

BANKER'S INDEMNITY - LAGHU UDYAM

PROSPECTUS

The Banks/ Financial Institutions carry a heavy financial risk in their day to day operation. For this purpose, USGIC brings to the Banking institutions a unique comprehensive policy called "Banker's Indemnity – Laghu Udyam"

This policy is for enterprises where the total value at risk across all insurable asset classes at one location exceeds ₹ 5 Crore (Rupees Five Crore) but does not exceed ₹50 Crore (Rupees Fifty Crore) at the policy commencement date.

The cover is targeted at the following category of Banks/Financial Institutions:-

- A Banking company as defined in Section 5 of the Banking Regulations Act, 1949;
- A corresponding new Bank constituted by the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970.
- The State Bank of India constituted by State Bank of India Act, 1955;
- Associate Bank as defined in Section 2 of the State Bank of India (Subsidiary Banks) Act, 1959;
- Co-operative Banks as defined in Section 56(a) of the Banking Regulation Act 1949;
- Regional Rural Banks established under Section 3(1) of the Regional Rural Banks Act (21 of 1976) and
- Any Bank established under a Land Mortgage Bank Act or Land Development Bank Act of any State.
- Any Other Bank/Financial Institution which has been established and is functioning under the Guidelines of RBI but excluding any NBFC.

SUMMARY OF SCOPE OF THE COVER:

It is a Package policy providing coverage under the following Sections.

- I. Loss of Money and Securities
 - On premises
 - In Transit
 - Due to Forgery or Alteration
 - Due to Dishonesty of employees
 - To Hypothecated goods
 - To Registered Postal Sending
 - Due to Appraisers
 - Janata Agents, Choti Bachat Yojana agents and Pygmy agents
 - Exposure at ATM's
 - Exposures in Internet Banking
- II. Fire and Allied Perils-Building & Contents
- III. Burglary and Robbery –Contents (excluding Money)
- IV. Plate Glass and Neon Sign Board
- V. Electronic Equipment
- VI. Personal Accident for employees of the Bank
- VII. Public Liability

SALIENT EXCLUSIONS:

Section 1

- 1 Loss resulting wholly or partially from the negligent act or omission of Your Employee except whilst in Transit.
- 2 Loss resulting wholly or partially from the wrongful act or default of any of Your Directors or Partners other than the salaried one.
- 3 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.
- 4 Loss resulting directly or indirectly from trading actual or fictitious.
- 5 Losses due to any acts or omissions committed by the concerned Employee(s) after the discovery of a loss in which the said Employee was involved.
- 6 Terrorism

Section 2:

1.
 - i. Excess of 5 % of each claim, subject to a minimum of ₹ 10,000 (Rupees Ten Thousand). This means that We will deduct 5 % of each claim, subject to a minimum of ₹ 10,000 (Rupees Ten Thousand) for each and every loss suffered by You under the terms of this policy.
 - ii. For terrorism risk the excess shall be as per the clause attached to this policy.
- 2 Your deliberate, wilful or intentional act or omission, or of anyone on Your behalf, or with Your connivance.
- 3 Loss, damage or destruction to any electrical/electronic machine, apparatus, fixture, or fitting by over-running, excessive pressure, short circuiting, arcing, self-heating or leakage of electricity from whatever cause (lightning included). This exclusion applies only to the particular machine so lost, damaged or destroyed. However, any ensuing loss or damage to other insured property due to operation of an insured peril is covered.
- 4 Loss, destruction or damage to the stocks in cold storage premises caused by change of temperature.
- 5 Loss, or damage by spoilage resulting from the retardation or interruption or cessation of any process or operation caused by operation of any of the Insured Events.
- 6 Your Premises or any Insured Building remaining continuously unoccupied for a period of more than 30 days, unless You have obtained prior written approval from Us and such approval is recorded as an endorsement on the Policy.
- 7 War, invasion, act of foreign enemy hostilities or war-like operations (whether war is declared or not), civil war, mutiny, civil commotion amounting to a popular rising, military rising, rebellion, revolution, insurrection or military or usurped power.
- 8 Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from combustion of nuclear fuel, or the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component that is part of it.
- 9 Pollution or contamination, unless
 - i the pollution or contamination itself has resulted from an Insured Event, in which case only physical damage to the Insured Property is covered, or
 - ii an Insured Event itself results from pollution or contamination.
- 10 Loss, destruction or damage to bullion or unset precious stones, any curios or works of art unless such

amount is declared separately and recorded in the Policy Schedule.

11. Loss of any Insured Property which is missing or has been mislaid, or its disappearance cannot be linked to any single identifiable Insured Event.
12. Loss or damage to any Insured Property removed from Your Premises to any other place, except
 - i. machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding 60 days,
 - ii. Stock covered under **Clause (C) (4.2)** of this Policy.
13. Any reduction in market value of any Insured Property after its repair or reinstatement.
14. Loss or damage to any Insured Property or any claim which is covered by a marine policy in force at the time of loss or damage, except in excess of the limits of that policy.
15. Any consequential or indirect loss or damage of any description, i.e. losses or extra costs (financial or non-financial) that follow or are a consequence of an Insured Event, like, loss by delay, loss of income or wages or earnings, or of market, or of time, medical expenses, or any costs not covered by this Policy.
16. Costs, fees or expenses for preparing any claim.

Section 3

1. Valuables and cash in safe, till/counter or in transit.
2. Loss or damage of motor vehicles, trailers.
1. Loss or damage in which You, Your Employees or any other person lawfully on Your premises is or is alleged to be in any way concerned or implicated in the actual theft or damage.

Section 4:

1. Breakage or damage during removal, alteration and repairs carried out at Your premises.
2. Scratching other than the fracture extending through the entire thickness of Plate Glass
3. Damage or breakage to Plate Glass or Neon Signs, Glow Signs which are not securely fixed.
4. Loss due to wear and tear, deterioration, overheating or strain.

Section 5:

1. Damage due to faults/defects existing at the commencement of this insurance.
2. Damage due to continuous influence of operation (e.g. wear and tear, cavitation, erosion, corrosion, incrustation) gradual deterioration and climatic condition.
3. Any cost incurred in connection with elimination of functional failures unless such failures were caused by Damage covered.

Section 6:

Payment of compensation in respect of death or injury as a consequence of or resulting in

1. natural death
2. committing or attempting suicide, intentional self-injury.
3. whilst under influence of intoxicating liquor.
4. drug addiction or alcoholism.
5. whilst engaged in any adventurous sports and/or hazardous activities.
6. committing any breach of law with criminal intent.

Section 7:

1. Any liability arising out of a contractual obligation.
2. Any Liability arising out of wilful or intentional non-compliance of any statutory regulations.
3. Any bodily injury of any person under a contract of employment with You, Your contractors or sub-contractors arising out of and in the course of employment.

The coverage under Sections I, II, III, IV and V are subject to separate excess. An excess represents the amount of each claim which the insured has to bear.

Grievance

If You have any grievance about any matter relating to the policy, or Our decision on any matter, or Our decision about Your claim, You can pursue Your grievance with

1. Our Grievance Redressal Officer

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

Grievance cell,

Universal Sampo General Insurance Co. Ltd. Unit No.601 & 602, 6th floor, Reliable Tech Park, Thane Belapur Road, Airoli, Navi Mumbai – 400708

If you have a grievance that you wish us to redress, you may contact us with the details of your grievance through:

- Emails – grievance@universalsompo.com
- Designated Grievance Officer in each branch.
- Company Website – www.universalsompo.com

2. The Consumer Affairs Department of IRDAI—You can register Your grievance on IRDAI's Integrated Grievance Management System (IGMS),
3. The Insurance Ombudsman, depending on the nature of grievance and the financial implication, if any, or
4. The Consumer Protection Forum or the Court.
5. You can find more details about Insurance Ombudsmen at <https://www.cioins.co.in/ombudsman> or www.irdai.gov.in.

Contact Details:

- **Website** : www.universalsompo.com
- **Toll free** : Toll Free Numbers: 1800 - 224030 (For MTNL/BSNL Users) or 1800 – 2004030
- **E-mail** : contactus@universalsompo.com
- **Courier** : Universal Sampo General Insurance Co. Ltd. Unit No.601 & 602, 6th floor, Reliable Tech Park, Thane Belapur Road, Airoli, Navi Mumbai - 400708

INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

ANY PERSON MAKING DEFAULT IN COMPLYING WITH THE PROVISIONS OF THIS SECTION SHALL BE PUNISHABLE WITH FINE WHICH MAY EXTEND TO TEN LAKHS RUPEES.

Disclaimer: In the event of any question relating to interpretation of the insurance coverage, the policy document will prevail.