

## BUSINESS GUARD - COMMERCIAL

### Employee Fidelity Rider

Attached to and forming part of Business Guard-Commercial Policy No. \_\_\_\_\_

Notwithstanding anything contained in the Policy or any of its Endorsements or Riders hereto, it is agreed and declared that in consideration of the full agreed premium being paid by the Insured to the Company the following Coverage Section is included under the Policy effective the date stated herein. Subject always to the terms and provisions including the General Conditions and General Exclusions of the Policy and all endorsements thereon.

#### **COVERAGE SECTION F (Employee Fidelity)**

the Insured shall sustain Direct Financial Loss

#### **CONDITIONS**

1. The liability of the Company shall in no case exceed
  - (i) in respect of each Employed during the Period of Insurance, the Amount of Guarantee stated herein and
  - (ii) in respect of more than one Employed acting in collusion, the maximum amount stated for Any One Occurrence defined as one loss or a series of losses arising out of one or more acts of Fraud or Dishonesty committed by one or more such Employed during the Period of Insurance and
  - (iii) the amount remaining after deduction, from the amount stated herein as the Annual Aggregate Limit of Indemnity, for all other losses occurring during the same Period of Insurance. The Annual Aggregate Limit of Indemnity is defined as the maximum liability of the Company in respect of all losses from all occurrences during the Period of Insurance.
2. The Company shall not be liable to make any payment hereunder should there be any breach of any of the Warranties stated herein.
3. The Company shall not be liable to make any payment hereunder if the nature of the Business of the Insured or the duties or conditions of service of any of the Employed shall be changed or the remuneration of any of the Employed reduced without the sanction of the Company or if the precautions and checks for securing accuracy of the accounts mentioned in the Proposal and correspondence relative thereto shall not be duly observed.
4. 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 Employed 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 Employed shall not exceed the Amount of Guarantee set against the name of such Employed in the Schedule or the amount guaranteed under any other such Policy as aforesaid whichever is the greater.
5. No amount shall be payable under this Policy in respect of any Employed by reason of any act committed after knowledge of any act of fraud or dishonesty on the part of the Employed or reasonable cause for suspicion thereof or any improper conduct shall have come to the Insured or of any representative of the Insured to whom is entrusted the duty of superintendence over any of the Employed.

UIN no. – TAG-OT-P15-35-V02-14-15

CIN no. – U85110MH2000PLC 128425

Registered Office: Peninsula Business Park, Tower A, 15<sup>th</sup> Floor, G.K. Marg, Lower Parel, Mumbai – 400013

6. The Company shall not be liable to pay more than one claim in respect of any of the Employed.
7. Any monies of any of the Employed in respect of whom a claim is made in the hands of the Insured and any monies which but for any act of fraud or dishonesty committed by such one of the Employed would have been due to that Employed from the Insured shall be deducted from the amount of the loss before a claim is made under this Policy. The Insured and the Company shall share any other recovery (excluding insurance and reinsurance and any counter security taken by the Company) made by either on account of any loss in the proportions that the amount of the loss borne by each bears to the total amount of the loss.
8. The Company may at any time determine and cancel this Policy in respect of any person or persons specified in the Schedule hereof by registered letter to the Insured at his place of business last known to the Company provided that the Company shall in that event on demand return to the Insured a proportionate part of the premium corresponding to the unexpired term of the Policy in respect of such person(s).
9. The Company shall not be bound to notice or be affected by any notice of any trust charge or alienation relating to any payment under this Policy but the receipt of the Insured or his legal personal representatives shall in any event be effectual discharge for the Company of its liabilities under the Policy.

**PERILS SPECIFIED**

All such Direct Financial Loss as the Insured shall sustain by all acts of Fraud or Dishonesty committed by any of the Employed

- (a) during the Period of Indemnity and
- (b) during the uninterrupted continuance of employment of such Employed and
- (c) in connection with his occupation and discovered during the Period of Indemnity or within six months thereafter or within six months after the termination of such employment whichever shall happen first.

**Definitions**

Employed	Employed shall mean either <ul style="list-style-type: none"><li>- any employee named herein of the Insured</li><li>or</li><li>- all employees of the Insured occupying a position named herein.</li></ul> Employee shall mean any person who has entered into a express contract of employment (other than employment of a temporary or casual nature) with the Insured. Employee shall not include any person with a proprietary or partnership interest of any nature in the Business of the Insured.
Period of Indemnity	Period of Indemnity shall mean <ul style="list-style-type: none"><li>- in respect of named employees the dates stated herein as the Period of Insurance or in any subsequent amendatory endorsement thereto.</li><li>- in respect of named positions from the date upon which the employee is engaged by the Insured in the position guaranteed up to the date of expiry of the Policy.</li><li>- any subsequent period for which the Insured shall pay and the Company shall agree to accept the renewal Premium.</li></ul>
Direct Financial Loss	Direct Financial Loss shall mean the loss of monies and or stock at prime cost belonging to the Insured proved to have been criminally misappropriated and disposed of by the Employed excluding any consequential loss of any kind.
Fraud or Dishonesty	Fraud or Dishonesty shall mean the act of stealing misappropriation embezzlement or fraudulent conversion on the part of the Employed.

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