IFFCO-TOKIO GENERAL INSURANCE CO. LTD

Regd. Office: IFFCO Sadan, C-1, Distt. Centre, Saket, New Delhi-110017

IFFCO-TOKIO SURETY BOND INSURANCE - UNCONDITIONAL (COMMERCIAL)
UIN: IRDAN106CPSU0003V01202425

PROSPECTUS

Types of Bonds Available	There are 4 type of bonds available under this Surety Bond Insurance and it is mandatory to opt one of them: 1. Advance Payment Bond 2. Bid Bond 3. Performance Bond 4. Retention Money Bond
Applicability	a) Insolvency of the Principal- The Principal shall be deemed to be insolvent for the purpose of this Insurance when: i. the Principal is declared bankrupt by the competent Court/Tribunal of jurisdiction OR ii. the Principal has made a valid assignment, composition or other arrangement for the benefit of its creditors OR iii. a Receiver / Administrator / Liquidator has been appointed by the Court/Tribunal to manage its estate OR iv. an order by the competent Authority has been made for compulsory winding up OR v. an effective resolution has been passed for voluntary winding up provided that this resolution is not merely for the purpose of reconstruction or amalgamation OR vi. an arrangement binding on all creditors has been sanctioned by the appropriate Court/Tribunal OR vii. such conditions exist as are, by any other system of law, substantially equivalent in effect to any of the foregoing conditions. b) Non-fulfilment, non-performance of obligations or breach of terms and conditions stipulated in the Original Contract (between the Principal and the Beneficiary) by the Principal and limited to the value and type of Bond issued and mentioned in the Schedule.
Exclusions:	a) The Original Contract signed between the Principal and the Beneficiary is not established, invalid, cancelled or terminated before the Insured Risks occur. b) Intentional, gross negligence, illegal or criminal acts by or between the Beneficiary and/or Principal. c) The Principal and/or Beneficiary or its employees commit fraud, collude, bribe, or use any illegal means to enter the Original Contract. d) The Principal and Beneficiary maliciously collude to violate the Original Contract.

	e) The Beneficiary and the Principal change or amend or modify the contents of the Original Contract without the prior written consent of the Surety.
	f) General Exclusions such as, war, nuclear, pollution, acts of god, force majeure, administrative, or judicial actions other than caused by the Principal.
	g) Any expenses incurred by the Beneficiary for collecting, confirming, and proving that the Principal breached the Original Contract that resulted in claims.
	h) Any legal cost or expenses incurred in the litigation, arbitration, and execution by the Beneficiary to collect, confirm, and prove that the Principal fails to perform the Original contractual obligation.
	i) Any third party loss not part of the Original Contract between Beneficiary and Principal.
	j) Any price fluctuation in execution of the project.
	k) Liquidated damages, late fees, fines, and punitive damages
	l) Failure by the Principal to pay premium, provide necessary letter of Indemnity or security.
	m) Non-performance or non-fulfilment of the terms and conditions of the Original Contract arising out of or due to delay in obtaining permissions or approvals from any statutory, regulatory, judicial authorities or Beneficiary relating to execution of the Project.
	n) Non-performance or non-fulfilment of the terms and conditions of the Original Contract arising out of or due to delay in payments of outstanding or receivables due to the Principal by the Beneficiary.
	o) Non-performance or non-fulfilment of the terms and conditions of the Original Contract arising out of any law for the time being in force under which the Principal is dispensed with the performance of the underlying Original Contract either impliedly, through conduct or otherwise.
	p) Any amendment or modification under the Original Contract Documents, Original Contract Terms, Principal 's Obligations and Original Contract Conditions after the Contract Bond is issued and is still in force.
	q) Any change in or addition to the Principal's liability including to any third party, arising out of any negligent act (s) or omissions in the course of its performance of the underlying Original Contract.
	r) Any specific event (s) agreed by and between the Beneficiary and the Principal under the Original Contract including but not limited to any event of force majeure (which shall have the same meaning as ascribed to the term under the Original Contract and in law) and which may result into frustration and/or impossibility of execution of the Project as recognized under law;
	s) Any events arising out of, based upon or attributable to change in management, acquisition or change in control of the Beneficiary or the Principal after the Bond is issued and is still in force.
Cancellation	a) Before Bond Inception Date i. The Principal may cancel this Surety Bond Insurance any time before the inception of bond by giving a written notice with consent of the Beneficiary along with the bond. In

such a case, the Surety would refund the paid premium after deduction of administrative expenses.

ii. The Surety may cancel the policy by giving a minimum notice of 7 days to the Principal and Beneficiary in the event of misrepresentation, non-disclosure of any material fact, established fraud or non-cooperation. In such a case, the Surety would refund the paid premium after deduction of administrative expenses.

b) After Bond Inception Date

i. The Principal may cancel this Surety Bond Insurance any time after the inception of bond by giving a written notice with consent of the Beneficiary along with the bond. In such a case, the Surety shall refund the pro-rata premium of the unutilized period after retaining 20% of the refund.

ii. The Surety may cancel the policy by giving a minimum notice of 7 days to Principal and Beneficiary and all premiums paid hereon shall be forfeited to the Surety in the event of misrepresentation, non-disclosure of any material fact, established fraud or non-cooperation.

Tenure	Maximum Tenure of the Policy-15 Years
Claim Settlement	In case of a claim, the Beneficiary can contact the Policy servicing office as mentioned in the Schedule. The Surety shall settle the claim based on the claim request raised in writing by the Beneficiary.
Illustration	ABC Construction (Principal) was awarded a construction project by XYZ (Beneficiary). As a requirement, the Principal provided a Surety Bond of Rs.2 Crores of IFFCO-Tokio to Beneficiary. After completion of 40% of work, the Principal was declared Insolvent and abandoned the project. The Beneficiary invoked the Bond for the losses incurred. IFFCO-Tokio would pay for the losses directly to the Beneficiary.
Grievance	In case of any grievance, the Insured may contact IFFCO-Tokio through: Website: https://www.iffcotokio.co.in/customer-services/grievance-redressal Grievance Registration: Follow the above-mentioned link and fill the details to register the grievance. Toll Free: 1800-103-5499 Email: chiefgrievanceofficer@iffcotokio.co.in Address: Chief Grievance Officer IFFCO-Tokio General Insurance Co Ltd. IFFCO Tower, Plot no. 3, Sector -29, Gurgaon – 122001 Insured may also approach the grievance cell at any of the company's branches with the details of grievance. The list of branches with addresses are available at https://www.iffcotokio.co.in/contact-us.

	If Insured is not satisfied with the redressal of grievance through one of the above methods, Insured may contact the grievance officer at chiefgrievanceofficer@iffcotokio.co.in .
	For updated details of grievance officer, kindly refer the link
	https://www.iffcotokio.co.in/contact-us/customer-services/grievance-redressal.