



general insurance

BHARTI AXA GENERAL INSURANCE COMPANY LIMITED

First Floor, The Ferns Icon, Survey No. 28, Next to Akme Ballet, Doddanekundi, Off Outer Ring Road, Bangalore- 560037.

Toll Free Helpline: 1800-103-2292 **E-mail:** customer.service@bharti-axagi.co.in **SMS** <SERVICE> to 5667700

Website: www.bharti-axagi.co.in

POLICY WORDINGS

FIDELITY GUARANTEE INSURANCE POLICY

PREAMBLE:

WHEREAS the Insured designated in the Schedule to this Policy having by a proposal and declaration together with any statement, report or other document which shall be the basis of this contract and shall be deemed to be incorporated herein, has applied to Bharti AXA General Insurance Company Limited (hereinafter called “the Company”) for the insurance hereinafter set forth and paid appropriate premium for the period as specified in the Schedule.

OPERATIVE CLAUSE:

Now, this Policy witnesseth that subject to the terms provisions, exceptions, conditions and definitions contained herein or endorsed or otherwise expressed hereon, the Company agrees to indemnify the Insured against a direct pecuniary loss sustained by reason of any act of fraud/dishonesty committed on or after the date of commencement of this Policy and during uninterrupted service with the Insured and discovered during the continuance of this Policy or within twelve calendar months of the expiration thereof and in the case of death, dismissal or retirement of the Employee within twelve calendar months of such death, dismissal or retirement whichever of these events shall first happen.

PROVIDED ALWAYS THAT

- i. The liability of the Company shall not exceed in respect of:
 - a) any Employee the Sum Insured stated against his name or as declared herein;
 - b) all claims under this Policy, the total Sum Insured.
- ii. If this Policy shall be continued in force for more than one period of indemnity or if any liability shall exist on the part of the Company under this Policy and also under any other policy in respect of fraud or dishonesty of the Employee the liability of the Company hereunder shall not be accumulated or increased thereby but the aggregate liability of the Company during any number of periods of indemnity and for any number of acts of fraud or dishonesty committed by the Employee shall not exceed the Sum Insured hereunder or the sum insured under any other such policy as aforesaid whichever is greater.
- iii. The Company shall not be liable to pay more than one claim in respect of the acts of any one Employee.

EXCLUSIONS

This Policy does not cover any loss if:

- 1. Arising out of suppression of fact affecting the risk at the time of effecting the Policy

2. There is any change in the circumstances or conditions of the said employment without the consent of the Company. E.g. When there has been any change in the agreed system of check of accounting precautions without the Insurer's prior consent
3. There is more than one claim in respect of any one Employee.
4. Loss arises outside India.
5. The loss is due to non-observance or relaxation of system of checks and precautions.
6. The loss is by an act committed subsequent to an earlier act of dishonesty/fraud and which had come to the notice of the Insured / Insured's representative/supervisor.
7. Discovered more than 12 months after the termination either of the guarantee or of the service of employee concerned.
8. Losses such as stock taking shortages, trading losses, not caused by fraud or dishonesty.
9. **Terrorism Damage Exclusion Warranty:**

Notwithstanding any provision to the contrary within this insurance it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force of violence and/or the 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), committed for political, religious, ideological or similar purpose including the intention to influence any government and/or to put the public, or any section of the public in fear.

The warranty also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to action taken in respect of any act of terrorism.

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expenses is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

DEFINITIONS

1. The term "Insured" wherever appearing in this Policy means any person, partnership firm or body of persons whether incorporated or not with whom Employee who is included in the Schedule attached hereto has a contract of service.
2. The term "Employee" wherever appearing in this Policy means any person (other than a person whose employment is of a casual nature and who is employed otherwise than for the purposes of the Insured's trade or business) who has entered into a contract of employment with Insured whether such contract of employment is expressed or implied, oral or in writing.

CONDITIONS

The Policy and the Schedule shall be read together and any word or expression to which a specific meaning has been attached in any part of the Policy or of the Schedule shall bear such meaning wherever it may appear.

1. On the discovery of any act of default or circumstances which may give rise to a claim, the Insured shall forthwith:
 - a) give written notice to the Policy issuing office of the Company;
 - b) take all steps to prevent further loss;
 - c) supply at the request of and free of expense to the Company all such proof, information and other evidence (verified by statutory declaration if so required) relating to the claim as the Company may require.

2. If the Insured is or shall hereafter be guaranteed by any other person, society or company or hold other security or insurance against such loss as is hereby guaranteed, the Company shall only be liable to bear the loss rateable with such person, society or company or securities or insurance.
3. Any money of the Employee in the hands of Insured and any money which but for the Employee's dishonesty would have been due to the Employee from the Insured shall be deducted from the amount otherwise payable under this Policy. Any money recovered after the settlement of any claim shall be the property of the Company not exceeding, however, the amount paid by the Company.
4. The Insured shall when required by the Company but at the expense of the Company, use all diligence in prosecuting any of the Employees to conviction for any act which such Employee shall have committed and in consequence of which a claim is made under the Policy and shall at the Company's expense give all information and assistance to enable the Company to sue for and obtain reimbursement from any such Employee by reason of whose acts or defaults a claim has been made or by the estate of such Employee of money which the Company shall have become liable to pay in respect thereof.
5. Unless the Company be advised and its written approval be obtained the Company shall not be liable hereunder in the event of any change in the nature of the business of the Insured or in the duties and conditions of service of the Employee or if remuneration of the Employee be reduced or its basis altered or if the precautions stated by the Insured with regard to accounting be not duly followed or if the Insured shall continue to entrust the Employee with money or goods after having knowledge of any material fact bearing on the honesty of the Employee.
6. If any part of the premium or renewal is based on estimates furnished by the Insured, the Insured shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record. The Insured shall within one month after the expiry of each period of insurance furnish such information as the Company may require. The premium or renewal premium shall thereupon be adjusted and the difference paid or allowed to the Insured.
7. If required by the Company, the agent of the Company shall in case of any loss to the Insured be permitted at all reasonable times to examine into the circumstances of such loss and the Insured shall on being required so to do by the Company produce all books of accounts, receipts, documents relating to or containing entries relating to the loss in his possession and furnish copies of or extracts from such of them as may be required by the Company so far as they relate to such claims or will in any way enable the Company to ascertain the correctness thereof or the liability of the Company under the Policy.
8. This Policy shall be null and void in the event of misrepresentation misdescription or non-disclosure in any material particular or if a claim be fraudulent or any fraudulent means or device be used by the Insured or any one acting on his behalf to obtain any benefit under this Policy.
9. The Company shall be entitled at its own expenses and for its own benefit in the name of the Insured to prosecute all claims and exercise all rights of action available competent to the Insured against the Employee in respect of any act insured against in connection with which it may have made payment under this Policy and the Insured shall give to the Company all such information and assistance as may be reasonably required for maintaining such claims or rights.
10. The Company may but without prejudice to the rights of the Insured in respect of claims of which notice shall have to be given to the Company cancel this Policy by sending fifteen days notice by registered letter to the Insured at his last known address and in such event will return to the Insured the premium less the pro-rata portion thereof for the period the Policy has been in force or the Policy may be cancelled at any time by the Insured on fifteen days notice (provided that no claim has arisen during the then current period of insurance) and the Insured shall be entitled to returning of the premium less premium at the Company's short period rates for the time the Policy has been in force.
11. The Company shall not be bound to accept any renewal premium or to give notice that such is due. Every renewal premium which shall be paid and accepted in respect of this Policy shall be so paid and accepted upon the distinct understanding that no alteration has taken place in the facts contained in the proposal or declaration herein before mentioned and that nothing is known to the Insured that may result to enhance the risk of the Company under the guarantee hereby given. No renewal receipt shall be valid unless it is on the printed form of the Company and signed by the authorised official of the Company.

12. For the purpose of identifying an Employee in all cases of change of residence or occupation or change of name whether by marriage or otherwise due notice thereof in writing shall be given by the Insured to the Company.
13. The Company shall not be bound to give notice or be affected by any notice of any trust charge lien, assignment or other dealing with or relating to any contract of insurance but the receipt of the Insured or his legal personal representative shall in all cases be an effectual discharge to the Company.
14. Any of the circumstances in relation to these conditions coming to the knowledge of any official of the Company shall not be construed as notice to or be held to bind or prejudicially affect the Company notwithstanding subsequent acceptance of any premium.
15. 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 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 the Policy that the award by such arbitrator/arbitrators of the amount of the loss or damage shall be first obtained.
16. It is also hereby further expressly agreed and declared that if the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not, within 12 calendar months from the date of such disclaimer have been made the subject matter of a suit in a Court of law, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
17. **OBSERVANCE OF TERMS AND CONDITIONS:** The due observance and fulfillment of the terms, conditions and endorsement of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the proposal shall be a condition precedent to any liability of the Company to make any payment under this Policy.

Insurance is the subject matter of the solicitation.



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