any building occupied by the **Insured** in conducting its business.

Robbery means the unlawful taking of **insured** property from an **Insured**, a partner of the **Insured**, an **Employee** or any other person authorised by the **Insured** to have custody of the property by violence, threat of violence or other overt felonious act committed in the presence and cognisance of such person, except any person acting as a watchman, porter or janitor.

Safe Burglary means the felonious abstraction of **insured** property from within a vault or safe located within the **Premises** by a person making felonious entry into such vault or safe and any vault containing the safe, when all doors thereof are duly closed and locked by at least one combination or time lock, provided that such entry shall be made by actual force and violence, demonstrated by visible marks made by tools, electricity, gas or other chemicals upon the exterior of (1) a door or doors of such vault or safe and any vault containing the safe, if entry is made through such doors, or (2) the top, bottom or walls of such vault or safe and any vault containing the safe through which entry is made, if not made through such doors.

Securities means all negotiable and non-negotiable instruments or contracts representing either **Money** or other property, including revenue and other stamps in current use, tokens and tickets, but not including **Money**.

Subsidiary means any organisation in which more than 50% of the outstanding securities or voting rights representing the present right to vote for election of directors is or was owned or controlled, directly or indirectly, in any combination, by one or more **Insureds**.

Theft means the unlawful taking of **Money**, **Securities** or other property to the deprivation of the **Insured**.

For the purposes of these definitions, the singular includes the plural and the plural includes the singular, unless otherwise noted.

SECTION 8.: TERRITORY, CHOICE OF LAW AND JURISDICTION

Coverage shall extend only to the Territory as listed in Item 4. of 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. Except as set forth in Section 9 of this policy, any disputes relating to the construction, interpretation, meaning and enforcement of this policy shall be submitted to the exclusive jurisdiction of the Indian courts.

SECTION 9.: GRIEVANCE REDRESSAL & ARBITRATION

Any **Insured** who has a grievance against the Company arising under, out of, in connection with or in relation to this **Policy**, or to its existence, validity or termination, or to the determination of any amounts payable under this **Policy**, may, personally or through their legal heirs, make a complaint in writing to the Indian Insurance Ombudsman in accordance with the procedure contained in The Redressal of Public Grievance Rules, 1998, as amended. Provided that, in accordance with Rule 16(2) of the Ombudsman Rules, any compensation awarded by the Ombudsman will be limited to the lower of the amount necessary to cover the loss suffered by the **Insured** as a direct consequence of the insured peril or Rupees Twenty Lakhs only (Rs. 20 lakhs), inclusive of any ex-gratia and other expenses. At the prior written request of the **Insured**, the Company shall make available a copy of said Rules to such **Insured**.

Any and all disputes or differences which may arise under, out of, in connection with or in relation of this **Policy**, or to its existence, validity or termination, or to the determination of any amounts payable under this **Policy**, shall be referred for resolution by binding arbitration at Mumbai, in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996, as amended. Provided, however, that no such dispute or difference shall be referred to arbitration, if the same is already the subject matter of a complaint pending before the Insurance Ombudsman. Should the dispute or difference the subject matter of complaint before the Insurance Ombudsman not be resolved in that forum, then such dispute or difference will be referred to binding arbitration, in accordance with the Indian Arbitration and Conciliation Act, 1996, as amended.

Arbitration shall be conducted as follows:

- (i) All proceedings in any arbitration shall be conducted in English and a daily transcript in English of such proceedings shall be prepared.
- (ii) Within thirty (30) days after the Company or the **Insured** issues notice under this Section, the parties shall each appoint one arbitrator. The two arbitrators shall appoint a third arbitrator, who shall serve as the presiding arbitrator.
- (iii) The arbitration award shall be final and binding on the parties, and the parties agree to be bound thereby and to act accordingly.
- (iv) The arbitrators shall have the power to give injunctive relief and such other relief to the extent appropriate.
- (v) The arbitrators shall have the power to award interest up to the date of payment of any monies due under the award. The arbitrators shall have no authority to award punitive or exemplary damages.
- (vi) The parties shall each bear their own costs associated with the arbitration and shall share equally in the costs of the arbitration proceedings and presiding arbitrator.
- (vii) When any dispute is under arbitration, except for the matters under dispute the parties shall continue to exercise their remaining respective rights and fulfill their remaining respective obligations under this **Policy**.
- (viii) Judgment upon the award rendered may be entered in any court having jurisdiction, or application may be made to such court for a judicial recognition of the award or an order of enforcement thereof, as the case may be.

SECTION 10.: 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

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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.

SECTION 11. 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.

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