



IFFCO-TOKIO GENERAL INSURANCE CO. LTD.

Regd. Office: 34, Nehru Place, New Delhi - 110 019

UIN: IRDAN106P0008V01200102
BANKER'S INDEMNITY POLICY

This Policy is evidence of the Contract between YOU and US. The proposal alongwith any written statement(s), declaration(s) of YOURS for purpose of this Policy forms part of this contract.

This Policy witnesses that in consideration of YOUR having paid the premium for the period stated in the Schedule or for any further period for Which WE may accept the payment for renewal of this Policy, WE will insure YOUR properties, interests as specified in the Schedule during the period of Insurance and accordingly WE will indemnify YOU in respect of events occurring during the Period of Insurance in the manner and to the extent set forth in the Policy, provided that all the terms, conditions and exceptions of this Policy in so far as they relate to anything to be done or complied with by YOU have been met.

The schedule shall form part of this Policy and the term "**Policy**" whenever used shall be read as including the "**Schedule**".

Any word or expression to which a specific meaning has been attached in any part of this Policy or of Schedule shall bear such meaning wherever it may appear. **YOUR Policy** is based on information, which YOU have given US and the truth of this information shall be condition precedent to YOUR right to recover under this Policy.

DEFINITION OF WORDS

1. Proposal

It means any signed proposal by filling up the questionnaires and declarations, written statements and any information in addition thereto supplied to US by YOU or on YOUR behalf.

2. Policy

It means the Policy Booklet, the Schedule and any applicable endorsements or memoranda. YOUR policy contains the details of the extent of the cover available to YOU, what is excluded from the cover and the conditions, warranties, provisions on which the Policy is issued.

3. Schedule

It means the latest schedule issued by US as part of YOUR Policy. It provides details of YOUR Policy including full description of properties covered which are in force and the period of cover YOU have against the properties described.

A Revised Schedule will be sent at each renewal and whenever YOU request for a change in the cover.

4. Sum Insured

It means the Monetary Amounts shown against any item.

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5. **WE/OURS/US**

It means **THE IFFCO-TOKIO GENERAL INSURANCE COMPANY LTD.**

6. **YOU/YOUR**

It means the person(s)/the Company/the Bank/the entity named as Insured in the Schedule.

7. **Period of Insurance**

It means the duration of the Policy as shown in the Schedule.

8. **Market Value**

It means the Replacement Value of insured property or item as New at the time of Damage or Loss less due allowance for betterment, wear and tear and/or depreciation.

9. **Loss/Lost**

It means the Damage or Loss.

10. **Excess**

It means the first part of any claim for which YOU are responsible. Any Sum Insured/Limit will apply after the Excess has been deducted.

11. **Money**

It means Cash, current coins, Bank Notes (Signed and unsigned), Currency. Bullions, Jewellery / Ornaments, Postage and Revenue Stamps (uncancelled) and Stamp papers.

12. **Securities**

It means Acceptances, Air/Consignment Notes, Bank Money Orders, Bills of Exchange, Bill of Lading, Bonds, Certificate of Deposits, Certificate of Shares, Stock, Cheques, Coupons, Debentures, Demand Drafts, Express Postal Orders, Fixed Deposit Receipts issued by YOU, Lorry Receipts, Lottery

Tickets, Postal Receipts, Promissory Notes, Railway Receipts, Time Drafts, Warehouse Receipts, Mail Transfers, Travelers Cheques and drafts and all other instruments of a Negotiable character in respect of which, if negotiated by any holder, the Assured would have no recourse against the innocent holder thereof.

13. **Employee**

It means all existing employees/officers, clerks or Sub-staff whether permanent or temporary, whole time or part time, on contract or otherwise including apprentices, on the salary roll of the Bank/Financial Institution at all of its offices but shall not include any Director or Partner other than the salaried one.

GENERAL CONDITIONS

1. **Reasonable Precaution & Care of Company**

YOU shall take all reasonable precautions for safety and soundness of Insured Property and to prevent the loss in order to minimise claims. YOU will secure all doors, windows and other openings and all safes, strong room etc. YOU must comply with Maker's recommended actions for inspection and maintenance and shall comply with all statutory requirements or other regulations and will employ only competent and honest employees.

2. Notice

YOU will give every notice and communication in writing to OUR office through which this insurance is affected.

3. Misdescription

This Policy shall be void and all premium paid by YOU to US shall be forfeited in the event of misrepresentation, misdescription or concealment of any **material** information.

4. Changes in Circumstances

YOU must inform US, as soon as possible, of any change in information YOU have provided to US about yourself, the properties insured, location of risk etc., which may affect the insurance cover provided e.g. change of address, period of unoccupancy, security arrangements etc.

YOU must also notify US about any alteration made whereby risk of loss/damage is increased. In case of such alteration made and not accepted by US in writing, the cover under this policy shall cease.

5. Claim Procedures & Requirements

Upon happening of an event giving rise or which may give rise to a claim:

- a) YOU or YOUR authorised representative shall forthwith give notice in writing to OUR nearest office with a copy to Policy issuing office with full particulars. A written statement of the claim will be required and a claim form will be provided. This written statement of claim alongwith supporting documents (Evidences, explanations and the like) prepared at YOUR cost alongwith particulars of other Insurances covering the same risk must be delivered to US within 14 days of date of Loss.
- b) YOU shall lodge a complaint with the Police at the earliest after happening of the incident and take all practicable steps to apprehend & prosecute the guilty person and recover the property lost.

6. Claim Control & Subrogation

WE are entitled to:-

- a) enter any place where Loss has occurred and deal with salvage but this does not mean that property can be abandoned to US.
- b) receive all information, proof of damage and assistance from YOU and any other person seeking benefit under the Policy.

- c) take proceedings at OUR own expenses and for OUR own benefit, but in YOUR name or in name of any other person who is claiming or has received benefit, for the purpose of enforcing any rights and remedies or obtaining relief or indemnity from other parties to which WE shall be or would become entitled or subrogated, to recover any payment made or due under this Policy.

7. Audit

The accounts shall be audited annually by the your Statutory Auditors.

8. Examination of Books of Accounts

In case of any loss suffered by YOU if required by US, OUR Authorised representative shall be entitled at all reasonable times to examine into circumstances of such loss and YOU shall on being required so to do by US produce all books, Accounts, receipts and documents relating to or containing entries relating to the loss in YOUR possession and furnish copies of or extracts from such of the documents including inquiry report in respect of inquiry conducted by YOU as may be required by US so far as they relate to such claim or will in any way enable US to ascertain the correctness of OUR liability under this Policy.

9. Right to Recoveries

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

10. Fraud

If any claim under this Policy is fraudulent in any respect with or without YOUR knowledge or if any fraudulent means or devices are used by YOU or on YOUR behalf to obtain any benefit under this Policy, all benefits and rights under the Policy shall be forfeited.

11. Contribution

If at the time of happening of any loss covered by this Policy, there shall be existing any other Insurance of any nature covering the same property, whether effected by YOU or not, then WE will pay only ratable proportion.

12. Cancellation

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WE may cancel this policy by sending 15 days notice in writing by Regd.A.D. to YOU at YOUR last known address. YOU will then be entitled to a pro-rata refund of premium for the unexpired period of this policy from the date of cancellation, which WE are liable to repay on demand. YOU may cancel this Policy by sending 15 days written Notice to US. WE will then allow a refund after retaining the premium based on the following table

Short Period

Period of cover upto	Rate of Annual Premium Rate to be retained
1 Month	25%
2 Months	37.5%
3 Months	50%
4 Months	62.5%
5 Months	75%
6 Months	100%

13. Arbitration

Should any dispute arise between YOU and US on the amount payable (liability being otherwise admitted by US), such dispute will independently of all other questions be referred to the decision of Arbitrator(s) in accordance with statutory provision of the country in force at that time. Further, when any dispute is referable or referred to Arbitration, the making of an award by Arbitrator(s) shall be a condition precedent to any right of action by YOU against US.

14. Disclaimer Clause

If WE shall disclaim OUR liability in any claim, and such claim shall not have been made subject matter of a suit in a court of law within 12 months from the date of disclaimer, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable under this Policy.

15. Interest / Penalty

No sum payable under this policy shall carry any interest or penalty.

16. Geographical Scope

The geographical scope of this policy will be India.

17. Renewal Notice

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WE shall not be bound to accept any renewal premium or give notice that such is due.

SCOPE OF THIS POLICY

If the Property Insured belonging to YOU or for which YOU are responsible at law is damaged by any cause listed under “What is covered”, then WE will indemnify YOU to the extent of intrinsic value of Property Insured:

What is covered	What is not covered
<p>During any time in the Period of Insurance, WE will indemnify YOU if YOU shall discover any direct loss of money and/or securities sustained:</p> <p>1. <u>On Premises:-</u> by reason of any money and/or securities for which YOU are responsible or interested in or the custody of which YOU have undertaken and which now are or are by YOU supposed or believed to be or at any time during the period of Insurance may be in or upon YOUR own premises (including Mobile offices) or upon the premises of YOUR Bankers in any recognised place of safe deposit or lodged or deposited in the ordinary course of business for exchange, conversion with the issuers thereof, or with any agents of such issuers or with any person employed to procure or manage the exchange, conversion or registration thereof, being (while so in or on such premises or so placed, lodged or deposited as aforesaid) lost, destroyed or otherwise made away with by Fire, Riot and Strike, Burglary or Housebreaking, Theft, Robbery or hold up whether within or without and whether by YOUR employees or any other person(s) whosoever.</p> <p>2. <u>In transit:</u> By reason of any money and/or securities being lost, stolen, mislaid, misappropriated or made away with, whether due to negligence or fraud of YOUR employees or otherwise, whilst in transit in the hands of such employees, such risk of transit to commence from the moment the same is received by the employee on YOUR behalf and to continue until delivery</p>	<p>WE will not be liable for:</p> <ol style="list-style-type: none"> 1. Any loss occasioned by or through or in consequence whether directly or indirectly of any of the following occurrences: <ol style="list-style-type: none"> (a) Earthquake, Volcanic Eruption, Subterranean Fire or any other convulsions of nature. (b) Flood, Inundation, Hurricane, Typhoon, Storm, Tempest Tomado, Cyclone or Atmospheric Disturbances (not applicable to mobile office); (c) War, Invasion, Act of foreign enemy, Hostilities or War-like operations (whether War be declared or not), Civil war (d) Mutiny, Military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or stage of siege or any of the events or causes which determine the proclamation or maintenance of martial law or stage of siege. <p>Any loss happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence directly or indirectly of any of said occurrence shall be deemed to be loss which is not covered by this except to the extent that YOU shall prove that such loss happened independently of the existence of such abnormal conditions.</p> <ol style="list-style-type: none"> 2. Loss resulting wholly or partially from the negligent act or omission of YOUR employee. However, this exception does not apply to section “2” of “What is covered” i.e.in Transit Cover. 3. Loss resulting wholly or partially from the wrongful act or default of any of YOUR Directors or Partners

<p>thereof at destination.</p> <p>3. <u>Forgery or Alteration</u>: By reason of the payment made in respect of bogus or fictitious or forged or raised cheques and/or Travellers Cheques and/or Gift cheques and/or drafts and/or Fixed deposit Receipts (excluding Bills of Discount and other credit facilities) issued by YOU bearing forged endorsements or the establishment of any credit to any customers on the faith of such documents whether received over the counter or through the clearing House or by Mail.</p> <p>4. <u>Dishonesty</u>: By reason of the dishonest or criminal act of YOUR employee(s) with respect to the loss of Money and/or Securities wherever committed and whether committed singly or in connivance with others.</p> <p>5. <u>Hypothecated Goods</u>: By reason of fraud and/or dishonesty by YOUR employee(s) in respect of any goods and/or commodities pledged or hypothecated to YOU or under YOUR control.</p> <p>6. <u>Registered Postal Sendings</u>: By reason of loss by Robbery, Theft or by other causes not herein excepted whilst in direct transit or intended to be dispatched by Registered Insured Post from YOUR office to the consignee provided that each post parcel shall be insured with the Post Office; Provided always that OUR liability for any one consignment and/or loss is limited to 10% (Ten percent) of Basic Sum Insured or Rs.50,000/- whichever is less.</p> <p>7. <u>Appraisers</u>: By reason of infidelity or criminal acts on the part of the Appraisers provided that such appraisers are on the approved lists of Appraisers maintained by YOU and further provided that YOU shall exercise reasonable precaution and safeguards in the selection and appointment of such Appraisers. Provided always that OUR liability for any loss or all losses during the Period of insurance due</p>	<p>other than the salaried one.</p> <p>4. Loss of Money and/or Securities and/or personal property confided to YOUR care, normal value and description of which have not been ascertained by YOU before loss.</p> <p>5. Loss resulting directly or indirectly from trading actual or fictitious whether in YOUR name or otherwise and whether or not within YOUR knowledge and not withstanding any act or omission on the part of any employee in connection therewith whether acting within the scope of authority or with any account recording the same.</p> <p>6.</p> <p>(a) Loss, destruction of or damage to any property whatsoever or any loss or expenses whatsoever resulting or arising therefrom or any consequential loss</p> <p>(b) Any legal liability of whatsoever nature, directly or indirectly caused by or contributed to by or arising from ionizing radiation or contamination by radio activity from any source whatsoever or from nuclear weapons materials.</p> <p>7. Losses attributable directly or indirectly to a manipulation or faulty computer or other EDP system and/or any fraudulent use of the use of the computer or other EDP system by YOUR employee or outsider, irrespective of whether the computer or EDP system belongs to YOU or it is shared by YOU with the others on Service contract basis or otherwise.</p> <p>8. Losses due to any acts or omissions wise committed by the concerned employee(s) after the discovery of a loss in which the said employee was involved.</p> <p>9. Any losses arising out of terrorism.</p>
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<p>to Infidelity or criminal acts of each of such Appraisers will be limited to 5% (five per cent) of the basic Sum Insured under this Policy or Rs.25,000/- whichever is less.</p> <p>8. <u>Janta agents/chhoti bachat yojna agents/pygmie collectors</u>: By reason of Infidelity or criminal act on the part of Janta agents/ Chhoti bachat yojna agents/ pygmie collectors or persons performing duties of a like nature provided that such agents are regular, part time commercial agents of Bank and are appointed after scrutiny about their credentials guaranteed by two reliable independent persons subject to the condition that the total liability during the period of insurance in respect of each agent will be limited to 5% of the basic sum insured under this policy or Rs. 20000/- whichever is less.</p>	
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LIMIT OF LIABILITY:

The Indemnity granted under this Policy in respect of such direct losses will not exceed

- a) The Sum Insured hereby:
 - i) in respect of any loss or losses caused by acts and/or omissions of YOUR any employee either singly or jointly with other employees or acts and/or omissions in which such a person is concerned or implicated either as a single act and/or omission or a series of acts and/or omissions during any Period of Insurance.
 - ii) In respect of any one casualty or event.
- b) Subject to (a) above twice the Sum Insured hereby in respect of all losses in any one period of Insurance.

PROVISIONS

1) **Excess:**

YOU shall bear the first 25% of each loss under items 1 to 5 of "**What is Covered**" or 2% of the basic Sum Insured whichever is higher, but not exceeding Rs.50,000/-. Each loss in respect of each dishonest or criminal act shall be treated as a separate loss. The Excess will however not apply to loss or damage arising out of Fire, Riot and Strike, Burglary and Housebreaking risks.

In respect of loss under Items 6, 7 & 8 of "**What is Covered**", YOU shall bear first 25% of each loss.

2) **Reinstatement**: At all times during the Period of Insurance of this Policy, the Insurance cover will be maintained to the full extent of the respective Sum Insured, in consideration of which, upon the settlement of any loss under this Policy, pro-rata premium at the basic rate for the unexpired period for the amount of such loss paid (not exceeding the respective Sum Insured) shall be payable by YOU to US. The additional premium referred to above shall be deducted from the net amount payable under the Policy. The continuous cover to the full extent will be available, notwithstanding any previous loss for which WE may have paid hereunder and irrespective of the fact whether the additional premium as mentioned above has actually been paid or not following discovery of loss. The intention of this clause is to ensure continuity of the cover to YOU subject only to OUR right for deduction from the claim amount when settled, of pro-rata premium to be calculated from the date of discovery of each independent loss till expiry of the Policy under which the loss falls. Provided that OUR liability will be limited to twice the respective Sum Insured during the entire period of Policy in respect of any loss or losses caused by acts and/or omissions **of any person(s)**. The Reinstatement Provision will not apply to such losses discovered within six calendar months from the date of non-renewal or cancellation of the Policy.

3) **Retroactive Period of Cover**

WE shall not be liable:

- a) for losses not discovered within the period of this Insurance.
- b) In the event of non-renewal or cancellation of this Policy, for losses not discovered within six calendar months next following the date of expiry or the date of cancellation as the case may be (provided only that if there be any other insurance in force during the said six calendar months whether effected by YOU or otherwise this Policy shall not cover or contribute to any loss covered by such other insurance).
- c) For losses not sustained within a retroactive period not exceeding 2 years from the date of discovery of any such loss or losses.

Provided that in such retroactive period, the Insurance was continuously in force with the same company, but in no event WE shall be liable to pay any claim in respect of loss sustained prior to inception of the original / first Policy. Further it is provided that losses which become payable under this clause shall be subject to the terms, conditions, exceptions of the Policy currently in force or on the date of discovery. In case of non-renewal or cancellation of policy, the losses discovered after such non-renewal / cancellation shall for the purpose of this provision be handled as if they were made on the last day of the expiring policy period.

4. **Valuation of Securities**

In estimating the amount of any loss, the value of securities shall be taken at average market price or value in Rupees on the date of discovery of such loss (omitting Sundays and Holidays) and if there be no market price/or value of same or any of them on such day, then the value thereof shall be the value as agreed between the respective parties or in the event of difference as ascertained by arbitration.

5. **Valuation of Jewellery Ornaments**

Value for the purpose of settlement of any claim in respect of Jewelry/Ornaments under this Policy shall be as per 100% (one hundred percent) value recorded in the Register of the Bank at the time of pledging Jewelry or ornaments.