

## FIDELITY GUARANTEE INSURANCE POLICY

UIN: IRDAN123CP0047V01201819

The insured having made to the insurer herein a written proposal and declaration, which is agreed shall form the basis of this insurance and in consideration of the payment of the premium specified in the schedule, now the insurer agrees to indemnify the Insured for their direct financial loss which occurs during the Policy Period and within the Geographical Limits specified in the Schedule following.

**A. Employee Dishonesty**

Loss of Money, Securities or other property, to the amount specified under Item 4 of the Schedule resulting directly from one or more fraudulent or dishonest acts committed by an Employee acting alone or in collusion with others, provided always that:-

1. Such fraudulent or dishonest acts are (a) committed during the Policy Period specified in Item 3 of the Schedule and (b) are discovered in accordance with Condition 9 of this Policy and,
2. Such fraudulent or dishonest acts as insured under this section shall mean only fraudulent or dishonest acts committed by an Employee with the manifest intent (a) to cause the Insured to sustain such loss and (b) to obtain financial benefit for the Employee, or for any other person or organization intended by the Employee to receive such benefit, other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment.

**Losses Caused by Unidentifiable Employees**

If a loss is alleged to have been caused by the fraud or dishonesty of any one or more of the Employees and the Insured shall be unable to identify the specific Employee or Employees causing such loss, the Insured shall nevertheless have the benefit of this Section, subject to the provisions of this Policy, provided the evidence submitted proves beyond reasonable doubt that the loss was due to the fraud or dishonesty of one or more of the said Employees, and provided, further, that the aggregated liability of the insurer for such loss shall not exceed the Limit of Liability applicable to a single loss as specified in Item 4 of the Schedule.

**B. Third Party Computer and Funds Transfer Fraud**

The Theft of Money, Securities or other property by Computer Fraud; or the Theft of any of the Insured's funds from their Transfer Account as communicated to such Financial Institution in each case up to the amount specified under Item 4 of the Schedule.

**Definitions**

1. **"Associated Company"** (ies) means company (ies) in which the Insured owns more than twenty percent of the share capital and retains management control.
2. **"Computer Fraud"** means, the wrongful conversion of assets under the direct or indirect control of the Insured's computer system by means of the direct fraudulent accessing of such computer system by persons other than Employees and (a) the insertion of fraudulent data or instructions into such computer system; or (b) fraudulent alteration of data, programs or routines in such computer system.
3. **"Employee"** means any person or persons while in the regular service or engaged in the service of the Insured in the ordinary course of the Insured's business during the Policy Period specified in Item 3 of the Schedule and whom the Insured (a) compensates by salary, wages and / or commissions, (b) has the right to govern and direct in the performance of such service and subject to the same provisions shall also mean any (i) ex-Employee for a period not exceeding thirty-one days following termination of such person's services; (ii) part-time or temporary Employees; (iii) students gaining work experience with the Insured, (iv) a director or trustee of the Insured while performing acts coming within the scope of the usual duties of an Employee and who is also employed as an officer or Employee of the Insured in some other capacity, (v) any individual or individuals assigned to perform Employee duties for the Insured 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 such individual if such loss is also covered by an insurance or suretyship held by the agency furnishing such temporary personnel to the Insured.
4. **"Financial Institution"** means (a) banking or savings institution or (b) a stockbroker, fund manager or similar investment institution at which the Insured maintains a Transfer Account.
5. **"Fraudulent transfer Instructions"** means (a) electronic instructions: namely fraudulent electronic, telegraphic, cable, teletype Tested telex, Tested facsimile or telephone instructions to a Financial Institution to debit a Transfer Account and to transfer, pay or deliver funds from such account, which instructions purport to have been transmitted by the Insured or by a person duly authorised by the Insured to issue such instructions but which have been fraudulently transmitted by another, and (b) written instructions: namely, fraudulent written instructions to a Financial Institution to debit a Transfer Account and to transfer pay or deliver funds for such account through an electronic funds transfer system at specified times or under specified conditions, which written instructions purport to have been duly issued by the Insured but which have been fraudulently issued, forged or altered by another. Insured means the Policyholder as stated in the Schedule.
6. **"Money"** means currency, coins bank notes and bullion and travellers cheques, register cheques and money orders held for sale to the public.
7. **"Securities"** mean all negotiable and non-negotiable instruments or contracts representing either money or property and include revenue and other stamps in current use, tokens and tickets but do not include Money.
8. **"Subsidiary Company"** means a company in which the Insured directly or indirectly; (i) controls the composition of the board of directors; or (ii) controls more than half of the voting power; or (iii) holds more than half of the issued share capital.
9. **"Tested"** means a method of authenticating the contents of a communication by affixing thereto a valid test key which has been exchanged between the insured and a financial institution for the purpose of protecting the integrity of the communication in the ordinary course of business.
10. **"Theft"** means the intentional and unlawful taking of insured property to the deprivation of the Insured
11. **"Transfer Account"** means an account, maintained by the Insured at a Financial Institution, from which the Insured or the Insured's authorised representatives may cause the transfer, payment or delivery of funds (a) by means of electronic, telegraphic, cable, teletype, Tested telex, Tested facsimile or telephone instructions (communicated directly or through a cash management service or funds transfer system), or (b) by means of written instructions establishing the conditions under which such transfers are to be initiated by such Financial Institution through an electronic funds transfer system.

## FIDELITY GUARANTEE INSURANCE POLICY WORDING

### Exclusions (applicable to Cover A and B unless stated)

The insurance provided by this Policy excludes: -

1. Loss due to loss of potential income, including but not limited to interest and dividends and loss of computer time, not realised by the Insured because of loss covered under this Policy;
2. Costs, fees and other expenses incurred by the Insured in establishing the existence of or amount of loss covered under this Policy, except as may be specially stated to the contrary under Condition 3 of this Policy;
3. Damages of any type for which the Insured is legally liable, except direct compensatory damages for which the Insured is legally liable and arising from a loss covered under this Policy.
4. The costs of defending any legal proceeding brought against the Insured or the fees, costs or expenses incurred or paid by the Insured in prosecuting or defending any legal proceeding whether or not such proceeding results or would result in a loss to the Insured covered by this Policy;
5. Loss under Cover B due to any fraudulent dishonest or criminal act by an Employee, director, trustee or authorised representative of any Insured while working or otherwise and whether acting alone or in collusion with others;
6. Loss, or that part of any loss, as the case may be the proof of which either as to its existence or as to its amount, is dependent upon an inventory computation or profit and loss computation alone;
7. Loss under Cover A caused by any Employee who, at the time of committing any fraudulent or dishonest acts (as Insured hereunder) controls more than five percent of the issued share capital of the Insured company or of any Subsidiary of the Insured company;
8. Loss under Cover A caused by any broker, factor commission, consignee, contractor or other agent or representative of the same general character;
9. Loss under Cover A caused by any Employee from and after the time that the Insured or any partner or officer thereof not in collusion with such Employee shall have knowledge or information that such Employee has committed any dishonest or fraudulent act whether such act be committed any (a) after the date of employment by the Insured or, (b) prior to the date of employment by the Insured.
10. Any liability in respect of any loss or claim (a) arising out of or in connection with any circumstances or occurrences which have been notified to any insurer on any other policy of insurance effected prior to the inception of this Policy; (b) arising out of or in connection with any circumstances or occurrences known to the Insured prior to the inception of this Policy; and
11. Loss due to loss of and /or damage to proprietary information, trade secrets, confidential processing methods or other confidential information of any kind. In any claim, and in any action, suit or other proceeding to enforce a claim under this Policy for loss, the burden of proving that such loss does not fall within this Exclusion shall be upon the Insured.

### Conditions (applicable to Cover A and B unless stated)

1. Alteration - No change in or modification of this Policy will be effective unless made by written endorsement signed by an authorised representative of the insurer.
2. Arbitration  
The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy. Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996
3. Auditors Fees - This Policy is extended to indemnify the Insured in respect of auditors' fees reasonably and necessarily incurred by the Insured and with the consent of the Insurer in respect of loss falling under the terms of this Policy. The amount payable by reason of this extension will be part of the Limit of Liability stated in Item 4 of the Schedule. This extension shall not apply in respect of losses falling within the Deductible stated under Item 5 of the Schedule.
4. Automatic Acquisitions, Consolidation or Merger Cover- If the total number of Employees of the Insured increases by more than 10% through the acquisition of assets or shares, or consolidation or merger with some other concern then the insurance provided by this Policy shall also apply in respect of such Employees provided the Insured shall (a) give the Insurer written notice of the transaction within 90 days thereafter, and (b) give the Insurer such other additional information as the Insurer may reasonable require, and (c) pay the Insurer an additional premium calculated pro-rata from the date of the transaction to the end of the Policy Period.
5. Basis of Valuation- In no event shall the Insurer be liable under this Policy for more than (a) as regards Securities, the actual cash value thereof at the close of business on the business day next preceding the day on which the loss was discovered, or for the actual costs 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 reasonable cost of re-writing or amending the software programs or systems where such re-writing or amending is necessary to correct the programs or amend the security codes following an insured claim for which liability is admitted under the Policy (d) the Indian Rupee value of foreign currency based on the rate of exchange published in the financial times on or nearest the day any loss involving foreign currency is discovered; (e) the actual cash value at the time of loss of other property (not included in the above) or more than the actual cost of repairing or replacing the property with property of similar quality and value, whichever is less.
6. Cancellation- Notwithstanding the Policy Period as specified in Item 3 of the Schedule, the insurance shall be cancelled or deemed cancelled in respect of: (a) any Employee, as under Cover A immediately upon discovery by the Insured, or by any partner or officer thereof not in collusion with such Employee, of any dishonest or fraudulent act on the part of such Employee and further dishonest or fraudulent acts committed by such Employee are excluded; (b) Cover A and B, upon the effective date and at the time specified in a written notice posted to the Insured by the Insurer. Such effective date shall not be less than thirty days after the date of posting. The posting by the Insurer of notice as aforesaid to the Insured at the address shown in the Schedule shall be sufficient proof of notice. Delivery of such written notice by the Insurer shall be equivalent to posting; and (c) Cover A and B, upon receipt by the Insurer of a written request from the Insured to terminate this Policy. The Insurer shall refund any unearned premium pro rata to the Insured forthwith upon cancellation of the Policy provided that there has been no Claim under the Policy during the Policy Period in which case no refund of premium shall be allowed.
7. Notice
  - (a) It is a condition precedent to the liability of the Insurers hereunder that the Insured shall give the Insurers written notice as soon as is reasonably practicable and in any event within 21 days of: (1) any Claim made against any Insured during the Policy Period or Extended Reporting Period; (2) any circumstances occurring during the Period of Insurance which might reasonably be expected to give rise to a Claim.
  - (b) The Insured may give written notice by facsimile transmission or by hand, but if notice is given by such means then this must be confirmed by registered post and, subject to the Insured providing proof if requested to do so by Insurers, the date of posting shall be deemed to be the date upon which such notice was given. Written notice is to be given to the insurer to the address mentioned in the schedule.
  - (c) Upon written notice having been given under (a) and (b) above, any Claim which is notified under (a)(1) above and any subsequent Claim arising out of circumstances notified under (a)(2) above shall in each case be deemed to have been made during the Policy Period.
  - (d) In the event of notification under either (a) (1) or (a) (2) above, the Insured shall disclose to the Insurers all relevant information and

Cholamandalam MS General Insurance Company Ltd. Reg. office: 2nd Floor, "Dare House", No.2, NSC Bose Road, Chennai - 600001, India. IRDAI Registration Number: 123|CIN: U66030TN2001PLC047977| Toll Free Number: 1800 208 9100| SMS Chola to 56677| Customercare@cholams.murugappa.com| www.cholainsurance.com.

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- documentation and, in addition, shall provide assistance to the Insurers to enable the Insurers or their agents to investigate any Claim and/or to enable the Insurers to determine their liability under this Policy. Specifically in the case of a notification under (a) (2) above, the Insured shall additionally give reasons for the anticipation of a Claim(s), in each case with full particulars including the circumstances, dates and persons involved.
8. Deductible and other insurance- Coverage under this policy will be excess of the greater of the following amounts with respect to each and every loss, (a) the deductible amounts (s) set out in Item 5 of the Schedule, or (b) the amount of any other valid and collectible insurance or suretyship available to the Insureds on account of such other insurance or suretyship whether stated to be primary, excess, contributing contingent or otherwise, unless such other insurance or suretyship is written only as specific excess insurance over the limits of liability provided under this Policy. All loss caused by acts committed by any person or in which such person is concerned or implicated and /or arising from any one occurrence (as set forth under Condition 15 of this Policy) will be considered a single loss for the purpose of this endorsement. If a loss is covered in part under this Policy and in part under a prior similar policy or bond superseded by this policy, the deductible amount(s) applicable to such loss under this Policy will be reduced by the amount of any deductible (s) actually applied to such under this Policy.
  9. Discovery Period- Loss is covered under this Policy only if discovered during the Policy Period or not later than twelve months following the termination of this Policy or of the coverage under this Policy which applies to such loss, or cancellation or termination of this Policy as to any Insured.
  10. Fraudulent Claims- 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.
  11. Interpretation- The construction, interpretation and meaning of the terms, exclusions limitation and conditions of this Policy shall be determined under the jurisdiction of and in accordance with the law(s) of India and in accordance with the English text as it appears in this Policy.
  12. Joint Insured-
    - a) First Named Insured
      - 1) If more than one Insured is covered under this Policy, the Insured first named shall act for itself and for every other Insured for all purposes of this Policy.
      - 2) Payment of any loss under this Policy by the Insurer to the Insured first named shall fully release the Insurer on account of such loss.
      - 3) If the Insured first named ceases for any reason to be covered under this Policy, then the Insured next named shall thereafter be considered as the Insured first named for all purposes of this Policy.
    - b) Knowledge or Discovery by Insured- Knowledge possessed or discovery made by any Insured or by any partner, director or officer thereof shall for the purposes of Exclusion 9, Condition 6 and Conditions 13, 14, 15, and 16 of this Policy constitute knowledge possessed or discovery made by every Insured.
    - c) Cancellation- Insured If, prior to the cancellation or termination of this Policy, this Policy or any section hereof is cancelled or terminated as to any Insured, there shall be no liability for any loss sustained by such Insured unless discovered within the terms of Condition 9.
  13. Knowledge or Discovery of Loss Knowledge or discovery of loss occurs when the Insured becomes aware of facts which would cause a reasonable person to assume that a loss covered by this Policy has been or will be incurred, even though the exact amount or details of the loss may not then be known.
  14. Limit of Liability The Insurers total liability for all loss or losses paid during the Policy Period shall not cumulatively exceed the aggregate Limit of Liability (in respect of Cover A and B combined) as set forth in Item 4 of the Schedule applicable to:-
- Cover A**  
For all loss in respect of any act or series of acts involving any Employee or in which such Employee is concerned or implicated, regardless of when, during the period of this Policy prior thereto, such acts occurred.
- Cover B**  
For all loss or losses resulting from one occurrence or event. All acts committed by one person or in which such person is involved or implicated will be considered as one occurrence or event.
15. Limit of Liability - prior Insurance Loss that occurs partly during this Policy Period and partly during the period of any previous policy issued by the Insurer, but for which the discovery period has not expired, shall be limited to the larger amount of insurance under the previous policy or this Policy.
  16. Loss Under Prior Policy If this Policy replaced a prior policy carried by the Insured which has expired and the time within which to discover such loss has also expired cover under this Policy will apply to loss which would have been recoverable by the Insured, provided always that (a) the coverage offered shall be part of and not in addition to the amount of coverage offered by this Policy; (b) the loss would have been covered had this Policy been in force when the acts or events causing the loss occurred or were committed; and (c) recovery under this Policy shall not exceed the amount which would have been recoverable under the prior policy, if the prior policy had been in force when the acts or events occurred or were committed or the amount which would have been covered under a prior policy had continued to be in force until the discovery of the loss, if this amount be smaller.
  17. Non-Accumulation of Liability Regardless of the number of years this Policy shall continue in force and the number of premiums which shall be payable or paid, the limit of the Insurers liability as specified in Item 4 of the Schedule shall not be cumulative from year to year or period to period.
  18. Ownership - The Insured property (including Money and Securities) may be owned by the Insured, or held by the Insured in any capacity whether or not the Insured is liable for the loss thereof, or may be property in respect of which the Insured is legally liable.
  19. Subrogation- In the event of any payment under this Policy, the Insurer shall be subrogated to all of the Insured's rights of recovery to the extent of such payments against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights and ensure that nothing is done to prejudice such rights and provide the Insurers with whatever reasonable co-operation and assistance they might require. In the event of any recovery being made, it is specifically understood that the recovered funds shall be applied in the following order:
    - (a) Insurers shall be reimbursed to the extent of any payment they have made under this Policy.
    - (b) Insurers shall be reimbursed the actual costs and expenses they have incurred in pursuing the recovery.
    - (c) The Insured shall be entitled to reimbursement in respect of its losses only after the payment of (a) and (b) and only to the extent of any recovered funds that might remain.
  20. Settlement of loss- The Insurer may, with the consent of the Insured settle any claim for loss of property with the owner thereof. Any property for which the Insurer has made an indemnification shall become the property of the Insurer. The Insurer may, at its discretion, pay the actual cash value or make repairs to or replacements of such property. If the Insurer and the Insured cannot agree upon such cash value or such cost of repairs or replacements, such cash value or such cost shall be determined by arbitration.

## GRIEVANCES

If You have a grievance about any matter relating to the Policy, or Our decision on any matter, or the claim, You can address Your grievance as follows:

### 1. OUR GRIEVANCE REDRESSAL OFFICER

You can send Your grievance in writing by post or email to Our Grievance Redressal Officer at the following address:

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

Website : [www.cholainsurance.com](http://www.cholainsurance.com)

Cholamandalam MS General Insurance Company Ltd. Reg. office: 2nd Floor, "Dare House", No.2, NSC Bose Road, Chennai - 600001, India. IRDAI Registration Number: 123|CIN: U66030TN2001PLC047977| Toll Free Number: 1800 208 9100| SMS Chola to 56677| Customercare@cholams.murugappa.com| [www.cholainsurance.com](http://www.cholainsurance.com).

**FIDELITY GUARANTEE INSURANCE POLICY WORDING**

Toll free : 1800 208 9100  
E-Mail : [customercare@cholams.murugappa.com](mailto:customercare@cholams.murugappa.com)  
Fax : 044 -4044 5550  
Courier : Cholamandalam MS General Insurance Company Limited,  
Customer services, Head  
Office Dare House 2nd floor, No 2 N.S.C. Bose Road, Chennai 600 001

Insured person may also approach the grievance cell at any of the company's branches with the details of grievance. If insured person is not satisfied with the redressal of grievance through one of the above methods, insured person may contact the grievance officer at [GRO@cholams.murugappa.com](mailto:GRO@cholams.murugappa.com)

For details of grievance officer, kindly refer the link [www.cholainsurance.com](http://www.cholainsurance.com)

If any Grievances / issues on Health insurance related claims pertaining to Senior Citizens, Insured can register the complaint / grievance in 'Senior Citizen Channel' which shall be processed on Fast Track Basis by dedicated personnel.

If Insured Person is not satisfied with the redressal of grievance through above methods, the insured person may also approach the office of Insurance Ombudsman of the respective area/region for redressal of grievance as per Insurance Ombudsman Rules 2017.

Grievance may also be lodged at IRDAI Integrated Grievance Management system <https://igms.irda.gov.in/>

**2. CONSUMER AFFAIRS DEPARTMENT OF IRDAI**

- a. In case it is not resolved within 15 days or if You are unhappy with the resolution You can approach the Grievance Redressal Cell of the Consumer Affairs Department of IRDAI by calling Toll Free Number 155255 (or) 1800 4254 732 or sending an email to [complaints@irdai.gov.in](mailto:complaints@irdai.gov.in). You can also make use of IRDAI's online portal - Integrated Grievance Management System (IGMS) by registering Your complaint at [igms.irda.gov.in](http://igms.irda.gov.in).
- b. You can send a letter to IRDAI with Your complaint on a Complaint Registration Form available by clicking [here](#). You must fill and send the Complaint Registration Form along with any documents by post or courier to General Manager, Insurance Regulatory and Development Authority of India (IRDAI), Consumer Affairs Department- Grievance Redressal Cell, Sy.No.115/1, Financial District, Nanakramguda, Gachibowli, Hyderabad-500032.
- c. You can visit the portal <http://www.policyholder.gov.in> for more details.

**3. INSURANCE OMBUDSMAN**

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

Please find below the latest/updated link of the Ombudsman offices

<https://www.cioins.co.in/Ombudsman>

**INFORMATION ABOUT US**

Cholamandalam MS General Insurance company Limited  
HO: Dare House 2nd Floor, No. 2 NSC Bose Road, Chennai – 600 001.  
Toll Free : 1800 208 9100  
SMS: "CHOLA" TO 56677 \*(Premium SMS charges apply)  
Email –[customercare@cholams.murugappa.com](mailto:customercare@cholams.murugappa.com)  
Web site: [www.cholainsurance.com](http://www.cholainsurance.com)