



RAHEJA QBE

SME Liability Package Policy

Policy Wordings

Section I : Combined General Liability
Section II: Directors & Officers Liability
Section III: Miscellaneous Professional Indemnity
Section IV: Commercial Crime

Section 1: Combined General Liability

In consideration of the payment to RAHEJA QBE GENERAL INSURANCE COMPANY LIMITED (hereafter called "the Company") of the amounts payable for this insurance the Company will indemnify the Insured up to the Limit of Liability subject to the terms and conditions of this Policy and the Insured's statements in the Proposal Form which is incorporated into the Policy and is the basis of it.

1. COVERAGE

1.1. LIABILITY

The Company will pay to or on behalf of the Insured all sums which the Insured becomes legally liable to pay by way of compensation and all costs awarded against the Insured in respect of Personal Injury or Property Damage or Advertising Liability happening during the Period of Insurance caused by an Occurrence within the Territorial Limits in connection with the Business of the Insured.

1.2. DEFENCE COSTS AND EXPENSES

With respect to the indemnity afforded by this Policy, the Company will:

- 1.2.1. defend in the name of and on behalf of the Insured any suit against the Insured alleging such Personal Injury, Property Damage or Advertising Liability and seeking damages on account thereof even if such suit is groundless, false or fraudulent, and the Company may make such investigation, negotiation and settlement of any claim or suit as the Company may deem expedient;
- 1.2.2. pay all expenses incurred by the Company, all costs taxed or awarded against the Insured in any suit and all interest accruing after entry of judgment until the Company has paid, tendered or deposited in court such part of such judgment as does not exceed the limit of the Company's liability as specified in the Schedule;
- 1.2.3. reimburse the Insured for all reasonable expenses, other than loss of earnings, incurred with the consent of the Company;

Provided that:

- (i) the Company shall not be obliged to pay any claim or judgment or to defend any suit after the Limit of Liability has been exhausted by payment of judgments or settlements or the costs of investigating or defending a claim;
- (ii) if a payment exceeding the Limit of Liability has to be made to dispose of a claim, the Company's liability to pay any defence costs and expenses in connection therewith shall be limited to such proportion of the defence costs and expenses as the Limit of Liability bears to the amount needed to be paid to dispose of the claim.

The amounts thus incurred, except payments in settlement of claims, suits and all costs awarded against the Insured, are payable by the Company in addition to the Limit of Liability specified in the Schedule.

2. **LIMIT OF LIABILITY**

- 2.1. The maximum liability of the Company in respect of any claim or any series of claims for **Personal Injury** and/or Property Damage and/or Advertising Liability caused by or arising out of one Occurrence will not exceed the Limit of Liability specified in the Schedule. All Personal Injury and Property Damage and Advertising Liability arising out of continuous or repeated exposure to substantially the same general conditions will be construed as arising out of one Occurrence.
- 2.2. The total aggregate liability of the Company during any one Period of Insurance for all claims arising out of the Insured's Products shall not exceed the Limit of Liability specified in the Schedule.

3. **DEDUCTIBLE**

When specified in the Schedule, each Occurrence arising under this Policy is subject to the deductible shown and such deductible is to apply to defence costs and expenses. If more than one deductible is payable under this Policy for any claim, or series of claims arising from the one event:

- the Insured must pay the highest deductible, but
- only one deductible applies.

4. **EXCLUSIONS**

This Policy does not cover liability in respect of:

4.1. **EMPLOYMENT LIABILITY**

- 4.1.1. Personal Injury to any employees of the Insured arising directly or indirectly out of or in the course of their employment in the Business of the Insured;
- 4.1.2. any liability the Insured may have in respect of Personal Injury sustained to any person who is, pursuant to any legislation relating to Workers' Compensation, deemed or defined to be an employee of the Insured;
- 4.1.3. any liability in respect of which the Insured is entitled to seek indemnity under any policy of insurance required to be taken out pursuant to any legislation relating to Workers' Compensation including any legislation of any State, Territory or Province and whether or not the Insured is party to such contract of insurance;

4.1.4. any liability imposed by the provisions of any Workers' Compensation legislation or any industrial award or agreement or determination.

4.1.5. any liability for and in respect of any Employment Practices.

"Employment Practices" means any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination directly or indirectly related to employment or prospective employment of any person or persons by the Insured.

4.2. **PROPERTY IN CUSTODY OR CONTROL**

Property Damage to:

4.2.1. property owned by or leased or rented to the Insured,

4.2.2. property in the physical or legal control of the Insured.

But this exclusion will not apply to liability for Property Damage to:

4.2.3. premises (including landlord's fixtures and fittings) which are leased or rented by the Insured;

4.2.4. premises (and the contents thereof) not owned, leased or rented by the Insured but temporarily occupied by the Insured for work therein but no indemnity is granted for damage to that part of the property on which the Insured is working and which arises out of such work;

4.2.5. vehicles (not belonging to or used by or on behalf of the Insured) in the physical or legal control of the Insured where such Property Damage occurs whilst any such vehicles are in a car park owned or operated by the Insured provided that such car park is incidental to the Business of the Insured;

4.2.6. the property of an employee of the Insured;

4.2.7. any other property temporarily in the Insured's physical or legal control provided no indemnity is granted for liability in respect of physical damage to or destruction of that part of any property upon which the Insured is or have been working. The Company's limit under this clause 4.2.7 does not exceed **xxxxxx** for any one Occurrence and in the aggregate for any one Period of Insurance.

4.3. **PRODUCT DEFECT**

Property Damage to the Insured's Products if such damage is attributable to any defect therein or the harmful nature or unsuitability thereof.

4.4. **LOSS OF USE**

Loss of use of tangible property which has not been physically injured or destroyed resulting from:

- 4.4.1. a delay in or lack of performance by or on behalf of the Insured of any contract or agreement;
- 4.4.2. the failure of the Insured's Products to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by the Insured, 'but this exclusion does not apply to the loss of use of other tangible property resulting from the sudden and accidental physical damage to or loss or destruction of the Insured's Products after such products have been put to use by any person or organisation other than the Insured.

4.5. **PRODUCT RECALL**

Claims arising out of or resulting from any loss, cost or expense incurred by the Insured for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of the Insured's Products or of any property of which they form a part, if such products or property are withdrawn from the market or from use because of any known or suspected defect, deficiency, inadequacy or dangerous condition in them.

4.6. **AIRCRAFT, AIRCRAFT PRODUCTS, WATERCRAFT AND HOVERCRAFT**

Claims arising out of

- 4.6.1. ownership, maintenance, operation or use by the Insured or on the Insured's behalf of any aircraft, or
- 4.6.2. the ownership, operation or use by the Insured or on the Insured's behalf of any watercraft exceeding 20 metres in length, or hovercraft.
- 4.6.3. the Insured's Products that are aircraft component parts used for maintaining an aircraft in flight or moving upon the ground or used in the construction of an aircraft hull or machinery which to the Insured's knowledge are incorporated in an aircraft.

4.7. **VEHICLES**

Personal Injury or Property Damage arising out of the ownership, possession, operation or use by the Insured of any vehicle:

- 4.7.1. which is registered or is required under any legislation to be registered;
- 4.7.2. in respect of which insurance is required to be effected by or on behalf of the Insured by or under any legislation of any State, Territory or Province whether or not such insurance is effected.

Exclusions 4.7.1 and 4.7.2 above do not apply to Personal Injury or Property Damage:

- 4.7.3. caused by the loading or unloading of vehicles, but only where there is no other valid and collectible insurance available to the Insured
- 4.7.4. caused by the use of a registered vehicle on building sites while being used as a tool of trade on such site and where no other valid and collectible insurance is available.

4.8. CONTRACTUAL LIABILITY

Any obligation assumed by the Insured under any agreement or contract except to the extent that:

- 4.8.1. the liability would have been implied by law
- 4.8.2. the liability arises from a provision in a contract for lease of real or personal property other than a provision which obliges the Insured to effect insurance in respect of the subject matter of that contract
- 4.8.3. the liability is assumed by the Insured under a warranty of fitness or quality as regards to the Insured's Products.

4.9. PROFESSIONAL LIABILITY

The rendering of or failure to render professional advice or service by the Insured or any error or omission connected therewith but this exclusion does not apply to:

- 4.9.1. the rendering of or failure to render professional medical advice by Medical Persons employed by the Insured to provide first aid and other medical services on the Insured's premises; or
- 4.9.2. Personal Injury or Property Damage arising from such rendering of or failure to render professional advice or service, providing such professional advice or service is not given for a fee.

4.10. LIBEL AND SLANDER

Liability arising out of the publication or utterance of a libel or slander:

- 4.10.1. made prior to the commencement of this Period of Insurance; or
- 4.10.2. made by or at the direction of the Insured with the knowledge of the falsity thereof.

4.11. WAR AND TERRORISM

Loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of 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:

4.11.1. war, invasion, acts of foreign enemies, hostilities or war-like 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, confiscation or nationalization or requisition or destruction or damage to property by or under the order of any government or public or local authority, or

4.11.2. any act(s) of terrorism

For the purpose of this exclusion, an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- involves violence against one or more persons, or
- involves damage to property, or
- endangers life other than that of the person committing the action, or
- creates a risk to health or safety of the public or a section of the public, or
- is designed to interfere with or to disrupt an electronic system.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to 4.11.1 or 4.11.2 above.

4.12. RADIOACTIVITY

Personal Injury or Property Damage directly or indirectly caused by, contributed to or arising from:

4.12.1. ionising radiations or contamination by radioactivity from nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion 4.12.1 combustion shall include any self-sustaining process of nuclear fission; or

4.12.2. nuclear weapons material

4.13. POLLUTION

4.13.1. Personal Injury or Property Damage caused by or arising out of the discharge, dispersal, release or escape of pollutants into or upon land, the atmosphere, or any

water course or body of water. Provided this exclusion 4.13.1 does not apply if such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place.

- 4.13.2. Any costs and expenses incurred in the prevention, removing, nullifying or clean-up of such contamination or pollution. Provided this exclusion 4.13.2 does not apply to clean-up, removal or nullifying expenses only, which are consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place which results in Personal Injury or Property Damage.
- 4.13.3. The actual, alleged or threatened discharge, dispersal, release, seepage, migration or escape of pollutants caused by any product that has been discarded, dumped, abandoned or thrown away by others.
- 4.13.4. The actual alleged or threatened discharge, dispersal, release, seepage, migration or escape of pollutants in the United States of America or Canada or in any country to which the laws of the United States of America or Canada apply.

Our liability under clauses 4.13.1 and 4.13.2 above in respect of any one discharge, dispersal, release, seepage, migration or escape and for all discharges, dispersals, releases, and escape of pollutants during any one Period of Insurance will not exceed the Limit of Liability.

4.14. TERRITORIAL AND JURISDICTIONAL LIMITS

- 4.14.1. Claims made and actions instituted within the United States of America or the Dominion of Canada or any other territory coming within the jurisdiction of the courts of the United States of America or the Dominion of Canada.
- 4.14.2. Claims and actions to which the laws of the United States of America or the Dominion of Canada apply

Provided that this exclusion shall not apply to claims and actions arising from the presence outside the country in which this Policy was issued, of any person who is normally resident in such country and who is not a manual worker or supervisor of work.

In respect of any non-manual worker or supervisor of work travelling in the United States of America or the Dominion of Canada, all Law Costs and Expenses shown in Coverage Section 1.2 are paid by the Company within the Limit of Liability shown in the Schedule, not in addition to it.

4.15. EXPORTS TO U.S.A., CANADA

Claims in respect of Personal Injury or Property Damage or Advertising Liability caused by or arising out of the Insured's Products knowingly exported by the Insured, their agents or servants to the United States of America or the Dominion of Canada.

4.16. ABSOLUTE ASBESTOS EXCLUSION

Any actual or alleged liability whatsoever for any claim or claims in respect of losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

4.17. FAULTY WORKMANSHIP

The cost of performing, completing, correcting or improving any work undertaken by the Insured.

4.18. FINES, PENALTIES

Fines, penalties or liquidated damages.

4.19. PUNITIVE DAMAGES

Punitive damages and/or exemplary damages and/or aggravated damages and/or any additional damages resulting from the multiplication of compensatory damages.

4.20. OFFSHORE GAS AND OIL PLATFORMS

Work performed on offshore gas and oil platforms.

4.21. PHARMACEUTICAL MANUFACTURERS AND IMPORTERS

Personal Injury or Property Damage or Advertising Liability arising from the sale or distribution of pharmaceuticals imported or manufactured by the Insured. Provided that this exclusion does not apply to those vitamins available without a prescription.

4.22. INFORMATION TECHNOLOGY HAZARDS, COMPUTER DATA, PROGRAM AND STORAGE MEDIA EXCLUSION

4.22.1. Personal Injury or Property Damage or Advertising Liability arising, directly or indirectly, out of, or in any way involving the Insured's "Internet Operations".

This exclusion does not apply to Personal Injury or Property Damage arising out of any material which is already in print by the manufacturer in support of its product, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site.

"Internet Operations" means the following:

- (a) use of electronic mail systems by the Insured or the Insured's employees, including part-time and temporary staff, contractors and others within the Insured's organization;
- (b) access through the Insured's network to the world wide web or a public internet site by the Insured's employees, including part-time and temporary staff, contractors and others within the Insured's organization;

- (c) access to the Insured's intranet (meaning internal company information and computing resources) which is made available through the world wide web for customers of the Insured or others outside the Insured's organization; and
- (d) the operation and maintenance of the Insured's web site.

Nothing in this exclusion will be construed to extend coverage under this Policy to any liability which would not have been covered in the absence of this exclusion.

4.22.2. Property Damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:

- (a) the use of any computer hardware or software;
- (b) the provision of computer or telecommunication services by the Insured or on the Insured's behalf;
- (c) the use of computer hardware or software belonging to any third party, whether authorized or unauthorized including damage caused by any computer virus.

5. DEFINITIONS

5.1. **"INSURED"** each of the following is deemed to be an Insured under this Policy to the extent set forth:

- 5.1.1. the named Insured specified in the Schedule;
- 5.1.2. all the subsidiary companies (now or hereafter constituted) of the named Insured if their places of incorporation are within the country of Policy issue;
- 5.1.3. every Director, Executive Officer, Employee, Partner or Shareholder of the Insured or of a company designated in paragraph 5.1.2 above but only whilst acting within the scope of their duties in such capacity;
- 5.1.4. every principal, in respect of the liability of such principal arising out of the performance by the Insured or by a company designated in paragraph 5.1.2 above, of any contract or agreement for the performance of work for such principal, to the extent required by such contract or agreement, but limited in all to the extent of coverage and Limit of Liability as provided for in this Policy;

For the purposes of this Clause, 'principal' means a person who engages the Insured as an independent contractor.
- 5.1.5. every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with the consent of the Insured (other than an Insured designated in paragraph 5.1.4 or 5.1.6) in respect of claims arising from their duties connected with the activities of any such club, organisation or service;

5.1.6. each partner, joint venturer, co-venturer or joint lessee of the named Insured but only:

(a) with respect to liability incurred as the partnership, joint venture, co-venture, joint lessee and

(b) provided the partnership, joint venture, co-venture, joint lessee has been notified to the Company within 60 days of formation and has been endorsed on the Schedule hereto;

5.1.7. any director or senior executive of the Insured or one of the parties shown in 5.1.2 in respect of private work undertaken by the Insured's employees for such director or senior executive.

"Insured" does not include the interest of any other person other than as described in 5.1.1 to 5.1.7 above.

5.2. **"PERSONAL INJURY"** means:

5.2.1. bodily injury (which expression includes death and illness), disability, shock, fright, mental anguish or mental injury;

5.2.2. the effects of false arrest, wrongful detention, false imprisonment or malicious prosecution;

5.2.3. the effects of wrongful entry or eviction;

5.2.4. the effects of a publication or utterance of a libel or slander or other defamatory or disparaging material;

5.2.5. the effects of assault and battery not committed by the Insured or at the Insured's direction unless reasonably committed for the purpose of preventing or eliminating danger to person or property.

5.3. **"PROPERTY DAMAGE"** means:

5.3.1. physical damage to or loss or destruction of tangible property including the loss of use thereof at any time resulting therefrom; or

5.3.2. loss of use of tangible property which has not been physically damaged or destroyed provided such loss of use is caused by an Occurrence.

5.4. **"OCCURRENCE"** means:

an event, including continuous or repeated exposure to substantially the same general conditions which results in Personal Injury or Property Damage or Advertising Liability neither expected nor intended from the standpoint of the Insured.

5.5. **"MEDICAL PERSONS"** means:

legally qualified medical practitioner, legally qualified registered nurse, dentists and first aid attendants.

5.6. **"INSURED'S PRODUCTS"** means:

any goods, products or property after they have ceased to be in the possession or under the control of the Insured, manufactured, constructed, erected, installed, repaired, serviced, treated, grown, extracted, produced, processed, assembled, sold, supplied, distributed by the Insured (including any container thereof other than a vehicle).

5.7. **"VEHICLE"** means:

any type of machine on wheels or on 'self laid tracks' made or intended to be propelled by other than manual or animal power and any trailer or other attachment made or intended to be drawn by any such machine.

5.8. **"WATERCRAFT"** means:

any vessel, craft or thing made or intended to float on or in or travel on or through or under water.

5.9. **"AIRCRAFT"** means:

any vessel, craft or aerial device made or intended to fly or move in or through the atmosphere or space.

5.10. **"POLLUTANTS"** means:

any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

5.11. **"POLICY"** means:

this document and each endorsement issued by the Company and attached, or intended to be attached, to it, the Insured's statements in the Proposal Form and the policy schedule (as the same may be amended from time to time).

5.12. **"PROPOSAL FORM"** means:

the proposal submitted for this insurance and any ancillary documentation or information provided in respect of any Insured.

5.13. **"BUSINESS"** shall include:

the provision and management of canteens, social, sports and welfare organisations for the benefit of the Insured's employees and first aid, fire and ambulance services and maintenance of the Insured's premises.

5.14. **"DEDUCTIBLE"** is:

the amount the Insured first bears in relation to each Occurrence.

5.15. **"EMPLOYEE"** is:

any person engaged under a contract of service or apprenticeship with the Insured, but does not include any person employed under such contract who is excluded from the definition of 'worker' under any workers' compensation legislation.

5.16. **"HOVERCRAFT"** means:

any vessel, craft or thing made or intended to float on or in or travel on or through the atmosphere or water.

5.17. **"PERIOD OF INSURANCE"** means:

the period shown in the Policy Schedule.

5.18. **"ADVERTISING LIABILITY"** means: liability for damages because of:

- 5.18.1. unintentional libel, slander or defamation;
- 5.18.2. infringement of copyright or passing off of title or slogan;
- 5.18.3. piracy or unfair competition or idea misappropriation contrary to an implied contract;
- 5.18.4. invasion of the right of privacy;

committed or alleged to have been committed during the Period of Insurance in any advertisement, public article, broadcast or telecast arising out of any advertising activities conducted by or on behalf of the Insured, in the course of advertising the Insured's Products, goods or services.

However the Company will not indemnify the Insured in respect of claims made against the Insured:

- 5.18.5. arising out of advertising activities prior to the commencement date of this Policy;
- 5.18.6. for breach of contract, other than misappropriation of advertising contrary to an implied contract;
- 5.18.7. for infringement or passing off a trade-mark, service mark or trade name on any products, goods or services sold, offered for sale or advertised. This does not apply to infringement of titles or slogans;
- 5.18.8. for incorrect description of any article or commodity;
- 5.18.9. for mistake in advertised prices;
- 5.18.10. for statements made at the direction of the Insured with the knowledge of the illegality or falsity thereof;

for any Insured whose Business is advertising, broadcasting, publishing or telecasting.

5.19. **"CLAIM"** means:

- 5.19.1. the receipt by the Insured of any written or verbal notice of demand for compensation made by a third party against the Insured; or
- 5.19.2. any writ, statement of Claim, summons, application or other originating legal or arbitral process, cross-Claim, counter-Claim or third or similar party notice served upon the Insured.

5.20. **"TERRITORIAL LIMITS"** means:

Worldwide unless otherwise specified in the Schedule subject to the provisions of Exclusion 4.14.

6. **CONDITIONS**

6.1. **JOINT INSUREDS**

Where more than one party comprises the Insured, each of the parties shall be considered as a separate and distinct unit and the word Insured will be considered as applying to each party in the same manner as if a separate Policy had been issued to each of the said parties provided that nothing in this clause will result in an increase of the Company's Limit of Liability in respect of any Occurrence or Period of Insurance.

6.2. **NOTICES**

It is a condition precedent to the Company's liability hereunder that the Insured shall immediately and in any event within [x] days give the Company written notice of any Claim made against the Insured :

The Insured may give written notice to the Company of every circumstance which may reasonably be expected to result in a Claim under this Policy, whether or not the Insured believes any claim amount might fall below any deductible stated in the Schedule. Any subsequent Claim arising out of such circumstances made against the Insured which is the subject of the written notice will be deemed to have been made at the time written notice was first given to the Company.

- 6.2.1. It is a condition precedent to the Company's liability that written notice of every change materially varying any of the facts or circumstances existing at the commencement of this Policy that shall come to the knowledge of the Insured must be given to the Company immediately and in any event within [x] days.

Service of Notice

- 6.2.2. any notice sent in writing by the Company to the first named Insured in the Schedule shall be deemed to be notice given to each of the parties comprising "the Insured".

- 6.2.3. service of notice by the Company shall be effective immediately on receipt by the first named Insured of a personal delivery or facsimile transmission sent from the Company or in the case of notices by post, three business days after having been posted by the Company.

6.3. OTHER INSURANCE

- 6.3.1. As soon as is reasonably practical but within 15 days after entering into any other contract of insurance, the Insured shall notify the Company in writing of, and shall give the Company full details of, any such other insurance which provides indemnity, in full or in part, for any of the liabilities insured hereunder.
- 6.3.2. To the extent that the Insured has any other insurance in force in respect of the liabilities insured hereunder, the Company shall only be liable under this Policy for the excess beyond any amount insured by such other insurance in respect of that liability, whether or not such insurance is valid or collectible.

6.4. SUBROGATION

In the event of a payment under this Policy to or on behalf of the Insured, the Company shall be subrogated to all the Insured's rights of recovery against all persons and organisations and the Insured shall execute and deliver instruments and papers and do all that is necessary to assist the Company in the exercise of such rights. If the Insured has agreed not to seek compensation from another person who is liable to compensate the Insured for any loss, damage or liability which is covered by this Policy, the Company will not cover the Insured under this Policy for that loss, damage or liability.

6.5. CLAIMS

- 6.5.1. The Insured shall not without the prior consent in writing of the Company make any admission, offer, promise or payment in connection with any Occurrence or claim and the Company if it so desires, shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim.
- 6.5.2. The Insured shall use its best endeavours to preserve all property, products, appliances and plant and all other things which may assist in the investigation or defence of a claim or in the exercise of rights of subrogation and so far as may be reasonably practicable no alteration or repair shall be effected without the consent of the Company until the Company shall have had an opportunity of inspection, however the Insured agrees to take all reasonable precautions to prevent further loss or damage.
- 6.5.3. The Company shall be entitled to prosecute in the name of the Insured at its own expense and for its own benefit any claim for indemnity or damages or otherwise.

6.5.4. The Company shall have full discretion in the conduct of any proceedings in connection with any claim and the Insured shall give all information, co-operation and assistance as the Company may require in the prosecution, defense or settlement of any claim.

6.5.5. If any claim is in any manner dishonest or fraudulent, or is supported by any dishonest or fraudulent means or devices, whether by any Insured or anyone acting on behalf of an Insured or with the Insured's knowledge, then this Policy shall be void and all benefits paid or potentially payable under it shall be forfeited.

6.6. DISCHARGE OF LIABILITIES

The Company may at any time pay to the Insured in respect of all claims against the Insured arising directly or indirectly from one source or original cause the amount of the Limit of Liability or such other limit specified in respect thereof (after deduction of any sum or sums already paid as compensation in respect thereof), or any lesser sum for which the claim or claims can be settled and upon such payment the Company shall relinquish conduct or control of and be under no further liability under the Policy in connection with such claims except for costs, charges and expenses:

- 6.6.1. recoverable from the Insured for all or part of the period prior to the date of such payment;
- 6.6.2. incurred by the Company;
- 6.6.3. incurred by the Insured with the written consent of the Company prior to the date of such payment.

6.7. REASONABLE CARE

The Insured must:

- 6.7.1. exercise reasonable care that only competent employees are employed and take reasonable measures to maintain all premises, fittings and plant in sound condition and;
- 6.7.2. take all reasonable precautions to
 - (a) prevent Personal Injury and Property Damage and
 - (b) prevent the manufacture, sale or supply of defective products and
 - (c) comply and ensure that its employees, servants and agents comply with all statutory obligations, by-laws or regulations imposed by all relevant public authorities for the:
 - (i) safety of persons or property
 - (ii) disposal of waste products
 - (iii) handling, storage or use of flammable liquids or substances, gases or toxic chemicals.

- 6.7.3. at its own expense take reasonable action to trace recall or modify any Insured's Products containing any defect or deficiency of which the Insured has knowledge or has reason to suspect, including (but not limited to) any Insured's Products subject to governmental or statutory ban.

6.8. INSPECTION OF PROPERTY

- 6.8.1. The Company will be permitted but not obligated to inspect the Insured's property and operations at any time.
- 6.8.2. Neither the Company's right to inspect nor its failure to inspect, nor the making of any inspection nor any report of an inspection may be used by the Insured or others in any action or proceeding involving the Company.
- 6.8.3. The Company may examine and audit the Insured's books and records at any time during the Period of Insurance and within three years thereafter but that examination and audit will be restricted to matters which in the opinion of the Company are relevant to the Policy.

6.9. ADJUSTMENT OF PREMIUM

- 6.9.1. If the first or renewal premium for the Policy or any part thereof shall have been calculated on estimates furnished by the Insured, the Insured shall within 30 days after the expiry of each Period of Insurance furnish the Company such matters, particulars and information relevant to the Policy as the Company may reasonably require. The premium for the said period shall thereupon be adjusted and any difference paid by or allowed to the Insured as the case may be. Provided that the adjusted premium shall not be less than the minimum premium charged by the Company.
- 6.9.2. The Insured will keep a record of all matters, particulars and information requested by the Company and must on reasonable notice, allow the Company or its nominee to inspect and make copies of such records.

6.10. CANCELLATION

- 6.10.1. This insurance may be cancelled at any time by the Insured giving written notice of cancellation to the Company, in which case the Company will retain the customary short period rate for the time the Policy has been in force. This insurance may also be terminated at the option of the Company on the notice to that effect being sent to the Insured at least 15 days before cancellation, in which case the Company will be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of cancellation, provided that the Company will be entitled to retain the agreed minimum premium.

6.10.2. When the premium is subject to adjustment, cancellation will not affect the obligation of the Insured to supply to the Company such information as is necessary to permit the premium adjustment to be calculated and to pay the amount of the adjustment applicable up to the date of cancellation.

6.10.3. Notwithstanding any provisions to the contrary stated above, the company may cancel this policy only on the grounds of established fraud in the case of an individual/retail Insured. All other cancellation provisions outlined above shall continue to apply.

6.11. DISPUTES

All disputes arising out of or under this Policy, except for disputes on quantum which is dealt under clause 6.17 (Arbitration), shall be determined by any court of competent jurisdiction within the country in which this Policy was issued according to the law applicable to that jurisdiction.

6.12. WORDS - GENDER

6.12.1. Words importing persons shall include corporations and other legal entities.

6.12.2. The singular includes references to the plural and vice versa and any gender includes reference to all other genders.

6.13. DUE OBSERVANCE

The fulfilment of the terms and conditions of this Policy insofar as they relate to anything to be done or complied with by the Insured shall be conditions precedent to the Company's liability.

6.14. STATUTORY REQUIREMENTS

This Policy does not cover liability in respect of claims made or actions instituted within any country state or territory outside India that require insurance to be insured or secured with an insurer or organization licensed in that country state or territory to grant such insurance.

6.15. ARBITRATION

If any dispute or difference shall arise as to the quantum to be paid under this 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 thereto or if they cannot agree upon a single arbitrator within 30 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 Indian Arbitration and Conciliation Act, 1996.

It is clearly agreed and understood that no dispute or difference shall be referable to arbitration 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 the award by such arbitrator/arbitrators of the amount of the loss or damage shall be first obtained.

What to do in the event of a claim?

If an event happens which may give rise to a claim under this Policy you must:

1. Inform incident to us as soon as possible. You will be provided with advice on the procedure to follow. You may call Raheja QBE Call Centre on Toll Free No: 1800-102-7723 OR notify loss by email to claims@rahejaqbe.com OR report claim on RQBE Website www.rahejaqbe.com OR send Letter or Fax to RQBE office
2. Please supply us with all information we require to settle the claim.
3. Take all reasonable precautions to prevent further loss or damage.
4. Not negotiate, admit, repudiate or pay any claim by any person.
5. Co-operate with us fully in any action we take if we have a right to recover any money payable under this Policy from any other person.
6. If in doubt at any time please call us for advice

What you must not do in the event of a claim?

You must not:

1. admit liability if an incident occurs which is likely to result in someone claiming against you
2. make any admission of guilt or promise or offer of payment in connection with any such claim, unless we first agree in writing. This applies to you or any other person making a claim under this Policy.

Dispute Resolution

Raheja QBE will take all steps to settle your claim in accordance with policy terms and conditions. However, since the policy does not cover all eventualities, there may be disagreement between us about the Policy.

For resolution of such disputes RQBE has developed an elaborate Grievance Redressal mechanism.

At your request, the claim will be considered afresh by the Grievance Committee of RQBE. If you are not satisfied with the decision of the Grievance Committee you may refer your case for legal advice.

Section II: Directors & Officers Liability

A. THE COVER

SECTION 1 - INSURING CLAUSES

Subject to payment of the **Premium** and the provisions of this **Policy**, in reliance upon the statements made and information contained in the **Proposal Form** and the **Schedule**, all of which are part of, and shall form the basis of, this insurance, **Raheja QBE** agrees to:

1.1. Directors' and Officers' Liability

pay **Loss** arising out of a **Wrongful Act** based on events occurring after the Continuous Cover Date in relation to services performed as an **Insured Person** and in relation to which a Claim is made during the Period of Insurance which is not payable under Insuring Clause 1.2;

1.2. Company Reimbursement

pay **Loss** arising out of a **Wrongful Act** based on events occurring after the Continuous Cover Date in relation to services performed as an **Insured Person**, in relation to which a Claim is made during the Period of Insurance and in respect of which the **Company** has indemnified an **Insured Person**;

1.3. Entity Cover

pay **Loss** for which **Raheja QBE** has granted cover under Optional Extensions 3.5, 3.6 or 3.7 and which is not payable under either Insuring Clauses 1.1 or 1.2.

SECTION 2 - AUTOMATIC EXTENSIONS

PROVIDED ALWAYS THAT the **Limit of Liability** shall not be increased by the following Automatic Extensions to the cover this **Policy** provides:

2.1. Libel and Slander

Wrongful Act shall include libel or slander by reason of words written or spoken by an **Insured Person**.

2.2. Intellectual Property

Wrongful Act shall include unintentional infringement of copyright, trademarks, registered designs or patents, or any plagiarism, or breach of confidentiality by an **Insured Person**.

2.3. Employment Practices Liability

Wrongful Act shall include any **Employment Related Matter**.

2.4. Blanket Subsidiary Cover

Insured Person shall include a director, officer, secretary or employee of a **Subsidiary Company** but only in respect of a **Wrongful Act** they commit during the period such company remains a **Subsidiary Company**.

2.5. Official Investigations and Enquiries

Where **Raheja QBE** has expressly agreed in writing to provide cover under this **Policy** in respect of specific circumstances which may give rise to a **Claim, Defence Costs and Expenses** shall include all reasonable and necessary costs, charges, fees and expenses, including legal representation costs (other than salaries, commissions, expenses or other benefits of **Insured Persons**) incurred by an **Insured Person** in connection with their legally compellable attendance at any official investigation, examination or enquiry in relation to the affairs of the **Company** where such investigation, examination or enquiry may result in a **Claim**.

For the purposes of this Extension, an official investigation, examination or enquiry includes an investigation, examination or enquiry by way of an Official Commission or conducted by a regulatory authority such as a Monetary Authority or Securities Commission or equivalent, but does not include any investigation, examination or enquiry conducted by any other government body or any committee of a government or parliament.

2.6. Severability and Non-Imputation

Where an **Insured Person**:

- (a) fails to comply with their duty of disclosure; or
- (b) makes a misrepresentation to **Raheja QBE** before this contract of insurance was entered into; or

- (c) fails to comply with any terms or conditions of this **Policy**;
the cover this **Policy** provides for any other innocent **Insured Person** shall not be prejudiced PROVIDED ALWAYS THAT such other **Insured Person** shall:
- (d) satisfy Raheja QBE that he is entirely innocent of, and has had no prior knowledge of, any such conduct; and
- (e) upon becoming aware of any such conduct, have advised **Raheja QBE** in writing of all known facts in relation to such conduct immediately, and in any event, within [x] days.

2.7. Additional Notification Period

Any **Claim** first made during the **Period of Insurance** may be given by an **Insured Person** or the **Company** in accordance with the Claims Conditions and Notice Provisions in Section C of this **Policy** within forty-five (45) days of the expiry of the **Period of Insurance**.

2.8. Previous Securities Offerings

Wrongful Act shall include any misstatement, misleading statement, neglect, breach of duty or breach of trust in relation to any document, including any prospectus or information memorandum, issued by the **Company** in connection with a **Securities Offering** whose listing or placement date:

- (a) occurred more than twelve (12) months prior to inception of the **Policy**, or
- (b) occurred less than twelve (12) months prior to inception of the **Policy**, and which cumulatively represented less than twenty (20%) percent of the issued share capital of the **Company** immediately prior to the listing or placement.

2.9. Advance Payment of Defence Costs and Expenses

Subject to advance payments of **Defence Costs and Expenses** being repayable to **Raheja QBE** in the event and to the extent that it is determined that no entitlement to such advance payments exists under this **Policy**:

- (a) where **Raheja QBE** elects not to conduct, in the name of an **Insured Person**, the defence or settlement of any **Claim** in respect of which **Raheja QBE** has expressly granted cover under this **Policy**, **Defence Costs and Expenses** shall be advanced by **Raheja QBE** prior to the settlement or final determination of such **Claim**;
- (b) where **Raheja QBE** elects not to conduct, in the name of an **Insured Person**, the defence or settlement of any **Claim** in respect of which **Raheja QBE** has not granted

cover under this **Policy**, **Raheja QBE** may, in its discretion (such discretion not to be unreasonably withheld) advance **Defence Costs and Expenses** prior to the settlement or final determination of such **Claim**.

SECTION 3 - OPTIONAL EXTENSIONS

PROVIDED ALWAYS THAT:

- (a) the **Limit of Liability** shall not be increased by any of the following Optional Extensions to the cover this **Policy** provides; and
- (b) no cover shall be available under any of the following Optional Extensions unless it is specified in the **Schedule**.

3.1. External Positions

Where this Extension has been granted **Insured Person** shall include a **Director or Officer** who, at the request and with the knowledge and consent of the **Company**, holds an **External Position** on an **External Entity or Association** listed in the **Schedule** PROVIDED ALWAYS THAT cover under this Extension shall:

- a) be limited to Insuring Clause 1.1 only; and
- b) not be available to a director, officer, or employee of an **External Entity or Association** who is not also and at the same time a **Director or Officer**; and
- c) be specifically excess of any other insurance excess of any other more specific insurance or indemnity (collectible or otherwise) to which an **Insured Person** may be entitled by reason of his holding an **External Position** on an **External Entity or Association**; and
- d) only apply in respect of a **Wrongful Act** committed during the Period of Insurance and when an **External Position** is held.

3.2. Pollution

Where this Extension has been granted and **Raheja QBE** has expressly agreed to provide cover under this **Policy**:

- a) **Defence Costs and Expenses** (but not **Loss**) shall include all reasonable and necessary costs, charges, fees and expenses, including legal representation costs (other than salaries, commissions, expenses or other benefits) incurred by an **Insured Person** in the defence of any **Claim** (including a derivative action brought by the shareholders of the **Company**) where **Pollution** is alleged or proven;

- b) it is agreed and understood that **Raheja QBE** shall have no other liability under this **Policy** for any **Claim** where **Pollution** is alleged or proven.

3.3. Prospectus Liability for Current or Future Offerings

Where this Extension has been granted:

- a) **Wrongful Act** shall include any misstatement, misleading statement, neglect, breach of duty or breach of trust in relation to any document, including any prospectus or information memorandum, issued by the **Company** in connection with a **Securities Offering** listed in the **Schedule**;
- b) Exclusion B.9 (Securities Offering) is deleted in respect of a **Securities Offering** listed in the **Schedule**.

3.4. Joint Venture Liability

Where this Extension has been granted **Loss** shall include the total amount an **Insured Person** becomes legally obligated to pay in respect of a **Claim** first made against them during the **Period of Insurance** and arising from a **Joint Venture** PROVIDED ALWAYS THAT cover under this Extension shall not apply to:

- a) any **Claim** brought by or on behalf of any individual or entity which participates with the **Company** in a **Joint Venture** and/or any entity established to conduct, control or manage a **Joint Venture**;
- b) The proportion of the **Loss** arising from a **Joint Venture** in respect of which an **Insured Person** becomes severally liable and which, by reference to the total amount of any damages, judgment, expenses or settlement awarded against an **Insured Person** and any other individual or entity arising from such **Joint Venture**, constitutes a greater proportion of such award than the ratio governing the **Company's** entitlement to a share of profits arising from such **Joint Venture**.

3.5. Entity Protection for Critical Occurrences

Where this Extension has been granted **Loss** shall include the cost of a public relations consultant nominated by Raheja QBE in response to a 15% or more reduction in the **Company's** publicly listed share price within a 24 hour period arising from a change in the **Company's**:

- (a) debt structure; and/or
- (b) previously published financial statements, future profit or earnings expectations.

PROVIDED ALWAYS THAT cover under this Extension shall not exceed INRxxxxxxx in any **Period of Insurance** and such costs are to be expended within 60 days of the occurrence of the change referred to in (a) or (b) of this Extension.

3.6. Entity Protection for Employment Related Matters

Where this Extension has been granted **Loss** shall include the total amount a **Company** becomes legally obligated to pay in respect of a Claim first made against it during the **Period of Insurance** and arising from an **Employment Related Matter** PROVIDED ALWAYS THAT cover under this Extension shall not apply to any **Claim** directly or indirectly based upon, attributable to, or in consequence of:

- (a) the modification of the **Company's** premises to comply with any legal obligation to accommodate or facilitate the access, use or enjoyment of such premises by disabled or physically impaired persons;
- (b) the breach of any express or implied obligations under applicable employment legislation or specific contract of employment in respect of owed or outstanding wages, bonus payments, retirement benefits, share schemes or other in-kind non-cash benefits as a result of redundancy, lay-off or termination of employment.

3.7. Entity Protection for Securities Claims

Where this Extension has been granted:

- a) **Loss** shall include the total amount a **Company** becomes legally obligated to pay in respect of a **Claim** first made against it during the **Period of Insurance** and arising in respect of publicly traded debt or securities issued by the **Company** PROVIDED ALWAYS THAT cover under this Extension shall not apply to any **Claim** directly or indirectly based upon, attributable to, or in consequence of any default on debt obligations, including breaches of covenant, unless occurring simultaneously with or after the appointment of liquidators, administrators or receivers to the **Company**.
- b) Automatic Extension 2.6 (Severability and Non-Imputation) shall not apply in respect of the cover provided by this Extension.
- c) Exclusion B.6 (b) (former **Directors or Officers**) shall not apply in respect of the cover this Extension provides.

SECTION 4 - EXTENDED REPORTING PERIOD

4.1. Extended Reporting Period for Insured Persons

If **Raheja QBE** refuses in writing to renew this **Policy** the **Insured Persons** shall have the right, subject to Clause 4.3, to effect an extension of the cover this **Policy** provides.

4.2. Extended Reporting Period for Retired Director or Officer

Where a **Director or Officer** has ceased to act as a **Director or Officer** solely by reason of having attained the **Company's** stipulated retirement age within the **Period of Insurance**, the **Director or Officer** shall have the right, subject to Clause 4.3, to effect an extension of the cover this **Policy** provides.

4.3. Extended Reporting Period Conditions

PROVIDED ALWAYS THAT where Clause 4.1 or 4.2 applies:

- (a) Such coverage shall be limited to Insuring Clauses 1.1 and 1.2 only;
- (b) A **Claim** first made and given during the **Extended Period of Insurance** shall be deemed for the purposes of Insuring Clauses 1.1 and 1.2 to have been made during the **Period of Insurance**;
- (c) **Raheja QBE** shall have no liability for any **Claim** arising directly or indirectly out of a **Wrongful Act** committed or allegedly committed after the expiry of the **Period of Insurance**;
- (d) In respect of Clause 4.1, an offer by **Raheja QBE** of renewal terms which are different from those of the expiring policy shall not constitute a refusal to renew;
- (e) The right to effect an extension or, alternatively, any extension under this Section, of the cover this **Policy** provides, shall lapse automatically:
 - (i) If a written request for and respective additional premium, based on the expired policy, is not received by **Raheja QBE** within ten (10) days after the **Period of Insurance**:

Additional Premium

	Extension Period:	
	180 days	360 days
Clause 4.1	35%	50%
Clause 4.2	17.5%	

- (ii) upon a **Take-Over or Merger** of the **Company**;

- (iii) in the event that any other policy affording directors' and officers' liability or company reimbursement cover to the **Insured Persons** or the **Company** comes into existence.

B. EXCLUSIONS

Raheja QBE shall have no liability under this **Policy** in respect of any **Claim**:

1. Prior or Pending Litigation

- (a) made, threatened or intimated against an **Insured Person** or the **Company** prior to the commencement of the **Period of Insurance**;
- (b) directly or indirectly based upon, attributable to, or in consequence of any fact or circumstance:
 - (i) of which written notice has been given, or ought reasonably to have been given, under any previous policy; or
 - (ii) of which an **Insured Person** first became aware prior to the commencement of the **Period of Insurance** and which such **Insured Person** knew, or ought reasonably to have known, might give rise to a **Claim** under this **Policy**.
- (c) directly or indirectly arising out of, or in any way involving any litigation, legal, administrative or regulatory proceedings against an **Insured Person** or the **Company** prior to or at the **Continuous Cover Date**.

2. Asbestos

directly or indirectly based upon, attributable to, or in consequence of the existence, mining, handling, processing, manufacture, sale, distribution, storage, advice or use of asbestos, asbestos products and/or products containing asbestos.

3. Bodily Injury

for actual or alleged bodily or psychological injury, sickness, disease or death of any person, PROVIDED ALWAYS THAT this Exclusion shall not apply to an **Employment Related Matter**.

4. Employee Benefit Trustees

directly or indirectly based upon, attributable to, or in consequence of any position held by an **Insured Person** as trustee or administrator of any superannuation, pension, health and welfare, or other employee benefit plan or trust established or maintained for the purpose of providing pensions, annuities or any other form of benefits to employees of the **Company**.

5. External Positions

where Optional Extension 3.1 (**External Positions**) has been granted:

- (a) brought or maintained by or on behalf of an **External Entity or Association**;
- (b) brought or maintained by or on behalf of any shareholders owning 15% or more of an **External Entity or Association's** issued shares;
- (c) directly or indirectly based upon, attributable to, or in consequence of any:
 - (i) **Securities Offering** by an **External Entity or Association**;
 - (ii) **Wrongful Act** committed or allegedly committed in the United States of America or the Dominion of Canada or their territories or protectorates.

6. Insured vs. Insured

made by or on behalf of the **Company** or by or on behalf of any **Insured Person** PROVIDED ALWAYS THAT this Exclusion shall not apply to:

- (a) any **Claim** brought by or at the direction of any liquidator, provisional liquidator, administrator or receiver of the **Company**;
- (b) any **Claim** made by a former **Director or Officer**;
- (c) any claim for indemnity in respect of a **Claim** made by an independent third party without the procurement or instigation of any **Insured Person** or agent of the **Company**;
- (d) an **Insured Person** in respect of an **Employment Related Matter**;
- (e) a derivative action by the **Company's** shareholders.

7. Professional Services

for any actual or alleged breach of any professional services by any **Insured Person** arising directly or indirectly from or in consequence of the provision, rendering or failure to render any professional service and/or professional advice, including any breach or alleged breach of any contract for the provision of such service or advice .

8. Property Damage

for any actual or alleged damage to or destruction of any tangible property, including loss of use thereof whether or not physically damaged or destroyed.

9. Securities Offering

directly or indirectly based upon, attributable to, or in consequence of any **Securities Offering** during the **Period of Insurance**.

10. Actions by Substantial Shareholders

made by or on behalf of any shareholder whose direct or indirect entitlement to voting shares in the **Company**, at the time of the **Wrongful Act**, equals or exceeds the percentage specified in the Major Shareholder Exclusion stated in the **Schedule**.

For the purpose of this Exclusion, shareholder shall mean any natural person, body corporate or other entity who has any direct or indirect, legal or beneficial interest in shares of the **Company**, whether held individually or jointly. Beneficial interest shall include any interest as a potential beneficiary under any discretionary or family trust arrangement.

11. Terrorism

directly or indirectly based upon, attributable to, or in consequence of any loss, damage, death, injury, illness, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any:

- (a) act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- (b) action taken in controlling, preventing, suppressing or in any way relating to any act of **Terrorism**.

12. Unscrupulous Behaviour

Where established through a legally binding decision or any admission by an **Insured Person** or the **Company** that such conduct did occur, **Raheja QBE** shall not be liable for any **Claim**, directly or indirectly based upon, attributable to, or in consequence of:

- (a) any dishonest, fraudulent, criminal or malicious act or omission;
- (b) any act or omission committed with a reckless disregard for the consequences thereof;
- (c) any wilful violation or wilful breach of any statute or regulation, or any wilful breach of any contract, by an **Insured Person** or the **Company**;
- (d) any profit, remuneration or advantage to which an **Insured Person** or the **Company** is not entitled;

- (e) payments, commissions, gratuities, benefits or any other favours to or for the benefit of any full or part-time domestic or foreign governmental or armed forces officials, agents, representatives, employees or any members of their family or any entity with which they are affiliated;
- (f) payments, commissions, gratuities, benefits or any other favours to or for the benefit of any full or part time officials, directors, agents, partners, representatives, principal shareholders or owners or employees or affiliates of any customers of the Company or any members of their family or any entity which they are affiliated;

13. War

Directly or indirectly based upon, attributable to, or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition of or damage to property by or under the order of any government or public local authority.

C. CLAIMS CONDITIONS AND NOTICE PROVISIONS

1. When to Notify

(a) It shall be a condition precedent to **Raheja QBE's** obligations under this **Policy** that written notice of any **Claim** or any circumstance which might reasonably be expected to give rise to a **Claim** shall be given immediately and in any event within [x] days

If an **Insured Person** or the **Company** becomes aware of any circumstances which might reasonably be expected to give rise to a **Claim** and notifies **Raheja QBE** of those circumstances in writing during the **Period of Insurance** or (if applicable) during the **Extended Period of Insurance**, any **Claim** subsequently made which arises from those circumstances shall be deemed to have been given during the **Period of Insurance**.

2. Who to Notify

Notice of any **Claim** or circumstances which might reasonably be expected to give rise to a **Claim** shall be delivered to:

Claims Manager

Raheja QBE General Insurance Company Ltd.

WING-A, 501-502, 5th Floor, Fulcrum, IA Project Rd, Sahar Village, Andheri East, Mumbai, Maharashtra 400059

3. What to Notify

Notice of any **Claim** or circumstances which might reasonably be expected to give rise to a **Claim** shall include the reasons for the anticipation of a **Claim**, with full particulars as to the circumstances, dates and persons involved.

4. Admissions and Settlement

(a) It shall be a condition precedent to **Raheja QBE's** obligations under this **Policy** that neither an **Insured Person** nor the **Company** shall admit liability, or attempt to settle or make any admission with respect to any **Claim** without **Raheja QBE's** prior written consent, such consent not to be unreasonably withheld.

(b) It is hereby agreed and understood that if the Insured Person or the Company does not consent to a settlement or compromise recommended by Raheja QBE which is acceptable to the claimant and chooses to contest the Claim, Raheja QBE's liability should exceed the amount for which the Claim could have been settled and the Defence Costs and Expenses up to the date of the proposed settlement subject to the Limit of Liability.

5. Incurring Defence Costs

Raheja QBE shall only be liable to pay **Defence Costs and Expenses** to which it has given its prior written consent, such consent not to be unreasonably withheld.

6. Appointment of Lawyers

Raheja QBE may appoint lawyers to represent the **Insured Person** in defending any **Claim** or may, in **Raheja QBE's** sole and absolute discretion, agree to the appointment of lawyers chosen by the **Company** or the **Insured Person**. Where the same or a similar **Claim** is made against more than one **Insured Person**, or against the **Company** and any **Insured Person**, the same lawyers may, in **Raheja QBE's** sole and absolute discretion, be appointed to defend all of them unless **Raheja QBE** is satisfied there is a conflict of interest between the **Company** and/or any **Insured Person**.

7. Conduct of Defence

Raheja QBE shall be entitled at any time to conduct, in the name of the **Insured Person** or the **Company**, the defence or settlement of any **Claim** and to represent such **Insured Person** or the **Company** in respect of that **Claim**. Any amount incurred by **Raheja QBE**

on behalf of an **Insured Person** shall be part of the **Loss** and shall erode the **Limit of Liability**.

8. Priority to Insured Persons

Loss covered under Insuring Clause 1.1 (Directors' and Officers' Liability) shall be paid before any **Loss** which may be covered under Insuring Clause 1.2 (Company Reimbursement) and/or Insuring Clause 1.3 (Entity Cover).

9. Claims Mitigation

Each **Insured Person** and/or the **Company** shall at their own cost exercise due diligence to ensure that all reasonable and practicable steps are taken to avoid or diminish any liability which may give rise to or has given rise to a **Claim**. In any event no action shall be taken by **Insured Person** or the **Company** which might prejudice **Raheja QBE**.

10. Information and Assistance

Each **Insured Person** and/or the **Company** shall disclose to QBE all relevant information and, in addition, shall provide assistance to **Raheja QBE** to enable **Raheja QBE** or its agents to investigate and/or defend any **Claim** under this **Policy** (including without limitation by way of compliance with any protocol or other procedural requirements which may be relevant to the jurisdiction in which the **Claim** is brought) and/or to enable **Raheja QBE** to determine any liability it may have under this **Policy**.

11. Legal Opinion

(a) **Raheja QBE** shall not require the **Insured Persons** or the **Company** to contest any **Claim** unless a Legal Counsel (to be nominated by **Raheja QBE**) shall advise that such **Claim** should be contested.

(b) In formulating such advice, the Legal Counsel shall take into consideration the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff and the likely Defence Costs and Expenses and the prospects of the Insured Person successfully defending the Claim..

(c) The costs of such Legal Counsel's opinion shall be regarded as part of **Defence Costs and Expenses**.

(d) It is hereby agreed and understood that (i) this is not an arbitration clause; (ii) that the Legal Counsel will act as an expert, not an arbitrator, and (iii) the Legal Counsel's advice shall not be or be deemed to be an arbitration award.

12. Subrogation

In the event of any payment under this **Policy**, **Raheja QBE** shall be subrogated to the extent of such payment to all the rights of an **Insured Person** and/or the **Company**. Each **Insured Person** and/or the **Company** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of documents necessary to enable **Raheja QBE** effectively to bring proceedings in the name of an **Insured Person** and/or the **Company**.

13. Allocation

If an **Insured Person** and/or the **Company** incurs **Loss** covered by this **Policy** together with other loss which is not covered by this **Policy** or a **Claim** is made against both an **Insured Person** and/or the **Company** and others then **Defence Costs and Expenses** shall be allocated in accordance with the following 'Fair and Reasonable Allocation' method as specified below.

Method 1: C.13(a) 'Fair and Reasonable Allocation'

Raheja QBE shall pay such amount as it believes to be just and equitable having regard to the relative legal and financial exposures of the **Loss** covered by this **Policy** compared to other loss which is not covered by this **Policy**. Each **Insured Person** (or where Insuring Clauses 1.2 or 1.3 apply, the **Company**) and **Raheja QBE** shall use their best efforts to agree this amount. In default of agreement, the amount shall be determined by a Legal Counsel (to be nominated by Raheja QBE) who shall determine the allocation according to his view of what is just and equitable and his determination shall be binding until any negotiated, arbitrated or judicially determined allocation of **Defence Costs and Expenses** to a **Claim** is available and the same shall then be applied retrospectively to all **Defence Costs and Expenses** incurred in relation to such **Claim**.

It is hereby agreed and understood that (i) this is not an arbitration clause; (ii) that the Legal Counsel will act as an expert, not an arbitrator, and (iii) the Legal Counsel's advice shall not be or be deemed to be an arbitration award.

D. GENERAL CONDITIONS

1. Limit of Liability

Raheja QBE's total liability under this **Policy** for **Loss** in respect of any one **Claim** and in the aggregate in respect of all **Claims** against all **Insured Persons** and/or the **Company** shall not exceed the **Limit of Liability** as specified in the **Schedule**.

2. Multiple Claims

All causally connected or interrelated **Wrongful Acts** shall jointly constitute a single **Wrongful Act** under this **Policy**.

Where a single **Wrongful Act** gives rise to more than one **Claim**, all such **Claims** shall jointly constitute one **Claim** under this **Policy**, and only one **Retention** shall be applicable in respect of such **Claim**.

3. Retention

Raheja QBE shall only pay in excess of the amount stated as the **Retention** in the **Schedule**, which amount applies to each and every **Claim**.

4. Other Insurance

This **Policy** (including any extension under 4.1 or 4.2) shall apply in excess of any other valid and collectible insurance.

5. Worldwide Territorial Cover

The cover this **Policy** provides shall extend to a **Wrongful Act** committed anywhere in the world.

6. Jurisdictional Cover

The cover this **Policy** provides shall extend to any **Claim** made anywhere in the world but shall not include:

- (a) any **Claim** made in, or determined pursuant to the law of the United States of America or the Dominion of Canada or their territories or protectorates; or
- (b) any **Claim** arising out of the enforcement of judgments, orders or awards obtained within, or determined pursuant to the law of, the United States of America or the Dominion of Canada or their territories or protectorates.

7. **Take-Over or Merger**

In the event of a **Take-over or Merger**, this **Policy** shall apply only to **Wrongful Acts** committed prior to the date of such **Take-over or Merger** unless otherwise agreed by **Raheja QBE**.

8. **Liquidation or Receivership**

In the event of the winding up of the **Company** or the appointment of a receiver, administrative receiver, liquidator or administrator to the **Company**, this **Policy** shall apply only to **Wrongful Acts** committed prior to the date of commencement of the winding up or the date of such appointment.

9. **New Subsidiaries**

Where the **Company** acquires or creates a new **Subsidiary Company** whose assets or revenue exceed 10% of the assets or revenue declared in the financial statements accompanying the **Proposal Form**, it shall be a condition precedent to **Raheja QBE's** obligations under Extension 2.4 (Blanket Subsidiary Cover) that notification of such acquisition or creation shall be given in writing to **Raheja QBE** within 14 days of the acquisition or creation and **Raheja QBE**, at its absolute discretion, may charge an additional premium or modify terms of coverage.

10. **Authorisation**

Notice given by or to one **Insured Person** shall constitute notice by or to all **Insured Persons**. Notice given by or to the **Company** shall constitute notice by or to all **Insured Persons**.

11. **Raheja QBE's Rights**

In the event of **Raheja QBE** being entitled to avoid this **Policy** ab initio, **Raheja QBE** may at its sole and absolute discretion elect to give notice in writing to the **Insured Persons**

and the **Company** that it regards this **Policy** as of full force and effect save that there shall be excluded from the cover this **Policy** provides any **Loss** which has arisen or which may arise and which is related to the circumstances which entitle **Raheja QBE** to avoid this **Policy**. This **Policy** shall then continue in full force and effect but shall be deemed to exclude the particular **Loss** referred to in the said notice (as if the same had been specifically endorsed ab initio).

12. **Fraudulent Claims**

If an **Insured Person** or the **Company** shall make or permit to be made any request for payment in respect of any **Loss** knowing the same to be false or fraudulent, as regards amount or otherwise, this **Policy** shall become void and all entitlements to payment in respect of any **Loss** shall be forfeited.

13. **Policy Construction**

The construction, interpretation and meaning of the provisions of this **Policy** shall be determined in accordance with the laws of India and any dispute relating thereto shall be submitted to the exclusive jurisdiction of the courts of Mumbai, India.

The titles of paragraphs in this **Policy** are included for descriptive purposes only and do not form part of this **Policy** for the purpose of its construction or interpretation.

Under this **Policy**, the masculine includes the feminine and the singular includes the plural and vice versa.

14. **Cancellation**

- This insurance is cancellable by the **Company** upon, and subsequent to, receipt by **Raheja QBE** of written instructions for such cancellation. A pro-rata refund of unexpired **Premium** shall apply unless a **Claim** has been given and/or the **Policy** is cancelled within the first three (3) months of the **Period of Insurance**, in which case, the **Raheja QBE** short-period rate as mentioned below shall apply.

Period

Rate

Upto 1 month

25% of annual premium

Above 1 month and upto 3 months	50% of annual premium
Above 3 months and upto 6 months	75% of annual premium
Above 6 months	100% of annual premium

- Notwithstanding any provisions to the contrary stated above, **Raheja QBE** may cancel this policy only on the grounds of established fraud in the case of an individual/retail Insured. All other cancellation provisions outlined above shall continue to apply

15. Arbitration

If any dispute or difference shall arise as to the quantum to be paid under this **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 thereto or if they cannot agree upon a single arbitrator within 30 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 dispute or difference shall be referable to arbitration as herein before provided, if **Raheja QBE** 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 the award by such arbitrator/arbitrators of the amount of the loss or damage shall be first obtained.

16. Waiver or Amendment

The terms of this **Policy** shall not be waived or changed except by endorsement issued by **Raheja QBE** and intended to form part of this **Policy**.

E. DEFINITIONS

The following words shall have the same meaning throughout this **Policy**, whether expressed in the singular or in the plural.

1. Associated Company

"Associated Company" shall mean an entity of which the **Company** owns between 20% to 50% of the issued and outstanding voting shares either directly or indirectly through a **Subsidiary Company**.

2. Claim

"Claim" shall mean:

- a) any legal or administrative or regulatory proceeding received by any **Insured Person** or the **Company** alleging the commission by an **Insured Person** of a specified **Wrongful Act**; or
- b) any written or verbal communication received by an **Insured Person** or the **Company** alleging the commission by an **Insured Person** of a specified **Wrongful Act**; or
- c) any criminal proceeding commenced by summons or charge received by an **Insured Person** or the **Company** alleging the commission by an **Insured Person** of a specified **Wrongful Act**.

3. Company

"Company" shall mean the Company stated in the **Schedule** and shall include any **Subsidiary Company**.

4. Continuous Cover Date

"Continuous Cover Date" shall mean the date stated in the **Schedule**.

5. Defence Costs and Expenses

"Defence Costs and Expenses" shall mean all reasonable and necessary costs, charges, fees and expenses, including legal representation costs (other than salaries, commissions, expenses or other benefits of **Insured Persons**) which are incurred by an **Insured Person**:

- (a) in the defence of any **Claim**;
- (b) in the negotiation of any settlement of any **Claim**;
- (c) in the attendance, as part of any **Claim**, at a regulatory or other official investigation, examination or enquiry.

Defence Costs and Expenses also includes the costs of obtaining the opinion of a Legal Counsel appointed in accordance with the terms of this Policy.

6. Director or Officer

"Director or Officer" shall mean any natural person who is a director or officer of the **Company**.

7. Employment Related Matter

"Employment Related Matter" shall mean the commission by an **Insured Person** of any of the following: actual or alleged wrongful or unfair dismissal; defamation in relation to wrongful or unfair dismissal; sexual harassment; discrimination; erosion of status protected under applicable law; denial of natural justice; misleading representations or misleading advertising involving employment with the **Company**.

8. Extended Period of Insurance

"Extended Period of Insurance" shall mean an extension of the **Period of Insurance** by the number of days specified in the **Schedule**.

9. External Entity

"External Entity" shall mean any entity which is not either the **Company** or a **Subsidiary Company** and in which a **Director of Officer** holds an **External Position**.

10. External Entity or Association

"External Entity or Association" shall mean any **External Entity, Associated Company** or **Non-Profit Association** which is not a **Subsidiary**, and in which an **External Position** is held, at the request of and to represent the interests of, the **Company**.

11. External Position

"External Position" shall mean the position of director or officer of an **External Entity or Association** to which a **Director or Officer** is appointed to represent the interests of the **Company** at the specific request of the **Company**.

12. Insured Person

"Insured Person" shall mean:

- (a) any past, present or future **Director or Officer**, secretary or employee of the **Company** or any natural person who by virtue of any applicable legislation or law is deemed to be a **Director or Officer**;
- (b) in the event of the death, incompetence or bankruptcy of a **Director or Officer**, his estate, heirs, legal representatives or assigns, but only for **Loss** incurred by such **Director or Officer** in his capacity as a **Director or Officer**;
- (c) the lawful spouse of any **Director or Officer** provided that the **Claim** is to enforce a judgment against that **Director or Officer** for **Loss** incurred in their capacity as such.

13. Joint Venture

"Joint Venture" shall mean any enterprise undertaken jointly by the Company with one or more third parties.

14. Limit of Liability

"Limit of Liability" shall mean **Raheja QBE's** aggregate liability for all **Loss** covered by this **Policy**, irrespective of the number of **Insured Persons** entitled to indemnity and shall not exceed the amount stated in the **Schedule**.

15. Loss

"Loss" shall mean the total amount an **Insured Person** becomes legally obligated to pay for a **Wrongful Act** in respect of a **Claim** first made against them during the **Period of Insurance**. **Loss** shall include:

- (a) damages, judgments and expenses;
- (b) **settlements** compromising actual or anticipated legal proceedings made with **Raheja QBE's** prior written consent (such consent not to be unreasonably withheld) or in accordance with the allocation provisions;
- (c) **Defence Costs and Expenses** incurred with **Raheja QBE's** prior written consent or in accordance with the allocation provisions of this **Policy**;
- (d) the costs of **appointing** legal expertise

Loss shall not include punitive, aggravated, multiple or exemplary damages, or fines or penalties imposed by law, including but not limited to, civil penalties, or any matter uninsurable by law.

16. Non-Profit Association

"Non-profit Association" shall mean a non-profit association formed to further the interests of its members and where the association retains any surplus funds and no dividend is paid to members.

17. Period of Insurance

"Period of Insurance" shall mean the period stated in the **Schedule**.

18. Policy

"Policy" shall mean:

- a) the **Schedule**, Insuring Clauses, Extensions, Exclusions, Conditions, Definitions and other terms contained herein; and
- b) any endorsement attaching to and forming part of this **Policy** either at inception or during the **Period of Insurance**; and
- c) the **Proposal Form**.

19. Pollution

"Pollution" shall mean the discharge, dispersal, release or escape of any pollutants including any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals, radioactive and/or nuclear material or waste materials (including but not limited to any materials to be recycled, reconditioned or reclaimed).

20. Premium

"Premium" shall mean the premium specified in the **Schedule** or in any endorsement to the **Schedule**.

21. Proposal Form

"Proposal Form" shall mean the information provided by **Insured Person** and/or the **Company** prior to the inception of this **Policy** and shall include the written proposal and any attachments to it.

22. Raheja QBE

“**Raheja QBE**” shall mean Raheja QBE General Insurance Company Limited.

23. Retention

“**Retention**” shall mean the retention amount stated in the **Schedule**.

24. Schedule

“**Schedule**” shall mean the schedule attached to this **Policy** and any amendment to it authorised by **Raheja QBE**.

25. Securities Offering

“**Securities Offering**” shall mean the offer for subscription or purchase of any of the **Company’s** own securities (including but not limited to any bond, stock, note, debenture, share or other equity or debt security).

26. Subsidiary Company

“**Subsidiary Company**” shall mean:

- a) any company in respect of which the **Company** (either directly or indirectly through a **Subsidiary Company**) (i) controls the composition of the board of directors; or (ii) controls more than half the voting power; or (iii) holds more than half of the issued share capital;
- b) any other company that **Raheja QBE** have given prior written consent to its inclusion as a **Subsidiary Company** under this **Policy**.

27. Take-Over or Merger

“**Take-over or Merger**” shall mean any sale of the **Company** or its merger with or acquisition by another entity such that the **Company** is not the surviving entity and no longer:

- a) controls the composition of the board of directors; or
- b) controls more than half the voting power; or
- c) holds more than half of the issued share capital;

PROVIDED ALWAYS THAT this Definition shall not apply to any sale of shares in the **Company** which solely alters the status of the **Company** from that of a private company to that of a public company or vice versa.

28. Terrorism

“**Terrorism**” shall mean any act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar

purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

29. Wrongful Act

“Wrongful Act” shall mean any actual or alleged wrongful act or omission including any misstatement, misrepresentation, breach of trust, breach of duty or breach of warranty or authority committed by an **Insured Person** solely in his capacity as an **Insured Person**.

Section III : Miscellaneous Professional Indemnity

Insuring clause A

Legal liability insuring clause

We agree to indemnify **you** against legal liability for compensation as arising from any **claim** for defamation or as a result of a breach of professional duty in the conduct of **your profession** as stated in the **schedule**

1. first made against **you** during the **period of insurance** ; and
2. notified to **us** during the **period of insurance** or where applicable, the **extended reporting period**; and
3. not excluded under section 4 (Exclusions).

Insuring clause B

Costs and expenses insuring clause

We agree to pay **costs and expenses** incurred with **our** written consent in defence or settlement of any **claim** as indemnified under this **policy**.

Insuring clause clarification

For the avoidance of doubt, indemnity is provided in respect of the following in accordance with, and subject to, the terms of this **policy**, including insuring clauses A and B

Defamation

We agree to indemnify **you** against liability for compensation arising from any **claim** made against **you** for defamation, harassment, trespass, false arrest, wrongful detention or imprisonment.

Intellectual property

We agree to indemnify **you** against liability for compensation arising from any **claim** made against **you** for any unintentional infringement of copyright, trademark, registered design or patent, or any plagiarism or breach of confidentiality. The onus of proof whether the infringement was unintentional lies with **you**.

Breach of privacy

We agree to indemnify **you** against liability for compensation arising from intrusion upon, interference with or infringement of right to publicity, right to privacy, family life, a person's home or correspondence including the torts of intrusion upon seclusion, false light and misappropriation of name or likeness and including breach of data protection legislation, wrongful entry or eviction, eavesdropping or invasion of private occupancy.

Joint venture liability

We agree to indemnify **you** in respect of any **claim** made against **you** for that proportion of any legal liability arising out of any activities in which **you** are engaged as a joint venture.

Outgoing principals and employees

We agree to indemnify former principals, partners, directors and **employees** of the **Insured** in respect of Legal liability **Insured** by insuring **clauses** A and B provided that the definition of '**You**' includes those persons and only in respect of work performed in capacity while being a principal, partner, director or **employee** of the **Insured**.

Retroactive date

Retroactive date as specified in the **Schedule**, this **policy** shall only provide indemnity in respect of **claim(s)** arising from acts, errors or omissions committed or alleged to have been committed after the retroactive date.

Vicarious liability

We agree to indemnify **you** in respect of any **claim** made against **you** arising from any act, error or omission committed or alleged to have been committed by any third party for whose acts, errors or omissions **you** are legally liable, provided that such coverage shall not extend to any such third party.

Section 2: Policy extensions

Preamble

We shall provide indemnity to **you** under this section for no additional **premium**, provided that: the indemnity provided by each **policy** extension is subject to the **schedule**, insuring **clauses**, conditions, definitions, exclusions, **deductible** and other terms of this **policy** (unless otherwise as expressly stated herein); the inclusion of any **policy** extension shall not increase the **aggregate limit of indemnity**.

Continuous cover

We shall, notwithstanding the 'Prior or pending' exclusion and **claims** made, provide indemnity in respect of any **claim** made against **you** where such **claim** arises from a fact or circumstance ('circumstance'):

1. of which **you** first became aware prior for the **period of insurance** and which **you** knew, or ought to have reasonably known, which had potential to give rise to a **claim**; and
2. which you should have, but did not, notify to **us** under an earlier **policy** under which **we** were indemnifying **you**.

Provided that:

3. such indemnity shall not apply to any **claim** where **your** failure to notify such **claim** is fraudulent.
4. **we** have continuously **Insured you** between the date when the circumstance should have been notified and the date the **claim** was actually notified.

Court attendance costs

We agree to provide for **court** attendance costs incurred by **employees** of **yours**, or by partners, principals or directors of **yours** if they are legally compelled to attend a civil proceeding as a witness in a **claim** covered by this **policy**.

The sublimit under this extension is as mentioned on the face of the **schedule**. This is within the **limit of indemnity** and not in addition to the **aggregate limit of indemnity** as mentioned in the **schedule**.

Estates and legal representatives

We agree to include in the definition of '**You**' the estate, heirs, legal representatives or assigns of **yours** in the event of the death or incapacity of **you** in respect of a civil liability that would have been covered by insuring clause A or B had it been if **you were** alive or had capacity, provided that such estate, heirs, legal representatives or assigns shall observe and be subject to all terms of this **policy** in so far as they can apply.

Fines and penalties

We agree to indemnify **you** against legal liability which would otherwise be excluded by the '**Pollutants**' exclusion, part (2), for:

1. a **penalty** imposed on **you** by any **regulatory** authority arising from any actual or alleged breach of any occupational health and safety or environmental legislation.
2. any compensatory civil **penalty**; and
3. any **costs and expenses** incurred with **our** written consent in the defence or settlement of any **penalty** indemnified by this extension.
4. Fines and **penalty** imposed on you and arising out of default in complying with any regulatory prescriptions as applicable to **you**, **provided** the default is not willful. The onus of providing willful default rests upon **you**.
Provided that:
 1. the breach of professional duty **thus** giving rise to a **penalty** which did not arise from gross negligence or an intentional, willful, reckless, or deliberate act, error, or omission; and
 2. **our** total liability in respect of all **claims** made under this extension shall not exceed the limit as specified under the **policy schedule**.

With regard to fines, penalties and /or punitive damages, this insurance shall apply to the fullest extent only if permitted by law.

Our total liability in respect of all **claims** made under this extension shall not exceed limit as specified under the **policy schedule**.

Loss of documents

We agree to indemnify **you** for the loss of any **documents** (including but not limited to **your documents**), for which **you** are legally responsible, that have been unintentionally destroyed, damaged, lost or mislaid in the conduct of **your** profession and, after all diligent search or attempts to recover them, cannot be found or recovered; provided that:

1. the loss is discovered by **you** during the **period of insurance** and reported to **us** during the **period of insurance**.
2. such indemnity shall be limited to reimbursement of reasonable **costs and expenses** incurred by **you** to replace or restore such **documents** and shall not extend to any consequential or indirect loss; and
3. **we** shall not be liable under this extension to provide indemnity in respect of damages to **documents** caused by gradual deterioration, **wear** and tear, or the action of moths or vermin.

Our total liability in respect of all **claims** made under this extension shall not exceed limit as specified under the **policy schedule**.

Newly Created or Acquired Entity or Subsidiary

1. **We** agree to provide coverage to any entity or **Subsidiary** acquired or created by **you** other than in the territorial jurisdiction of USA/Canada by **you** during the **Period of insurance**. Further, such coverage shall automatically apply to be covered under this **policy** from date of such acquisition or creation provided that the revenue of such acquired or created entity or **subsidiary** is less than or equal to 35% of the gross total revenue of the **Insured**.
2. **We** may, at its discretion, agree to provide coverage to acquired or related entity or **subsidiary** other than covered under the territorial jurisdiction of **USA/Canada** where the revenue of such entity or created **subsidiary** is more than 35 %of the gross total revenue of the **Insured** where:
 - I. the **Insured** has notified **us** of the acquisition or creation of the entity or **Subsidiary** and has provided all information as requested by **us**; and
 - II. any terms imposed by **us** including the receipt of any additional **premium** as considered appropriate and has been agreed by the **Insured**.

Provided always that any coverage provided under this Extension will only apply in respect of legal liability for breach of professional duty by reason of any negligent act, error or omission occurring subsequent to the date of acquisition or creation, unless otherwise agreed to in writing by **us**.

Official investigations and enquiries – costs and expenses

We agree to pay **investigation costs and expenses**, provided that:

1. **We** shall be entitled, at **our** discretion, to appoint legal representation to represent **you** in the investigation, examination or enquiry.
2. The investigation, examination or enquiry, or notice of intended investigation, examination or enquiry is commenced during the **period of insurance** and is notified to **us** during the same **period of insurance** ;
3. in the event that a **claim** for payment of **investigation costs and expenses** is withdrawn or indemnity under this **policy** is subsequently withdrawn or denied, **we** shall cease to advance **investigation costs and expenses**. Moreover, **you** shall refund any **investigation costs and expenses** advanced by **us** to the extent that **we** are satisfied that **you** were not entitled to such **investigation costs and expenses**, unless **we** agree in writing to waive recovery of such **investigation costs and expenses**; and
4. **our** total liability in respect of **investigation costs and expenses** for all **claims** made under this **policy** extension shall not exceed the limit as mentioned in the **schedule** of the **policy**.

For the purpose of this **policy** extension, an official investigation, examination or enquiry includes an investigation, examination or enquiry by way of a commission or coronial enquiry or conducted by a **regulatory** authority or any disciplinary committee of any association or professional body of which **you** are a member, but does not include any investigation, examination or enquiry as conducted by a parliament.

Our total liability in respect of all **claims** made under this extension shall not exceed **aggregate limit of indemnity** as specified under the **policy schedule**.

Public relations expenses

Where **you** retain the services of a public relations consultant for the sole purpose of protecting **your** reputation that has been brought to question as a direct result of a **claim** as covered by this **policy**. In the event that **Insured** reasonably considers that the services of a public relations consultancy are required ,then **we** shall reimburse reasonable fees, **costs and expenses** incurred, with **our** prior written consent, of public relations consultants as retained by **you** directly to mitigate the adverse effect or potential adverse effect on **your** reputation from a professional service as covered under this **policy**, by disseminating the findings as made in a final judicial disposition of the **Claim** which exonerates **you** from fault, liability or culpability.

Our total liability in respect of all **claims** made under this extension shall not exceed **aggregate limit of indemnity** as specified under the **policy schedule**.

Emergency cost

We shall reimburse **emergency costs** only upon receipt of a written request from the **Insured** within thirty 30 days of those **emergency costs** being incurred.

Our total liability in respect of all **claims** made under this extension shall not exceed **aggregate limit of indemnity** as specified under the **policy schedule**.

Extended reporting period

In the event that this insurance is not renewed or is cancelled for any reason other than non-payment of **premium**, then **you** have until such time that **you** effect another professional indemnity insurance **policy** or till the period as mentioned in the **schedule** of the **policy**, commencing on the day immediately following expiry of this **policy**, whichever is the lesser period, during which to notify **us** of any **claim** first made against **you** during the **period of insurance**, provided that this extension:

1. does not reinstate or increase the **limit of indemnity** or extend the **period of insurance**; and
2. will only apply to acts, errors or omissions committed or alleged to have been committed by **you** before the end of the **period of insurance** or on the cancellation
3. date of this **policy** where this **policy** has been cancelled.

Legal Counsel Clause

We shall not require the **Insured** to contest any **Claim** unless the **Insured** has been advised by legal expert/ subject matter legal expert that such **Claim** should be contested having full consideration as to:

1. the financial implications, damages and costs likely to be recovered by the **claimant**; and
2. the likely Defence **Costs and expenses**; and
3. the prospects of the **Insured** successfully defending the **Claim**.

The costs of obtaining such legal opinion/subject matter legal opinion shall be regarded as part of Defence **Costs and expenses**. Where a mutually accepted legal expert/ subject matter legal expert is not agreed upon within thirty (30) days of this clause being invoked, then the legal expert/ subject matter legal expert shall be nominated and appointed by **us**. It is hereby agreed and understood that (i) this is not an arbitration clause; (ii) that legal counsel will act as an expert and not an arbitrator, and (iii) legal counsel's advice shall not be or be deemed to be construed as an arbitration award.

Run off cover

We agree that in the event that the **Insured** or any other **Insured** entity ceases to exist or operate or is consolidated with, merged into or acquired by any other entity then the coverage provided under this **policy** with respect to such **Insured** entity shall continue until the expiry date of the **period of insurance**, provided that such coverage shall only apply in respect of **claims** arising from an act, error or omission occurring prior to the effective date that **you** or such **Insured** entity ceased to exist or operate or was consolidated with, merged into or acquired by another entity.

Severability

We agree that where this **policy** insures more than one party, any conduct whereby such party:

1. failed to comply with the duty of disclosure in terms of any applicable relevant regulatory enactment as prevailing and applicable to or
2. made a misrepresentation to **us** before this contract of insurance was entered into, shall not prejudice the right of any other **Insured** party to indemnify as may be provided by this **policy**, provided that:
3. such other **Insured** party shall be entirely innocent of and have no prior knowledge of any such conduct;
4. such other **Insured** party shall as soon as is reasonably practicable upon becoming aware of any such conduct, advise **us** in writing of all known facts in relation to such conduct; and

5. conduct of the entities or persons referred to in the definition of '**You**' parts 1 and 2 are imputed to the **Insured**

Territory and Jurisdictional limits

The territory and jurisdiction limits will be as specified in the **schedule**.

Section 3: Exclusions

Aircraft motor vehicles and watercraft

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of the ownership, lease, operation or **use** of any aircraft, motor vehicle or watercraft by **you**.

Asbestos

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of the manufacturing, mining, processing, treating, handling, installing, **using**, removing, transporting, selling, distributing, and/or storage of asbestos, asbestos products or any product containing asbestos.

Provided that this **exclusion** shall not apply to any **claim** or part of a **claim** for financial loss arising out of a breach of professional duty where the **cause** of the breach does not relate to any asbestos exposure.

Assumed duty or obligation

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of any duty or obligation as assumed by **you** by way of contract, warranty, guarantee or indemnity, to the extent that such liability exceeds the liability **you** would have incurred in the absence of such contract, warranty, guarantee or indemnity.

Bodily injury

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of **bodily injury**, unless arising directly from a breach of **your** professional duty in the conduct of **your** profession by or on behalf of **you**.

Delay & Disruption

We shall not be liable under this **policy** for any actual or alleged delay, disruption or failure of any communication network, service, hardware or software, including but not limited to any **Claim** for lost profits or opportunities as a result of such delay, disruption or failure .

Deliberate, reckless, and malicious act

We shall not be liable for deliberate, dishonest, malicious, willful, intentional and /or fraudulent act or omission by **you**. The onus of proof that the act was not deliberate, dishonest, malicious, willful, intentional and /or was fraudulent act or wilful omission rest upon **You**. Further, we shall not be liable for any breach or violation of any law or regulatory enactment as prevailing at the time of claim by **you**.

Event cancellation and abandonment

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of the cancellation or abandonment of any event or function.

Employers' Liability

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** for bodily injury, sickness, disease or death sustained by any person arising out of and in the course of their employment by **you** in any capacity.

Fraud and dishonesty

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of any fraudulent act or omission or willful violation of any criminal statute; or gaining of by any **Insured** of any profit, remuneration or advantage to which such **Insured** was not legally entitled to; provided, however, that this exclusion shall not apply unless such fraudulent act or omission, willful violation of statute, or gaining of profit, remuneration or advantage has been established by a final adjudication in any judicial or administrative proceeding or by admission of an **Insured**

Insolvency

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** arising out of **your** insolvency, bankruptcy or liquidation.

Loss of License

We shall not be liable under this **policy** to provide indemnity in respect of any **claims** directly or indirectly based upon, attributable to, or in consequence of any publication or broadcast made subsequent to the loss, **suspension** or cancellation of the **Insured's** license.

Nuclear

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the **combustion** of any nuclear fuel.

Obligations to employees

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of **bodily injury** of any **employee** of **yours** or damage to or destruction of any property of any **employee** of **yours**, including loss of **use** of property, arising out of, or in the **course** of, their employment.

Occupier's liability

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of any liability incurred or alleged to have been incurred as a result of occupation, control, management or ownership of any real property by **you**.

Over-redemption exclusion

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of any **payout**, prize, discount or other amount exceeding the value expected or contracted with **your** client.

Pollutants

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of:

1. the actual or alleged discharge, release or escape of **pollutants** arising from the design or specification of equipment or structures which are critical to, and designed with the intention of, restricting the release of **pollutants** into the environment; or
2. any enforcement action or proceeding in connection with the containment, clean up, removal or treatment of such **pollutants**;

provided that this **exclusion** does not apply where there has been a sudden and accidental release of **pollutants** caused by error in design or specification.

Printing exclusion

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of any printing or contract publication project for which **your** client did not first sign-off a proof of the final product.

Prior or pending

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you**:

made, threatened or intimidated against **you** prior to the **period of insurance** ; or directly or indirectly based upon, attributable to, or in consequence of any fact or circumstance:

1. of which written notice has been given, or ought reasonably to have been given, under any previous **policy**; or
2. of which **you** first became aware prior to the **period of insurance** , and which such **Insured** knew or ought reasonably to have known had potential to give rise to a **claim** under this **policy**.

Prohibited Matter

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** directly or indirectly based upon, attributable to, or in consequence of knowingly, intentionally, consciously or deliberately publishing or broadcasting any matter prohibited by or in violation of any statute, rule or regulation under the jurisdiction of India.

Parent entity or associated entities

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** brought or maintained by or on behalf of:

1. **you** or any **subsidiary** or parent entity of the **Insured**; or
2. any person who, at the time the act, error or omission giving rise to the **claim** was committed, was a **family member** of **yours** unless such person is acting without any prior direct or indirect solicitation or co-operation from **you**.

Project Performance

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** for the complete or partial failure to:

1. meet contractual specifications, requirements, or commitments in respect of:
 - a. timeliness of progress or completion, including completion of specifications, shop drawing or schedules of specifications; or
 - b. efficacy, functionality, performance output or durability.
2. certify completion, either full or partial, of a project and any costs, or loss, including time related construction bonus, or reduction, forfeiture or erosion thereof; or
3. supply electricity, gas, water, oil, petrol, information technology or telecommunication services; or
4. adhere to building or construction codes, either industry or government based.

Sanctions Limitation

We shall not be deemed to provide cover and shall not be liable to pay any **claim** or provide any benefit hereunder to the extent that the provisions of such cover, payment of such **claim** or provision of such benefit would expose **us** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America or any other applicable national economic or trade sanction law or regulations.

Supply of Goods

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** with respect to the manufacture, construction, alteration, repair, servicing or treating of any goods or product sold, supplied or distributed by **you** even though the same might be carried on by **you** in conjunction with **your profession**.

Terrorism

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of any actual or alleged act of **terrorism** or any action taken in controlling, preventing, suppressing or in any way relating to any actual or alleged act of **terrorism**.

This exclusion operates in connection with any act of **terrorism** regardless of any other cause or event and regardless of the sequence of the act of **terrorism** and the other cause or event.

Trading debts

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of any trading debt incurred by **you** or any guarantee given by **you** for a debt.

Warranty or Guarantee

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** arising from any warranty, indemnity or guarantee or financial obligation assumed by the **you** under contract unless such liability would have attached to **you** notwithstanding such express agreement.

War

We shall not be liable under this **policy** to provide indemnity in respect of any **claim** made against **you** directly or indirectly based upon, attributable to, or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or **usurped power** or confiscation or nationalization or requisition of, or damage to property by or under the order of any government, public or local authority.

Section 5: Claims conditions

When to Notify a Claim

It is a condition precedent that written notice of any **Claim** shall be given as soon as practicable and in any event occurred within thirty (30) days after the expiry of the **Policy**.

When to Notify a Circumstance

If during the **Period of insurance**, the **Insured** becomes aware of any fact or circumstance that may give rise to a **Claim** under this **Policy** and elects to give notice in writing to us of such fact or circumstance in writing during the **Period of insurance** or within thirty (30) days after the expiry of the **Policy**, then any **Claim** which may subsequently arise out of such fact or circumstance shall be deemed to be a **Claim** made during the **Period of insurance** provided that the **Insured's** notification of the circumstance is accompanied with full particulars as to the circumstances, dates, event, place and persons involved.

Who to Notify

Written notice of any **Claim** or circumstance if any which might reasonably be expected to give rise to a **Claim** in present or in future shall be delivered to:

Claims Manager

Raheja QBE General Insurance Company Ltd,
WING-A, 501-502, 5th Floor, Fulcrum, IA Project Rd, Sahar Village, Andheri East, Mumbai, Maharashtra 400059

Agreement

The **Insured** agrees that this **Policy**, including any endorsements and the **Proposal** for insurance attached hereto form part of this **Policy**, including any material, statement, **documents**, forms, emails, consent, written submissions, declarations and/or letter submitted in connection with such **Proposal**, are and form part of this **Policy**, as if physically attached, and constitute the entire agreement existing between you and us relating to this insurance.

Claims mitigation and co-operation

If **you**, either prior to or during the **period of insurance** become aware of a situation which could, if not rectified, lead to a **claim** or increase the quantum of a **claim**, **you** shall **use** due diligence and do and concur in doing all things reasonably, essentially and practicable to avoid or diminish any liability under this **policy**.

You shall frankly and honestly disclose to **us** all relevant information and, in addition, shall provide assistance to **us** as **we** may require to enable **us** to investigate and to defend any **claim** under this **policy** to enable **us** to determine **our** liability under this **policy**.

Other than **costs and expenses** incurred by **us** to enable **us** to determine **our** liability under this **policy**, compliance with this condition shall be at **your** own cost, unless otherwise agreed in writing by **us**.

Defence and settlement

We may:

1. instruct **you** to conduct the defence of the **claim** if **we** believe that any **claim** will not exceed the **deductible**, in which case **you** will be responsible for **your** own **costs and expenses** and any settlement up to the limit of the **deductible**. In the event that any **costs and expenses** or payment made to dispose of the **claim** exceeds the **deductible** **we** will in such event reimburse **you** of all reasonable **costs and expenses**.
2. take over and conduct, in **your** name, the defence or settlement of any **claim** at any time, in which case **we** will then have sole control of the **claim**.

You hereby agree:

3. not to settle any **claim**, incur any **costs and expenses** or **investigation costs and expenses**, make any admission, offer or payment or otherwise assume any contractual obligation with respect to any **claim** or loss without **our** written consent, provided that **we** shall not unreasonably withhold any such consent;
4. that any information that is received by **our** external lawyers in the **course** of investigating, defending or settling any **claim** made against **you**, will be provided to **us** and shall be relied upon by **us** in relation to any issue that may arise regarding **our** liability to indemnify **you**;
5. that **our** external lawyers may provide advice to **us** on any issue regarding **our** liability to indemnify **you** and, whilst doing so, may continue to act in the investigation, defence or settlement of the **claim**.

Furthermore, in the circumstances described under items 2, 4 or 5 above, **you** hereby agree and shall not dispute:

- a. that **our** communications with **our** external lawyers are privileged and that **you** are not entitled to obtain any such communications;
- b. to waive any entitlement that **you** may have for legal professional privilege between **you** and **our** external lawyers;
- c. if any actual or apparent conflict arises between **our** interests and **your** interests, **our** external lawyers may cease acting on **your** behalf and may continue to act on **our** behalf.

False & Fraudulent Claims

If any **Claim** under this **Policy** is in any manner false, dishonest or fraudulent or is supported or advanced by any false, dishonest or fraudulent means or devices, whether by any **Insured** or anyone acting on behalf of the **Insured** or with the **Insured's** knowledge, then this **Policy** shall be void and all benefits paid or potentially payable under this **policy** shall be forfeited.

Your right to contest

In the event that **we** recommend a settlement in respect of any **claim** and **you** do not agree that such **claim** should be settled, then **you** may elect to contest such **claim**, provided that **our** liability in connection with such **claim** shall not exceed the amount for which the **claim** could have been so settled plus the **costs and expenses** incurred with **our** written consent up to the date of such election, less the **deductible**.

Subrogation

In respect of any **claim** covered by this **policy**, and without limiting **our** rights at law, **we** shall be subrogated to all **your** rights of recovery, and **you** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of **documents** necessary to enable **us** to effectively bring suit in **your** name.

You shall not, without first obtaining **our** written consent, do anything or fail to do anything which excludes, limits or prejudices **our** rights of subrogation.

Section 6: General conditions

Alteration to risk

You shall give **us** written notice as soon as practicable of any material alteration to the risk during the **period of insurance** including but not limited to:

- **You** going into voluntary bankruptcy, receivership, liquidation or any other form of external administration or **you** failing to pay debts or breaching any other obligation giving rise to the appointment of a receiver or bankruptcy or winding-up proceedings;
- Any material change in the nature of the professional services as currently offered by **you**.
- Where such notice is given or where there is any material alteration to the risk **we** shall be entitled to cancel this **policy** in accordance with and within the parameters of the applicable legal and regulatory provisions existing and as applicable when such material alteration of risk does takes place.

Assignment of interest

No change in, or modification of, or assignment of interest under this **policy** shall be effective except when made by written endorsement to this **policy** and signed by an authorised **employee** of **ours**.

Cancellation

You may cancel this **policy** at any time by notifying to **us** in writing, and **we** will allow a pro-rata refund of **premium** for the unexpired **period of insurance**, unless a **claim** or circumstance has been notified to **us** during the **period of insurance** in which case no **premium** will be refunded.

- **We** may cancel this **policy** in accordance with the relevant regulatory provisions, and **we** will provide a pro-rata refund of **premium** for the unexpired **period of insurance** unless a **claim** or circumstance has been notified to **us** during the **period of insurance** in which case no **premium** will be refunded.
- Notwithstanding any provisions to the contrary stated above, **we** may cancel this policy only on the grounds of established fraud in the case of an individual/retail **Insured**. All other cancellation provisions outlined above shall continue to apply.

Deductible

In respect of each **claim** made against **you** (or loss incurred by **you**) the amount of the **deductible** shall be borne by **you** at **your** own risk and **we** shall only be liable to indemnify **you** for that part of any **claim** (or any loss incurred by **you**) which is in excess of the **deductible**.

In the event of a **claim** by **you** under this **policy**, **you** shall, if directed by **us**, pay to **us** (or as **we** direct) the **deductible** within seven (7) working days. Any delay, failure or refusal by **you** to pay the **deductible** will entitle **us** to deduct such amount from any amounts required to settle any **claim** or judgement, order, or any other payment to be made by **us** under this **policy**. In the event that a failure or refusal to grant access to monies for any **deductible** results in a failure of a settlement or an increase in **costs and expenses**, **our** liability in connection with such **claim** shall not exceed the amount for which the **claim** could have been so settled plus the **costs and expenses** incurred with **our** written consent up to the date of such failure or refusal, less the **deductible**.

Where **we** have elected to pay all or part of the **deductible** in respect of any **claim** (or any loss or **claim**), **you** shall, within seven (7) working days from the date of such payment, reimburse **us** for such payment.

In respect of any **claim** (or any loss or **claim**) where the amount of the **claim** (or any loss or **claim**) is less than the amount of the **deductible**, **you** shall bear all **costs and expenses** associated therewith unless **we** have agreed to meet such **costs and expenses** pursuant to insuring clause B.

Any **costs and expenses** incurred by **us** to determine whether **we** have a liability to indemnify **you** under this **policy** shall not be subject to the **deductible** but shall be borne by **us**.

Limit of indemnity

Our total liability in the aggregate in respect of all **claims** or losses, excluding **costs and expenses**, during the **period of insurance**, will not exceed the **aggregate limit of indemnity**. This clause does not increase any sub-limit in the **policy**.

Multiple claims

All casually connected or interrelated acts, errors or omissions shall jointly constitute a single act, error or omission under this **policy**.

Where a single act, error, or omission gives rise to more than one **claim**, all such **claims** shall jointly constitute one **claim** under the **policy**, and only one **deductible** shall be applicable in respect of such **claim**. Furthermore, if there is an **aggregate limit of indemnity**, only one **limit of indemnity** will be applicable in respect of such **claim**.

Policy construction and interpretation

The construction, interpretation and meaning of the provisions of this **policy** shall be determined in accordance with the law of the state, territory or country in which this **policy** is issued, being the place of issue specified in the **schedule**, and any disputes relating thereto shall be submitted to the exclusive jurisdiction of the **courts** of such state, territory or country. If no place of issue is shown in the **schedule** it is agreed that the place of issue is India.

The marginal notes and titles of paragraphs in this **policy** are included for descriptive purposes only and do not form part of this **policy** for the purpose of its construction or interpretation.

Under this **policy**, the masculine includes the feminine and the singular includes the plural and vice versa and reference to a person includes a body corporate, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a **trust**.

Grievance Redressal

We shall take all steps to settle **your claim** in accordance with **policy** terms and conditions. **However**, since the **policy** does not cover all eventualities, there may be disagreement between **us** about the **policy**. For resolution of such disputes **We** have developed an elaborate Grievance Redressal Mechanism.

At the **Insured's** request, the **claim** will be considered afresh by **our** Grievance Committee. If the **Insured** is not satisfied with the decision of the Grievance Committee, the **Insured** may approach the offices of the Insurance Ombudsmen as listed out in **Annexure A** to this **policy**. In case of a complaint or grievance, **We** may be contacted for redressal of the grievance on the following details:

Website: www.rahejaqbe.com

E-mail: complaints@rahejaqbe.com

Telephone: 1800-102-7723 (Toll Free)

Fax : 022- 42313777

Post/Courier: Any branch office or the correspondence address, during normal **business hours**

If **You** are not satisfied with redressal of the complaint/grievance through one of the above channels, **you** may contact **our** Grievance Officer at:

The Grievance Cell,

Claims Manager

Raheja QBE General Insurance Company Ltd,

Wing-A, 501-502, 5th Floor, Fulcrum, IA Project Rd, Sahar Village, Andheri East, Mumbai, Maharashtra 400059

If **You** are not satisfied with **our** redressal of complaint/grievance through one of the above channels, **You** may approach the nearest Insurance Ombudsman for resolution of the grievance/complaint

Arbitration Clause

All matters in dispute between **You**, any other party covered by this insurance and **US** arising out of or in connection with the construction or formation of this insurance will be referred to a mediator to be agreed by the parties within **fourteen** (14) working days of a written notice served on one party by the other requesting such an agreement. If a mediator is not agreed, then either party may apply for the appointment of a mediator of their choice and each party shall share equally the costs of the mediator and the reference, conduct and any settlement of the dispute at mediation will be conducted in confidence.

The parties shall continue to perform their respective continuing obligations under this insurance, if any, while the dispute is resolved unless the nature of the dispute prevents such continued performance of those obligations.

If any such dispute is not resolved by mediation or the parties cannot agree upon the appointment of a mediator or the form that the mediation will take, the dispute will be referred by either party to arbitration in India and the laws of India will apply. The arbitration tribunal will consist of one arbitrator appointed by agreement between the parties. If the parties are unable to agree within 30 days of a written request for arbitration made by either party, an arbitrator will be appointed in accordance with THE ARBITRATION AND CONCILIATION ACT, 1996 and its subsequent amendments. The arbitration will itself be conducted in accordance with THE ARBITRATION AND CONCILIATION ACT, 1996. The language of the arbitration shall be English. The Seat of Arbitration shall be at Mumbai.

Other insurance

Unless otherwise required by law, cover under this **policy** is provided only as excess over any self insurance

or other applicable insurance, unless such other insurance is written only as specific excess insurance over the **Limit of Indemnity**. This **policy** shall not cover any fees and expenses relating to the defence of any demand, Claim, suit or legal proceeding where another policy imposes upon another insurer a duty to defend such demand, **Claim**, suit or legal proceeding.

Section 7: Definitions

Aggregate limit of indemnity

The amount shown as the **aggregate limit of indemnity** in the **schedule**.

Bodily injury

Physical injury, sickness, disease, death, mental injury, mental anguish, nervous shock or emotional distress of any person.

Claim

The receipt by **you** of any written notice of demand for compensation made by a third party against **you**;

1. any writ, statement of **claim**, summons, application or other originating legal or arbitral process, cross**claim**,
2. counter**claim** or third- or similar-party notice served upon **you** which contains a demand for compensation made by a third party against **you**;
3. any **penalty**;
4. in respect to the cover afforded under the 'Official Investigations and enquiries' extension, the notice of any actual or intended official investigation, examination or enquiry.

Costs and expenses

Costs and Expenses shall mean all reasonable and necessary costs, charges, fees and expenses, including legal representation costs (other than salaries, commissions, expenses or other benefits of the Insured) which are incurred by **you**:

1. in the defense of any **claim**
2. in the negotiation of any settlement of any **claim**
3. in the attendance, as part of any **claim**, at a regulatory or other official investigation, examination or enquiry
4. in an official request for Extradition Proceeding (as define below), subject to sub-limit as mentioned on the schedule in the aggregate.

Extradition proceedings means a request for your extradition , a warrant for arrest or other proceeding under the provisions of the Indian Extradition Act, 1962 and subsequent amendments to it or similar legislation in any other jurisdiction.

Deductible

The amount shown as the **deductible** in the **schedule**. The **deductible** applies to all amounts payable under this **policy** including the indemnity provided under insuring **clause B**.

Documents

Deeds, wills, agreements, maps, plans, books, letters, policies, certificates, forms and **documents** of any nature whatsoever, whether written, printed or reproduced by any method including computer records and electronic data material but shall not include bearer bonds or coupons, stamps, bank or currency notes or any other negotiable instrument.

Dual controls

For all cheque payment or electronic money transfer receives prior approval by at least two approved signatories; and the person reconciling **your** bank statements is not the same person that operates **your** bank accounts; and if **you** are required to maintain a **trust** account by law, it is independently audited on an annual basis.

Emergency costs

Emergency costs shall mean **costs and expenses** exceeding any applicable retention as mentioned in the **schedule**

1. incurred without our prior written agreement because an emergency reasonably prevents the **Insured** from obtaining such agreement; and
2. for the defence of a **Claim** only; and
3. which we later agree, have been reasonably incurred.

Employee

ny person employed under a contract of service or, apprenticeship, contract during or prior to commencement of the **period of insurance** .

Family member

1. Any spouse, domestic partner, or companion;
2. any parent, or parent of the spouse, domestic partner or companion;
3. any sibling or child;

of an **you** person.

Investigation costs and expenses

Legal costs and other expenses incurred by or on behalf of **you** or by **us** arising out of any legally compellable attendance by **you** at any official investigation, examination or enquiry in relation to the conduct of **your** profession where such investigation, examination or enquiry may lead to a recommendation in respect of civil liability or civil proceedings which would be the subject of a **claim** covered by this **policy**.

'**Investigation costs and expenses**' does not include any fine, **penalty** or order for the payment of monetary compensation.

Limit of indemnity

The limit of **our** liability under this **policy** as specified in the **schedule**.

Insured

The person, persons, partnership, company, corporation or other entity specified as the **Insured** in the **Schedule**.

Penalty

Any monetary sum payable by **you** to any **regulatory** authority. This definition does not apply to the 'Fines and penalties exclusion'

Period of insurance

The period specified in the **schedule**.

Policy

The **schedule**, insuring **clauses**, extensions, conditions, definitions, **exclusions** and other terms contained herein; any endorsement attaching to and forming part of this **policy** either at inception or during the **period of insurance** ; and the **proposal/application**.

Pollutants

Any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals; or any waste materials including materials recycled, reconditioned or **reclaimed**; or any other air emission, **odour**, waste water, oil, oil products, **infectious** or medical waste or any noise emission.

Premium

The **premium** specified in the **schedule** or in any endorsement to the **schedule**.

Proposal/ application

The **proposal/application** made by **you** to **us** containing particulars and statements which, together with other information provided by **you**, are the basis of this **policy** and are considered as incorporated herein.

Regulatory Authority

A person or entity appointed, constituted or acting under a delegation pursuant to any legislation for the purposes of enforcement of such legislation.

Schedule

The **Schedule** to this **policy**.

Subsidiary

Any entity which by virtue of any applicable legislation or law is deemed to be a **subsidiary** of the **Insured** specified in the **schedule**; or any entity over which a **Insured** is in a position to exercise effective direction or control.

Terrorism

An act, including but not limited to the **use** of force or violence and/or the threat thereof, of any person or group(s) of persons, or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological or similar purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

We, our, us

Raheja QBE General Insurance Company Limited

You, your, yours

The **Insured**;

1. any person, persons, partnership, company, corporation, **subsidiary** or any other entity specified as the **Insured** in the **Schedule** including their predecessors in **business**
2. any person, who is, during the **period of insurance** , a principal, partner or director of the **insured** but only in respect of work performed while a principal, partner or director of the **insured**
3. any person who is, during the **period of insurance** , an **employee** of the **Insured** but only in respect of work performed while an **employee** of the **Insured**; or
4. any former principal, partner, director or **employee** of the **Insured**, but only in respect of work performed while a principal, partner, director or **employee** of the **Insured**

5. any agent or independent contractor of the **Insured**, , but only with respect to **Claims** arising out of professional service undertaken for or at the direction of the **Insured**, and only if and to the extent that, **we** after evaluating the merits of the **claim**, has agreed in writing to include such agent or independent contractor as an **Insured** under this **Policy**

Your profession

As mentioned under the **policy schedule**

Annexure A

CONTACT DETAILS	JURISDICTION
AHMEDABAD Office of the Insurance Ombudsman, 2nd floor, Ambica House, Near C.U. Shah College, 5, Navyug Colony, Ashram Road, Ahmedabad – 380 014 Tel.:- 079-27546150/139 Fax:- 079-27546142 Email:- bimalokpal.ahmedabad@gbic.co.in	State of Gujarat and Union Territories of Dadra & Nagar Haveli and Daman and Diu.

BENGALURU Office of the Insurance Ombudsman, Jeevan Soudha Building, PID No.57-27-N-19, Ground Floor, 19/19, 24th Main Road, JP Nagar, 1st Phase, Bengaluru-560 078. Tel.:- 080-26652048 / 26652049 Email:- bimalokpal.bengaluru@qbic.co.in	Karnataka.
BHOPAL Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp.Airtel Office, Near New Market, Bhopal – 462 033. Tel.:- 0755-2769200/201/202 Fax:- 0755-2769203 Email:- bimalokpalbhopal@qbic.co.in	States of Madhya Pradesh and Chattisgarh.
BHUBANESHWAR Office of the Insurance Ombudsman, 62, Forest park, Bhubneshwar – 751 009. Tel.:- 0674-2596461 / 2596455 Fax:- 0674-2596429 Email:- bimalokpal.bhubaneswar@qbic.co.in	State of Orissa.
CHANDIGARH Office of the Insurance Ombudsman, S.C.O. No. 101, 102 & 103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017. Tel.:- 0172-2706196/5861 / 2706468 Fax:- 0172-2708274 Email:- bimalokpal.chandigarh@qbic.co.in	States of Punjab, Haryana, Himachal Pradesh, Jammu & Kashmir and Union territory of Chandigarh.
CHENNAI Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453 (old 312), Anna Salai, Teynampet, CHENNAI – 600 018. Tel.:- 044-24333668 / 24335284 Fax:- 044-24333664	State of Tamil Nadu and Union Territories - Pondicherry Town and Karaikal (which are part of Union Territory of Pondicherry).

Email:- bimalokpal.chennai@gbic.co.in	
DELHI Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.:- 011-23239611/7539/7532 Fax:- 011-23230858 Email:- bimalokpal.delhi@gbic.co.in	State of Delhi
ERNAKULAM Office of the Insurance Ombudsman, 2nd floor, Pulinat Building, Opp. Cochin Shipyard, M.G. Road, Ernakulum - 682 015. Tel.:- 0484-2358759/2359338 Fax:- 0484-2359336 Email:- bimalokpal.ernakulum@gbic.co.in	Kerala, Lakshadweep, Mahe-a part of Pondicherry
GUWAHATI Office of the Insurance Ombudsman, 'Jeevan Nivesh', 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM). Tel.:- 0361- 2132204 / 2132205 Fax:- 0361-2732937 Email:- bimalokpal.guwahati@gbic.co.in	States of Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.
HYDERABAD Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court" Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.:- 040-65504123/23312122 Fax:- 040-23376599 Email:- bimalokpal.hyderabad@gbic.co.in	States of Andhra Pradesh, Telangana and Union Territory of Yanam - a part of the Union Territory
JAIPUR Office of the Insurance Ombudsman, Jeevan Nidhi-II Bldg., Ground Floor, Bhawani Singh Marg, Jaipur - 302005. Tel.:- 0141-2740363 Email:- bimalokpal.jaipur@gbic.co.in	State of Rajasthan.

KOLKATA Office of the Insurance Ombudsman, Hindustan Building Annexe, 4th floor, 4, CR Avenue, Kolkata - 700 072. Tel.:- 033-22124339 / 22124340 Fax:- 033-22124341 Email:- bimalokpal.kolkata@qbic.co.in	States of West Bengal, Bihar, Sikkim and Union Territories of Andaman and Nicobar Islands.
LUCKNOW Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow-226 001. Tel.:- 0522-2231330 / 2231331 Fax:- 0522-2231310. Email:- bimalokpal.lucknow@qbic.co.in	District of Uttar Pradesh: Lalitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur, Varansi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi , Balrampur, Basti, Ambedkarnagar, Sulanpur, Maharajganj, Santkabirnagar, Azamgarh, Kaushinagar , Gorkhpur, Deoria, Mau, Chandauli, Ballia, Sidharathnagar.
MUMBAI Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.:- 022-26106928/360/889 Fax:- 022-26106052 Email:- bimalokpal.mumbai@qbic.co.in	States of Goa, Mumbai Metropolitan Region excluding Navi Mumbai & Thane.
NOIDA Office of the Insurance Ombudsman, Bhagwan Sahai Palace, 4th Floor, Main Road, Naya Bans, Sector-15, Gautam Budh Nagar, Noida Email:- bimalokpal.noida@qbic.co.in	States of Uttaranchal and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozabad, Gautam Budh Nagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur.
PATNA Office of the Insurance Ombudsman, 1st Floor, Kalpana Arcade Building, Bazar Samiti Road, Bahadurpur, Patna - 800 006. Email:- bimalokpal.patna@qbic.co.in	States of Bihar and Jharkhand.

PUNE

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States of Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.

Section IV : COMMERCIAL CRIME INSURANCE

In consideration of the payment of **premium**, **RQBE** shall provide indemnity in accordance with and subject to the terms of this **policy**.

1. Insurance Cover

Subject to payment of the **premium** and the provisions of this **policy**, in reliance upon the statements made and information contained in the **proposal form** and the **schedule**, all of which are part of, and shall form the basis of, this insurance, **RQBE** shall indemnify the **insured** for their **loss** sustained for either:

- A: fraud or dishonesty committed by any **employee** (acting alone or in collusion with others);
or
- B: a **fraudulent act** committed by **any other person**;
Which:
- 1 is committed with the principal intent to cause the **insured** to sustain such **loss**, and
 - 2 is first discovered by the **insured** during the **policy period**.

2. Definitions

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

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

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

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

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

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

to issue such instructions, but which are fraudulently transmitted, issued, or are **forged** or have been the subject of **fraudulent alteration** by **any other person**.

- 2.4 **Counterfeit** or **counterfeiting** means the imitation of an authentic negotiable instrument such that the **insured** is deceived on the basis of the quality of the imitation to believe that the said item is the authentic original negotiable instrument. Fictitious instruments which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not **counterfeit**.
- 2.5 **Credit arrangement** means any credit agreement, extension of credit or hire purchase agreement, loan or transaction in the nature of a loan, lease or rental agreement, invoice, account, agreement or other evidence of debt, payments made or withdrawals from any customer's account involving items which are not finally paid for any reason.
- 2.6 **Discovered** or **discovery** means when any **insured** or any of the **insured's** directors, partners, officers, departmental directors, senior managers or equivalent become aware or ought reasonably have become aware of any act or acts which could reasonably be foreseen to give rise to a **loss** covered by this **policy** even though the exact amount or details of a **loss** are not known at the time of **discovery**. Such **discovery** shall constitute knowledge possessed or **discovery** made by every **insured**.
- 2.7 **Employee** means any natural person, other than a director or partner, who has entered into or works under a contract of service with any **insured** and whom such **insured** compensates by salary, wages and/or commissions and whom the **insured** has the right to govern and direct in the performance of such service. The term **employee** shall also mean any:
- (i) director or trustee of the **insured** whilst performing acts coming within the scope of the usual duties of an **employee** of the **insured**;
 - (ii) part-time or temporary **employee** performing the duties of an **employee** under the **insured's** supervision;
 - (iii) retired employee appointed by the **insured** under a written contract whom the **insured** governs and directs in the performance of their service as an **employee**;
 - (iv) student, secondee or volunteer pursuing studies, gaining work experience or performing the duties of an **employee** under the **insured's** supervision;
 - (v) ex-**employee** of the **insured**, for a period not exceeding 90 days following the formal termination of their employment with the **insured** (other than where such termination is as a result of an act covered under this policy in accordance with Exclusion 3.9(i));
 - (vi) trustee, fiduciary, administrator or officer of any **plan**;
 - (vii) solicitor, other than a sole practitioner, retained by the **insured** and any **employee** of such solicitor whilst performing legal services for the **insured**;

- (viii) person provided to the **insured** by an employment agency (or similar source) to perform the duties of an **employee** under the **insured's** supervision;
- (ix) person or **employee** of an organisation to whom or which the **insured outsource** any administrative function;
- (x) **Employee** which the **insured** is unable to identify by name but whose act or acts have caused a **loss** covered under this policy, provided that the evidence submitted proves beyond reasonable doubt that the **loss** was due to the act of such **employee**.

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

2.8 **Forgery or forged** means the signing or endorsing of the name of a genuine person or a copy of the said person's signature by **any other person** without authority and with intent to deceive. It does not include the signing in whole or in part of one's own name, with or without authority, in any capacity, for any purpose. Mechanically or electronically produced or reproduced signatures are treated the same as hand-written signatures.

2.9 **Fraudulent act** means:

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

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

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

- (i) any cheque or draft:-
 - a) drawn upon by any bank; or

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

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

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

2.13 **RQBE** means Raheja QBE General Insurance Company Limited.

2.14 **Limit of indemnity** means the limit of indemnity as specified in Item 3 of the **schedule**.

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

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

- (i) any dealing or trading in securities, commodities, futures, options, foreign or Federal funds, currencies, foreign exchange and the like unless such loss is covered under Insurance Cover 1 (A) and results in the **employee** making improper financial gain for themselves or for any other individual or organisation intended by such **employee** to receive such benefit; or
 - (ii) any reckless or inadvertent acts; or
 - (iii) the creation of a liability to a third party other than as provided under Standard Extension 4.1.
- 2.16 **Management control** means that the **policyholder** has the right to control the day-to-day management of the relevant entity and sets security and internal control procedures, whether financial or operational.
- 2.17 **Money** means currency, coins, bank notes and bullion, cheques, travellers cheques, registered cheques, postal orders and money orders held for sale to the public.

2.18 **Outsource** means the retention and authorisation by the **insured** of a person or an organisation to perform a normal administrative function on behalf of the **insured**, provided that:

- (i) such function is performed under a written contract; and
- (ii) the **insured** retain the right to audit the performance of such function; and
- (iii) the **insured** can demonstrate that they have vetted the person or organisation for competency, financial stability and honesty prior to the retention and authorisation by the **insured** of such person or organisation to perform such function.

Cover in respect of any person or organisation to whom the **insured outsource** any administrative function shall apply in excess of any indemnification or valid and collectible insurance or indemnity, contractual or otherwise, available to the **outsource** entity or the **insured**.

2.19 **Plan** means any pension, employee benefit, welfare benefit, share save or share option plan or charitable fund or foundation established and maintained by the **insured** for the benefit of the past, present and future **employees** of the **insured** or their respective beneficiaries.

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

2.20 **Policy** means:

- a) the **schedule**, this policy wording; and
- b) any endorsement attaching to and forming part of this policy either at inception or during the **policy period**; and
- c) the **insured's** statements in the **proposal form**.

2.21 **Policyholder** means the organisation specified in Item 1 of the **schedule**.

2.22 **Policy period** means the period of time specified in Item 2 of the **schedule** or as extended by **RQBE**.

2.23 **Premises** means the interior portion of any building owned or occupied by the **insured** and in which they conduct their business.

2.24 **Premium** means the premium specified in the **schedule** or in any endorsement to the **schedule**.

2.25 **Proposal form** means the information provided by the **insured** prior to the inception of this **policy** and shall include the written proposal and any attachments to it.

- 2.26 **Schedule** means the schedule attached to this **policy** and any amendment to it authorised by **RQBE**.
- 2.27 **Securities** mean all negotiable and non-negotiable instruments or contracts, including any note, stock, bond, debenture, evidence of indebtedness, share or other equity or debt security, representing either money or property, but does not include **money**.
- 2.28 **Subsidiary company** means any company in which the **policyholder** either directly or indirectly through one or more of its subsidiaries:
- (i) controls the composition of the board of directors; or
 - (ii) controls more than half of the voting power; or
 - (iii) holds more than half of the issued share capital.

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

- 2.29 **Terrorism** means any act, , of any person or group(s) of persons, whether acting alone or on behalf of any organisation(s) or government(s) which from its nature or context is done for political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear

3. Exclusions

RQBE shall not be liable to indemnify the **insured** for any **loss** directly or indirectly arising from, or related or amounting to any of the following:

3.1 **Consequential Loss**

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

3.2 **Credit Risks**

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

3.3 **Directors/Partners**

Loss resulting directly or indirectly from any act or series of acts committed by any director or partner of the **insured**, whether acting alone or in collusion, except to the extent that at the time the relevant act is committed such director or partner is deemed to be an **employee** under Definition 2.7 (i).

3.4 **Employee Acts**

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

3.5 **Extortion or Kidnap and Ransom**

Loss due to extortion or kidnap and ransom unless covered under Insurance Cover 1(A).

3.6 **Fees, Costs and Expenses**

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

3.7 **Fines, Penalties or Damages**

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

3.8 **Fire**

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

3.9 **Loss Sustained after Knowledge**

Loss caused from the time any **insured** or any of the **insured's employees** (including any director or partner) or any other individual or organisation shall have knowledge or information that such **employee** or any other individual or organisation has committed any act or acts of fraud, dishonesty, criminal damage, theft or any **fraudulent act**:

- (i) whilst such **employee** is in any **insured's** service or during the term of employment with any **insured**; or
- (ii) prior to an **employee** being employed by any **insured**, provided the act or acts involved **money, securities** or other property valued at INR _____ or more.

3.10 **Major Shareholder**

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

3.11 **Non-violent crime**

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

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

3.12 ***Premises Damage***

Damage or destruction to any:

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

3.13 ***Prior or Subsequent Discovery of Loss***

Loss the **insured discovered**:

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

3.14 ***Profit, Loss or Inventory Computation***

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

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

However, where an **employee** is involved and has been identified, inventory records and actual physical count of inventory can be submitted as supporting documentation of **loss**.

3.15 ***Proprietary Information, Trade Secrets and Intellectual Property***

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

3.16 ***Radioactivity and Nuclear***

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

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

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

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

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

3.18 **Voluntary Exchange or Purchase**

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

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

3.19 **War and Terrorism**

RQBE shall not be liable to indemnify the **insured** for any **loss** directly or indirectly arising from, or related or amounting to any of the following:

This **policy** excludes **loss** caused by, resulting from or in connection with any of the following;

1. 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, regardless of any other cause or event contributing concurrently or in any other sequence to the **loss**; or
2. any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the **loss**.

This exclusion also applies to **loss** directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 1. and/or 2. above.

If **RQBE** allege that by reason of this exclusion, any **loss** is not covered by this **policy** the burden of proving the contrary shall be upon the **insured**.

3.20 **Stock held or in transit**

Loss of or damage to, stock whilst held or in transit.

4. Standard Extensions

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

4.1 **Care Custody and Control**

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

4.2 **Fees, Costs and Expenses**

(i) **Legal Fees**

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

- (a) such indemnity is limited to INR _____ such amount being part of and not in addition to the **limit of indemnity** specified in Item 3 of the **schedule**;
- (b) **RQBE** shall not be liable to make any payment for fees, costs or other expenses (whether such fees, costs or expenses be for legal, accounting or other services) incurred by the **insured** in establishing the existence, validity or amount of any **loss** under this **policy**;
- (c) such legal fees, costs and expenses are incurred with the prior written consent of **RQBE**;
- (d) there is no duty upon **RQBE** to advance any legal fees, costs or expenses to the **insured** prior to the conclusion of the demand, claim, suit or legal proceeding;
- (e) such legal fees, costs and expenses are not recoverable from any other party.

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

(ii) **Reconstitution Costs**

Cover is extended to include the reasonable cost of rewriting or amending the **insured's** software programmes or systems with the prior written consent of **RQBE** where such rewriting or amending is necessary to correct the programmes or amend the security codes following a **loss** covered under this **policy**. **RQBE's** liability for such rewriting or amending is limited to INR _____ for any single **loss** and in the aggregate and such amount is part of and not in addition to the **limit of indemnity** specified in Item 3 of the **schedule**.

(iii) **Investigative Specialist**

Cover is extended to indemnify the **insured** for the fees and expenses of an investigative specialist, to investigate the facts behind a **loss** covered under this policy and to determine the quantum of such **loss**. Such indemnity is limited to INR _____ such amount being part of and not in addition to the **limit of indemnity** specified in Item 3 of the **schedule**.

4.3 **Money or Securities–Damage, Destruction or Disappearance**

Cover is extended to include

- (i) the physical **loss** of or damage to or actual destruction or disappearance of **money or securities** including damage to safes or vaults; and/or provided that this Standard Extension:
 - (1) is limited to INR _____ in respect of any single **loss** as a result of physical **loss** of or damage to or actual destruction of **money or securities** caused by fire; and
 - (2) is always in excess of any other valid and collectable insurance or indemnity (or would be valid or collectible except for the application of the retention amount or the exhaustion of the limits of liability), contractual or otherwise, available to the **insured**; and
 - (3) is part of and not in addition to the **limit of indemnity** specified in Item 3 of the **schedule**.

4.4 **New Entities–Newly Created and Acquired**

Cover is extended to include:

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

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

- (a) has a total gross annual turnover and total number of **employees** which are less than 10% of the combined total gross annual turnover and total number of **employees** for all **insureds**; and
- (b) has not discovered any single **loss** of a type covered by this **policy** within the last 3 years which, whether insured or not and before the application of any retention, deductible or excess, was individually greater than 50% of the Retention specified in Item 4 of the **schedule**; and
- (c) conducts business activities which are comparable to the **insured's** business as most recently advised to **RQBE**; and
- (d) is governed by controls and procedures which are as effective as those most recently advised to **RQBE** by the **insured** creating or acquiring such entity.

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

5. Optional Extensions

None.

6. General Provisions

6.1 **Limit of Indemnity**

The payment of any **Loss** shall not reduce **RQBE's** liability for other **losses**. **RQBE's** maximum liability for any single **loss** shall not exceed the amount specified in Item 3 of the **schedule**.

6.2 **Limit of Indemnity under this Policy and Prior Insurance**

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

6.3 **Non Accumulation of Liability**

Regardless of the number of years this **policy** is in force and irrespective that it is or may be renewed and regardless of the number of **premiums** paid, the **limit of indemnity** as

specified in Item 3 of the **schedule** shall not be cumulative from year to year or period to period.

6.4 **Retention and Other Insurance**

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

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

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

6.5 **Single Policy**

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

- (i) the **policyholder** shall act for itself and for all **insured** for all purposes under this **policy**, including but not limited to the giving and receiving of notice, the giving of notice of **loss**, the payment of **premiums** that may become due and the receipt and acceptance of any endorsements issued to form a part of this **policy**;
- (ii) payment of any **loss** under this **policy** to the **policyholder** shall fully release **RQBE** with respect to such **loss**;
- (iii) if there is more than one **insured** under this **policy** and any such entity other than the **policyholder** ceases for any reason to be covered under this **policy**, then the remaining **insureds** shall continue to be joint **insured** for all purposes under this **policy**;
- (iv) knowledge possessed or **discovery** made by any **insured** or by any director, partner, officer, departmental director, senior manager or equivalent thereof of any **insured** shall for all purposes constitute knowledge possessed or **discovery** made by every **insured**;
- (v) **RQBE's** liability for **loss** sustained by any or all of the **insured** shall not exceed the amount for which **RQBE** would be liable had all such **loss** been sustained by any one of the **insured**.
- (vi) in calculating **loss** covered under this **policy**, where another **insured** receives a benefit corresponding or relating to such **loss**, that benefit will be set off against the value of such **loss**.

6.6 **How to Give Notice and Report a Loss**

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

Raheja QBE General Insurance Company Ltd.
Commerz, 10th Floor, International Business Park
Obero Garden City, Off Western Express Highway
Goregoan (E), Mumbai 400 063

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

6.7 **Loss Settlement**

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

6.8 **Basis of valuation**

In no event shall **RQBE** be liable for more than:

- (i) the actual market value, published by the Reserve Bank of India of securities, foreign funds, currencies or precious metals at the close of business on the day the **loss** was **discovered**, or, if less, the actual cost of replacing the **securities**;
- (ii) the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data furnished by the **insured** in order to reproduce books of accounts and records;
- (iii) the cost of labour for the actual transcription or copying of electronic data furnished by the **insured**, in order to reproduce such electronic data;
- (iv) the actual cash value of other property at the time of **loss** or the actual cost of repairing or replacing the property with property or material of like quality or value, whichever is less. The actual cash value of other property if held by the **insured** as a pledge, or as collateral for an advance or a loan, shall be considered not to exceed the value of the property as determined and recorded by the **insured** when making the advance or loan, or in the absence of a record, the unpaid portion of the advance or loan plus accrued interest at legal rates.

6.9 Recoveries

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

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

6.10 Subrogation

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

6.11 Policy Construction and Arbitration

(a) Policy Construction

- (i) The construction, interpretation and meaning of the provisions of this **policy** shall be determined in accordance with Indian laws.
- (ii) The marginal notes and titles of paragraphs in this **policy** are included for descriptive purposes only and do not form part of this **policy** for the purpose of its construction or interpretation.
- (iii) Under this **policy**, the masculine includes the feminine and the singular includes the plural and vice versa.

(b) Arbitration

- (i) If any dispute or difference shall arise as to the quantum to be paid under this **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 hereto or if they cannot agree upon a single arbitrator within 30 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 Indian Arbitration and Conciliation Act 1996.

(ii) It is clearly agreed and understood that no dispute or difference shall be referable to arbitration as herein before provided, if **RQBE** has disputed or not accepted liability under or in respect of this **policy**.

(iii) 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 the award by such arbitrator/arbitrators of the amount of the loss or damage shall be first obtained and that the Indian Courts shall have sole and exclusive jurisdiction over any such action or suit.

6.12 **Assignment**

This **policy** and any rights under it cannot be assigned without written consent of **RQBE**.

6.13 **Changes in Risk during Policy Period**

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

For the purpose of this General Provision changes in risk mean:

- (i) the liquidation of the **policyholder**, or the appointment of a receiver, liquidator, manager or administrator in respect of the **policyholder**; or
- (ii) the liquidation of any single **insured** or the appointment of a receiver, liquidator, manager or administrator of such **insured**; or
- (iii) the consolidation or merger of the **policyholder** with another business entity, or upon any purchase, assignment, transfer, pledge or sale of assets or shares occasioning any change in control of the **policyholder**; or
- (iv) a change of control in any **insured**; or
- (v) knowledge that an act of fraud or dishonesty or criminal damage has been committed by any **employee** of the **insured** or any director, partner, officer, departmental director, senior manager or equivalent as set out under Exclusion 3.9; or
- (vi) a **fraudulent act**, any act of theft or criminal damage committed by **any other person** as set out under Exclusion 3.9.

6.15

This **policy** may be cancelled as follows:

- (i) by the **policyholder** immediately upon **RQBE's** receipt of a written notice. In such case, **RQBE** shall refund any unearned **premium** calculated at pro-rata of the annual **premium** except in the event of a **loss** having been **discovered** prior to the date of cancellation whereby no refund in **premium** shall be due;

- (ii) by **RQBE** following the issue of written notice to the address specified in Item 1 of the **schedule** in respect of the **policyholder** or any **insured** or any **employee** of any **insured**. Cancellation shall apply 30 days following the issue of such notice.
- (iii) Notwithstanding any provisions to the contrary stated above, RQBE may cancel this policy only on the grounds of established fraud in the case of an individual/retail **policyholder**. All other cancellation provisions outlined above shall continue to apply.

6.16 ***Fraudulent claims***

If any claim is in any manner false, dishonest or fraudulent, or is supported by any false, dishonest or fraudulent means or devices, whether by any **insured** or anyone acting on behalf of an **insured** or with the **insured's** knowledge, then this **policy** shall be void and all benefits paid or potentially payable under it shall be forfeited.

6.17 ***Signature and Alteration***

The insurance provided by this **policy** is operative only if this **policy** bears the signature of an authorised representative of **RQBE** and no change in or modification to this **policy** will be effective unless made by written endorsement bearing the signature of an authorised representative of **RQBE**.

6.18 ***Proposal and Representation***

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

6.19 ***Title and Italics***

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