

Corrigendum-1 to GeM Bid ref. no. GEM/2024/B/4519238 dated 24/01/2024 for Selection of Insurer for Commercial Crime Insurance Policy coverage for the period of one year from 01/04/2024 to 31/03/2025

It is decided to amend the following in respect of the above GeM bid:

Sl. No.	Section/Annexure/ Appendix of GeM Bid	Clause No.	Amended Clause
a.	GeM bid document ref. no. GEM/2024/B/4519238 dated 24/01/2024	Annexure-7 Scope of Work	Amended Annexure-7 Scope of Work

All the other instructions and terms & conditions of the above GeM Bid shall remain unchanged.

Please take note of the above amendments while submitting your response to the subject GeM bid.

Date: 25/01/2024
Place: Bengaluru


Deputy General Manager

Annexure-7

of one year from 01/04/2024 to 31/03/2025

Ref: GEM/2024/B/4519238 dated 24/01/2024.

Limit required/Sum Assured value is Rs.60,00,00,000/- (Rupees Sixty Crores only) with Nil deductible. All points mentioned in scope of work are mandatory to comply. Non-compliance to any of the point mentioned in scope of work makes the bid liable for rejection.

Contingencies envisaged under the scope including but not limited to the following:

1. Coverage should include all Electronic Banking Transactions (Domestic and International) on account of suspicious / fraudulent activities.
2. If the customers' mobile phone / laptop / other device being used for Electronic Banking Transactions, is stolen or compromised due to malware/breach or the customer is suffering a financial loss on account of losing his / her credentials due to malware/breach etc. such transactions shall stand covered.
3. Cover for Infidelity of the employees causing loss to Bank or loss to customer for which the Bank becomes liable
4. Third party fraud - fraud caused by any other party other than the bank's employees.
5. Cover for loss for which bank is legally liable, where fraud is established, and Bank decides to reimburse the customer.
6. ATM Shift Liability claims-liability for ATM transactions due to skimming/counterfeiting of cards of customers other than Canara bank.
7. Any loss as per insuring clauses of the policy where bank is liable and advisory/awards against the Bank are issued by Banking Ombudsman/Regulatory Bodies/Court/Others with respect to Electronic Banking Transactions.
8. Counterfeiting of cards: Any liability which the bank has towards a customer of the Bank for ATM card skimming done through the bank's ATMs/Cash recyclers/Cash deposit machines or any other related fraudulent activities including but not limited to ATM Jackpotting, establishing such legal liability against the bank.
9. Fraudulently taking cash by use of genuine/fraudulent/skimmed/cloned ATM/Debit/Credit/Prepaid/Any other Card from ATM/BNA/Cash-Recyclers by switching-off/tampering the ATM, BNA, Cash-Recyclers, any other Cash holding/dispensing machine implemented by Bank and loss suffered by the Bank.
10. Fraud done by the outsourced vendor/service provider by modifying/tampering data (electronic/written/otherwise) for which loss suffered by the Bank.
11. Acting with the fraudulent intent by the authorized/unauthorized card holders using genuine/tampered/skimmed/otherwise card (Debit/Credit/Prepaid/any other payment card) or any other payment device and causing loss to the Bank.

12. Any other event by the use of Card (Debit/Credit/Prepaid/any other payment card) or any other payment device using any electronic transactions/physical withdrawal of cash from ATM, BNA, Cash-Recyclers, any other Cash holding/dispensing machine implemented by Bank and causing loss to Bank.
13. Loss to the Bank due to either direct financial or legal liability arising out of Network failure or any other technical difficulties resulting in claim from Debit and Credit Card Holders of Bank and/or other Banks
14. Loss to the Bank due to directives of Banking Ombudsman to indemnify customers.
15. Coverage for losses arising out of CBDC, API Banking channels and AePS exposures

Insurance Cover

Insured	Canara Bank
Territory/Jurisdiction	Worldwide including USA/Canada

A. Limit of Liability under the Policy

Overall limit - INR 60 Crores

B. Limits of Digital/ Electronic Transactions as categorized and currently practiced by the Bank.

Type of transaction	Limit* (in INR)
UPI	Up to 5 lakhs per transaction
Mobile Banking	up to 15 lakhs per transaction
Internet Banking Retail	up to 1 Crore per transaction
Internet Banking Corporate	up to 50 crores per transaction
Other Bank card used at Canara Bank ATM (liability shift)	10,000 per transaction

*Subject to change in limits by Regulators or as deemed appropriate by the Bank

* Please note that the above are shared for an understanding of the current practices and not intended to have any bearing on the Limit of Liability/claim admissibility under the Policy

C. Terms & Conditions

Parameters	Limits/ Covers	Bidder's Consent
Limits of Liability	INR 60 Crores in the aggregate	
Deductible	NIL	
Coverage Particulars including but not limited to		
Coverage for Employee Theft and Infidelity leading to a loss to Third Party	Policy limit	
Coverage for Employee Theft and Infidelity in collusion with a Third Party	Policy limit	
Coverage for Third Party Fraud	Policy limit	
Coverage for Electronic Fraud	Policy limit	



Parameters	Limits/ Covers	Bidder's Consent
Coverage for Identity Theft	Policy limit	
Coverage for Erroneous Transfer	Policy limit	
Coverage for Counterfeiting (including using skimming or any other methods) of cards of customer of the Bank in excess of any other policy covering the same	Policy limit	
Coverage for Interest receivable & Payable	Policy limit	
Coverage for Fees, Cost and expenses (Legal fees, use of investigation specialist, reconstitution costs and Audit fees)	Policy limit	
Coverage for Fund transfer / Payments fraud	Policy limit	
Coverage for losses due to Phishing/Vishing/Remote Administration Tools/ Smishing	Policy limit	
Coverage for Social engineering cover/Fake president/Impersonation fraud leading to a loss to the Bank	Policy limit	
Coverage for E- Communication loss when there is a legal liability on the Bank	Policy limit	
Cover for loss to Clients and Customers arising from an error/breach in Bank's Mobile / Internet Banking / UPI system	Policy limit	
Cover for Errors & Omissions	Policy limit	
All other terms & conditions as per policy wordings.		
EXCLUSIONS	As per Policy wordings enclosed.	

Points to be noted:

- Detailed policy wordings are attached as an annexure to the Scope of Work.
- Bidder/s are advised to refer the same for better understanding of the covers. The Bidder/s need to ensure that the wordings have been understood vis-à-vis the terms, conditions & scope of the Commercial Crime Insurance Policy as detailed in the RFP. In the event of difference in understanding of such terms, Bank's view will prevail.
- Latest available status of Claims details under the current policy will be furnished upon specific request.

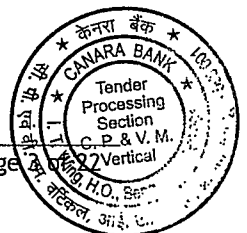
We hereby confirm our acceptance to all the requirements and specifications as detailed above

Date:

Signature with seal

Name:

Designation:



Appendix to the Annexure-7: Scope of Work

Policy Wordings to be Agreed

Item 1. Name and address of parent bank: Canara Bank, Centralized Procurement & Vendor Management Vertical, 1st Floor, IT Wing, Naveen Complex, 14 MG Road, Bengaluru - 560 001

Item 2. Policy period: Inception date: April 01st, 2024
Expiration date: March 31st, 2025

Item 3. A) Limit of liability INR - 60 Crores per claim and in the aggregate each policy period

B) Territory/ Jurisdiction Worldwide including USA/Canada

Item 4. Limits of Digital/ Electronic Transactions as categorized and currently practiced by the Bank.

Type of transaction	Limit* (in INR)
UPI	Up to 5 lakhs per transaction
Mobile Banking	up to 15 lakhs per transaction
Internet Banking Retail	up to 1 Crore per transaction
Internet Banking Corporate	up to 50 crores per transaction
Other Bank card used at Canara Bank ATM (liability shift)	10,000 per transaction

*Subject to change in limits by Regulators or as deemed appropriate by the Bank.

* Please note that the above are shared for an understanding of the current practices and not intended to have any bearing on the Limit of Liability/claim admissibility under the Policy.

Item 5 Excess: NIL

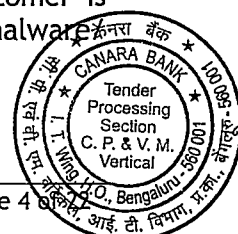
Item 6 Discovery Period

Length of *discovery period*: 90 days for free

Premium for *discovery period*: 100% of expiring premium

Contingencies envisaged under the scope including but not limited to the following:

- Coverage should include all Electronic Banking Transactions (Domestic and International) on account of suspicious / fraudulent activities.
- If the customers' mobile phone / laptop / other device being used for Electronic Banking Transactions, is stolen or compromised due to malware/breach or the customer is suffering a financial loss on account of losing his / her credentials due to malware breach etc. such transactions shall stand covered.

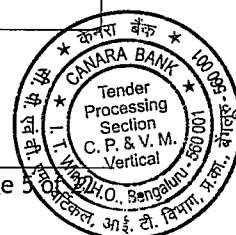




3. Cover for Infidelity of the employees causing loss to Bank or loss to customer for which the Bank becomes liable
4. Third party fraud - fraud caused by any other party other than the bank's employees.
5. Cover for loss for which bank is legally liable, where fraud is established, and Bank decides to reimburse the customer.
6. ATM Shift Liability claims - liability for ATM transactions due to skimming/counterfeiting of cards of customers other than Canara bank.
7. Any loss as per insuring clauses of the policy where bank is liable and advisory/awards against the Bank are issued by Banking Ombudsman/Regulatory Bodies/Court/Others with respect to Electronic Banking Transactions.
8. Counterfeiting of cards: Any liability which the bank has towards a customer of the Bank for ATM card skimming done through the bank's ATMs/Cash recyclers/Cash deposit machines or any other related fraudulent activities including but not limited to ATM Jackpotting, establishing such legal liability against the bank.
9. Fraudulently taking cash by use of genuine/fraudulent/skimmed/cloned ATM/Debit/Credit/Prepaid/Any other Card from ATM/BNA/Cash-Recyclers by switching-off/tampering the ATM, BNA, Cash-Recyclers, any other Cash holding/dispensing machine implemented by Bank and loss suffered by the Bank.
10. Fraud done by the outsourced vendor/service provider by modifying/tampering data (electronic/written/otherwise) for which loss suffered by the Bank.
11. Acting with the fraudulent intent by the authorized/unauthorized card holders using genuine/tampered/skimmed/otherwise card (Debit/Credit/Prepaid/any other payment card) or any other payment device and causing loss to the Bank.
12. Any other event by the use of Card (Debit/Credit/Prepaid/any other payment card) or any other payment device using any electronic transactions/physical withdrawal of cash from ATM, BNA, Cash-Recyclers, any other Cash holding/dispensing machine implemented by Bank and causing loss to Bank.
13. Loss to the Bank due to either direct financial or legal liability arising out of Network failure or any other technical difficulties resulting in claim from Debit and Credit Card Holders of Bank and/or other Banks
14. Loss to the Bank due to directives of Banking Ombudsman to indemnify customers.
15. Coverage for losses arising out of CBDC, API Banking channels and AePS exposures

D. Terms & Conditions

Parameters	Limits/ Covers
Limits of Liability	INR 60 Crores in the aggregate
Deductible	NIL
Coverage Particulars including but not limited to:	
Coverage for Employee Theft and Infidelity leading to a loss to Third Party	Policy limit
Coverage for Employee Theft and Infidelity in collusion with a Third Party	Policy limit
Coverage for Third Party Fraud	Policy limit



Parameters	Limits/ Covers
Coverage for Electronic Fraud	Policy limit
Coverage for Identity Theft	Policy limit
Coverage for Erroneous Transfer	Policy limit
Coverage for Counterfeiting (including using skimming or any other methods) of cards of customer of the Bank in excess of any other policy covering the same	Policy limit
Coverage for Interest receivable & Payable	Policy limit
Coverage for Fees, Cost and expenses (Legal fees, use of investigation specialist, reconstitution costs and Audit fees)	Policy limit
Coverage for Fund transfer / Payments fraud	Policy limit
Coverage for losses due to Phishing/Vishing/Remote Administration Tools/ Smishing	Policy limit
Coverage for Social engineering cover/Fake president/Impersonation fraud leading to a loss to the Bank	Policy limit
Coverage for E- Communication loss when there is a legal liability on the Bank	Policy limit
Cover for loss to Clients and Customers arising from an error/breach in Bank's Mobile / Internet Banking / UPI system	Policy limit
Cover for Errors & Omissions	Policy limit



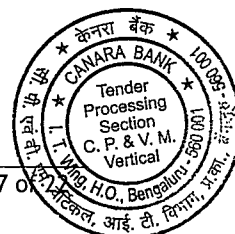
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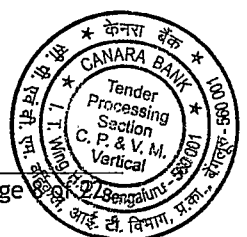
DEFINITIONS

The following definitions are applicable to all sections of this policy:

- A1 "Authenticated communication" means authenticated (whether as to sender and/or content) electronic or telephonic communication authorizing, directing or acknowledging the transfer, payment, delivery or receipt of funds or property.
- A2 "*Change of control*" means any one of the following events:
- a) the *parent bank* consolidates with or merges into or sells all or a majority of its assets to any other person or entity or group of persons and/or entities acting in concert;
 - b) any person or entity, whether individually or together with any other person or persons, entity or entities becomes entitled to exercise more than 50% of the rights to vote at general meetings of the *parent bank* or control the appointment of directors who are able to exercise a majority of votes at meetings of the board of directors of the *parent bank*;
 - c) the appointment of a receiver, liquidator or administrator in respect of the *bank*, but only in relation to that *bank*; or
 - d) a *bank* becomes a subsidiary of an entity not insured by this policy or becomes controlled by another entity by virtue of any law.
- A3 "*bank*" means the *parent bank* or a *subsidiary* or *plan*.
- A4 "*customer*" means a corporate or a retail *customer* of the *bank*
- A5 "*Corporate identity fraud*" means the fraudulent modification, corruption, or theft of data relating to the *bank's* formation and genuine identity, which data:
- a) are used to publicly document, authenticate or prove the existence and good standing of the entity; or
 - b) may be relied upon by investors, computer systems, vendors, credit reporting authorities and others in assessing and establishing the bank's credit ratings and/or good standing.

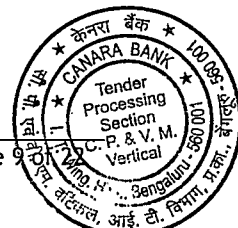


- A6 "**counterfeit**" means the imitation of any instrument which, the **bank** or a **financial organization** believes is the authentic original instrument.
- A7 "**discovered**" or "**discovery**" means when a **responsible person** first has knowledge of any act, omission or event which could reasonably be foreseen to give rise to a **loss** or **corporate identity fraud** covered by this policy, even though the exact amount or details of that **loss, corporate identity fraud**, act, omission or event are not known at the time of **discovery**. **Discovery** shall constitute discovery by every bank.
- A8 "**discovery period**" means the period immediately following expiry of the **policy period** during which written notice may be given to the **insurer** of any **loss discovered** during that period of time for any **loss** sustained prior to the end of the **policy period** and otherwise covered by this policy. Discovery period is for Ninety days (90 days)
- A9 "**electronic media**" means the media on which electronic data is stored or processed in a computer system or any electronic system capable of processing the same.
- A10 "**employee**" means any:
- natural person under a contract of employment (whether full time, part-time or temporary) with the bank;
 - natural person working under the direct control and supervision of the bank
 - director or officer of the bank when performing acts coming within the scope of the usual duties of an employee of the bank or while acting as a member of a committee duly elected or appointed by resolution of the board of directors of the bank to perform specific acts, as distinguished from general directorial acts, on behalf of the bank;
 - ex-employee, following the termination of their employment with the bank, other than when that termination is a result of a dishonest, fraudulent, malicious or criminal act;
 - bank or person authorized by a written contract with the bank to perform accounting, data processing of the cheques, payroll or computing services outsourced by the bank, whether or not the bank is able to identify that person by name. The term employee does not mean any independent broker, independent financial advisor, or any similar agent or independent representative remunerated on a sales or commission basis unless specifically agreed by the insurer and endorsed to this policy.
- A11 "**excess**" means the amount specified in item 4 of the Schedule.





- A12 "**financial organization**" means:
 (a) any bank, credit institution, financial institution, undertaking for collective investment in securities, investment firm or similar entity;
 (b) any entity or organization with which the bank has a written or electronic agreement for the provision of purchasing services, safekeeping, registration and entitlement records for the bank in connection with securities, or any regulated central securities depository or international central securities depository, or any regulated sub-custodian which that entity, organization or depository has entered into a written or electronic agreement for the provision of those services; or
 (c) any regulated stock exchange, commodities or mercantile exchange, futures or derivatives exchange, or clearing house, or any regulated trading facility, trading system or network providing services or functionality of a similar nature.
- A13 "**forged**" means bearing a forged signature of a person without the authority of that person and with the intent to deceive. A mechanically or electronically reproduced signature shall be treated the same as a handwritten signature. **Forged** does not include the signing of one's own name, in whole or in part, in any capacity.
- A14 "**Fraudulently altered**" means materially altered for a fraudulent purpose by any person other than the person who was authorized to prepare or sign the document.
- A15 "**Insurer**" means the selected bidder who underwrites an insurance risk
- A16 "**investment vehicle**" means any collective investment arrangement, the purpose of which is to enable those taking part in the arrangement to participate in or receive profits or income arising from the acquisition, holding, management or disposal of assets or sums paid out of such profits or income, and in which some or all of the persons who participate do not have day-to-day control over the management of the assets.
- A17 "**limit of liability**" means the amount specified in item 3 of the schedule.
- A18 "**loan**" means:
 a) all extensions of credit, whether authorized or unauthorized, by the bank and/or all transactions, whether authorized or unauthorized, creating a creditor or lessor relationship in favor of the bank including transactions by which the bank assumes an existing creditor or lessor relationship; or
 b) any note, account, agreement or other evidence of debt (including records evidencing a customer's debt and accounts receivable) assigned to, or discounted or acquired by, the bank including the purchase, discounting or acquisition of false or genuine accounts or invoices.
- A19 "**loss**" means direct financial loss suffered by the **bank**, or **its customers** or third parties. Loss also includes any liability against the **bank** towards its customers or third parties. **Loss** does not include **employee benefits** except those paid to an **employee** for a specific transaction in respect of which that **employee** committed a dishonest, fraudulent, malicious or criminal act.
- A20 "**parent bank**" means the entity named at item 1 of the Schedule.



A21 "**physical records**" means the books of account and records of the **parent bank**, **subsidiary** and **plans**.

A22 "**plan**" means:

- a) any pension, welfare benefit, share saver or share option or other plan maintained by the bank for the benefit of the past, present and/or future employees or their respective beneficiaries; or
- b) any charitable trust, fund or foundation with a social or cultural objective which was founded and is currently supported directly by the parent bank. or indirectly through a subsidiary.

A23 "**policy period**" means the period specified in item 2 of the Schedule.

A24 "**responsible person**" means any Executive Director, Head of Legal, Compliance Officer, Head of Audit, Risk Manager or Insurance Manager of the Bank, or equivalent position.

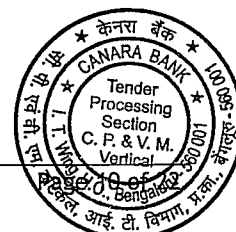
A25 "**subsidiary**" means any entity, other than an **investment vehicle**, in which the **parent bank** either directly or indirectly through one or more entities:

- a) controls the composition of the board of directors;
- b) controls more than half of the shareholder voting power; or
- c) holds more than half of the issued share capital,

on or before the inception date of this policy. Subsidiary shall include new subsidiaries for whom cover is provided in accordance with clause E1 and any new entity incorporated by the bank during the policy period, which, at the time of incorporation, satisfies the conditions in sub-paragraphs (a), (b) or (c) above.

A26 "**valuable property**" means the following items:

- means cash (i.e. currency, coins and Bank Notes), bullion, precious metals of all kinds and in whatsoever form and articles made therefrom, gems (including uncut gem stones), precious and semi-precious stones, certificates of stock, bonds, coupons and all other types of securities, bills of lading, warehouse receipts, cheques, bills of exchange, acceptances, drafts, certificates of deposit, letters of credit, promissory notes, money orders, orders upon public treasuries, stamps, insurance policies, title deeds, certificates of title and all other negotiable and non-negotiable instruments or contracts representing money or other property (real or personal) or interests therein, and other valuable papers, including books of accounts and other records used by the Bank in the conduct of their business, in which the Bank has an interest, or which are held by the Bank for any purpose or in any capacity and whether so held gratuitously or otherwise and whether legally liable for them or not
- credit, debit, charge, access, convenience, smart, identification or other cards similar in nature or effect
- electronic data which is stored or recorded upon electronic processing media





INSURING CLAUSES

B1 INFIDELITY OF EMPLOYEES

The insurer will indemnify the bank for **loss discovered** during the **policy period** which results directly from a dishonest, fraudulent, malicious or criminal act of any **employee**, wherever that act was committed and whether it was committed alone or in collusion with others.

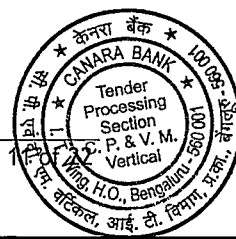
B2 THIRD PARTY FRAUD

The **insurer** will indemnify the **bank** for **loss discovered** during the **policy period** which results directly from a dishonest, fraudulent, malicious or criminal act of any third party other than an **employee**, wherever that act was committed and whether it was committed alone or in collusion with others.

B3 ELECTRONIC FRAUD

The insurer will indemnify the bank for **loss discovered** during the **policy period** which results directly from:

- (a) the bank, or a financial organization acting on its behalf, or a customer of the bank, having acted or relied upon any:
 - (i) electronic data that is dishonestly, fraudulently, maliciously or criminally inputted, modified, corrupted or deleted;
 - (ii) computer program that is dishonestly, fraudulently, maliciously or criminally prepared, created, inputted, modified, corrupted or deleted;
 - (iii) **authenticated communication** which:
 - (A) is dishonestly, fraudulently, maliciously or criminally prepared, created, inputted, modified, corrupted or deleted, or
 - (B) dishonestly, fraudulently, maliciously or criminally purports to be, but is not, from the bank, another office or department of the bank, or other financial organization;
- (b) any financial organization or customer of the bank having acted or relied upon any **authenticated communication** which dishonestly, fraudulently, maliciously or criminally purports to be, but is not, from the bank, another office or department of the bank, or any financial organization acting on its behalf; or
- (c) the dishonest, fraudulent, malicious or criminal introduction or activation of any computer or software code which causes:
 - (i) damage to or loss, destruction or modification of electronic data contained within any electronic media, or any computer or communications or payments system of the bank, or any financial organization, or customer of the bank acting on its behalf; or
 - (ii) damage to or destruction of electronic media, or any computer or communications or payments system of the bank.



B4 FEES AND EXPENSES

The insurer will indemnify the bank for fees, expenses including legal costs incurred during the policy period.

B5 IDENTITY THEFT

The insurer will indemnify the bank for *loss discovered* during the *policy period* which results directly from a dishonest, fraudulent, malicious or criminal act of any third party other than an employee wherever that act was committed and whether it was committed alone or in collusion with others, in which third party obtains personal information of customer of the bank including but not limited to credit, debit or payment card number, bank account number etc. and bank having acted or relied upon any communication which dishonestly, fraudulently, maliciously or criminally purports to be, but is not, from the customer of the bank.

AUTOMATIC EXTENSIONS

The insurer will indemnify the bank for *loss discovered* during the *policy period* resulting directly from:

C1 Erroneous Transfers:

The insurer will indemnify the bank for *loss discovered* during the *policy period* arising out of or attributable to mobile or internet banking system services provided by the bank, or organization acting on their behalf to its customers or third parties.

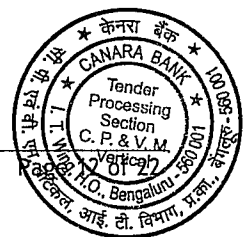
C2 Interest Receivable or Payable:

Cover is extended to include the amount of any interest which would have been receivable but for a *loss* covered under this policy, or which becomes payable by the Bank resulting directly from a *loss* covered under this policy provided that the insurers liability for such interest receivable or payable is that which is calculated by applying the average of Reserve Bank of India base rate in force between the time of sustaining such *loss* and the date of *discovery* of such *loss*.

EXCLUSIONS

The *insurer* will not be liable to make any payment for any *loss*, fee or expense which occurs due to:

- D1 Credit Risks:** arises out of, is based upon or is attributable to the complete or partial non-payment of or default upon any *loan*, unless that *loss* is covered under insuring clauses B1 or B2.
- D2 Directors and partners infidelity** arises out of, is based upon or is attributable to, in whole or in part, any dishonest, fraudulent, malicious or criminal act of any director or partner of the bank, except to the extent that the director is acting as an *employee*, within the meaning of clause A11(c).
- D3 Discovery** outside the *policy period* or outside the applicable *discovery period* or was *discovered* prior to the inception date of this policy.



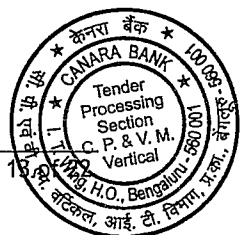


- D4 Fines, penalties or damages for fines penalties or damages of any type except direct compensatory damages arising out of a **loss** covered under this policy.
- D5 Indirect loss
- (a) is indirect or consequential except where covered under any of the insuring clause or automatic extensions extended under this policy
 - (b) represents loss or deprivation of income or profits (including interest and dividends), except for: (i) interest receivable; and
 - (c) arises out of, based upon or attributable to:
 - (d) business interruption or loss of computer time or use;
- D6 Kiting and cross firing arises out of, is based upon or is attributable to, directly or indirectly, payments or withdrawals involving items received by the **bank** which are not fully paid for any reason, unless that **loss** is covered under insuring clause B1 or B2, or extensions C2.
- D7 Property damage arises out of, is based upon or is attributable to, directly or indirectly, loss, damage or destruction:
- (a) of or to any premises, however caused, unless covered under insuring clause;
 - (b) of or to any property whatsoever by reason of wear, tear, gradual deterioration, moth or vermin.
 - (c) as a result of looting, or any act of God or nature; or
 - (d) arising out of, based upon or attributable to ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, or the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- D8 War and Terrorism in respect of insuring clause B4, arises out of is based upon or is attributable to, directly or indirectly, terrorism except where the **loss**, fees or expenses result directly from any actual or attempted burglary, robbery, hold-up, theft or larceny.
- D9 Major Shareholder arises out of, is based upon or is attributable to, directly or indirectly, from any items which are or purport to be involving any person who, at the time of committing an act which results in a **loss** covered by this policy, owns or controls more than 20% of the **insured's** issued share capital of any **insured**.

CHANGES IN RISK

E1 New subsidiaries

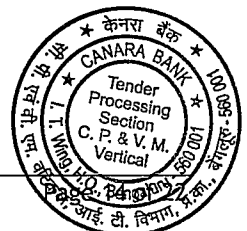
- A. The term **subsidiary** will include any entity, other than an **investment vehicle**, of which the **parent bank**, either directly or indirectly through one or more of its **subsidiaries**, acquires during the **policy period**:
- (i) control of the composition of the board of directors;
 - (ii) control of more than half of the shareholder voting power; or



- (iii) a holding of more than half of the issued share capital, provided that at the time of obtaining that control or holding, the acquired entity:
- (a) has total gross assets which are less than 25% of the total consolidated gross assets held by all **companies** as recorded in the latest audited financial statements of the **parent bank** prior to inception of this policy;
 - (b) has a total number of employees which is less than 25% of the total number of employees employed by all **companies** prior to inception; and
 - (c) has not had a **loss** of the type covered by this policy greater than the **excess** within the three years immediately preceding the acquisition.
- B. If a newly acquired entity fails to meet conditions in clause E1(a) (a), (b), and (c) above, the **insurer** will provide cover under this policy from the date of acquisition for sixty (60) days, during which time the **parent bank** shall give the **insurer** sufficient information to permit the **insurer** to assess and evaluate the **insurer's** potential increase in exposure. Following receipt of that information, the **insurer** may agree to extend the definition of **subsidiary** to include the newly acquired entity, subject to the amendment of the terms and conditions of this policy, including by charging a reasonable additional premium in respect of the newly acquired entity. The cover, if any, provided after the expiry of the sixty (60) day period shall be set out in an endorsement to this policy.

E2 Change in control

- (a) If, during the **policy period**, a **change of control** occurs with respect to a **bank**, the **insurer** shall not be liable for or make any payment or provide any services in connection with any **loss**, fee or expense incurred by that **bank** or any **subsidiary** of that **bank** arising out of, based upon or attributable to any act or omission occurring after the **change of control**.
- (b) The **parent bank** shall, as soon as practicable, give the **insurer** written notice of any **change of control** which takes place in respect of the **parent bank**.
- (c) Cover for any **loss**, fees or expenses suffered or incurred by any **subsidiary** or **plan** shall only apply in respect of **loss**, fees or expenses arising out of, based upon or attributable to any act or omission occurring while that entity is a **subsidiary** or plan.
- (d) Cover provided by this policy shall cease in respect of the acts of any **employee**, as soon as any **responsible person**, not in collusion with that **employee**, **discovers** the commission by the **employee** of any act or omission which could reasonably be foreseen to give rise to a **loss**, but without prejudice to the loss of **valuable property** in transit in the custody of the **employee** at the time of **discovery**. The **insurer** shall have no liability to indemnify the **bank** for **loss** resulting from that act or omission after the date it was **discovered**.





LIMIT OF LIABILITY, EXCESS AND AGGREGATION

F1 Limit of Liability

The **limit of liability** is the total aggregate sum payable by the **insurer** under this policy in respect of all **companies** and all insuring clauses and extensions in this policy and the **insurer** shall have no liability in excess of the **limit of liability**.

- (a) Any sum paid by the **insurer** under this policy shall erode the **limit of liability**.
- (b) Where any sub-limit is specified, the **insurer** shall have no liability in excess of that sub-limit. Any sub-limit will be part of and not in addition to the **limit of liability**.

F2 Excess

- (a) The insurer shall be liable only for loss, fees or expenses which exceed the excess.
- (b) The **excess** shall be borne by the **bank**. A separate **excess** shall apply to each single **loss**, or to fees and expenses. The **excess** shall not form part of the **limit of liability**.

F3 Aggregation

All **loss**, fees and expenses arising out of, based upon or attributable to the same originating cause, source or event shall be considered to be a single **loss** and one **excess** shall be applied to the aggregate amount of the aggregated **loss**.

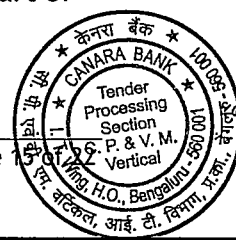
GENERAL CONDITIONS

G1 Discovery and notification of loss

- (a) Upon **discovery** of a **loss** or **corporate identity fraud**, the **bank** must:
 - (i) give to the **insurer** written notice of that **loss** or **corporate identity fraud**, as soon as practicable following **discovery**, but in no event later than ninety (90) days after the end of the **policy period**, or within any additional **discovery period** that may be applicable; and
 - (ii) file a detailed proof of loss, damage and expenses with the **insurer** (which includes but is not limited to a completed proof of loss form in the format agreed with the **insurer**)
- (b) All notices must be sent by certified mail or the equivalent to the address set out in item 6 of the Schedule

G2 Discovery period

- (a) If this policy is not renewed or replaced, and if the total premium for this policy has been paid in full, the **bank** will be entitled:
 - (i) to an automatic **discovery period** of ninety (90) days; and
 - (ii) to purchase an optional **discovery period** for a longer period as specified in item 5 of the Schedule, provided that written notice is provided to the **insurer** by the **parent bank** within thirty (30) days after the end of the **policy period** and any additional premium specified by the **insurer** is paid within forty-five (45) days of the end of the **policy period**. The automatic **discovery period** shall be part of



and not in addition to any optional *discovery period* purchased by the *bank*.

- (b) The *discovery period* is non-cancellable and the premium for the optional *discovery period* is deemed fully earned at the inception date of the optional *discovery period*.
- (c) The purchase of the optional *discovery period* will not in any way increase the *limit of liability*, and any payments made with respect to *loss* or *corporate identity fraud discovered* during the optional *discovery period* shall be part of and not in addition to the *limit of liability*.
- (d) No *discovery period* shall apply in the event that a *change in control* takes place in respect of the *parent bank*.

G3 Cooperation and mitigation

The *bank* shall:

- (a) take all reasonable steps to prevent or minimize any *loss*, fees or expense;
- (b) render all reasonable assistance to and cooperate with the *insurer* in the defense of any demand, suit, claim or legal proceeding for which the *bank* seeks indemnity in respect of fees and expenses under insuring clause and the assertion of any corresponding indemnification and contribution rights; and
- (c) give all information and assistance to the *insurer* as it may reasonably require to enable them to investigate any matter for which the *bank* seeks cover under this policy or determine the *insurer's* liability under this policy.

Unless expressly provided for in this policy or otherwise agreed in writing by the *insurer*, these steps shall be at the *bank's* own cost and the *bank* shall not admit or assume any liability, or settle any demand, suit, claim or legal proceeding without the prior written consent of the *insurer*.

G4 Subrogation and recoveries

- (a) If the *insurer* becomes liable for any payment under this policy, the *insurer* shall be subrogated to all rights and remedies available to any *bank* in connection with that liability and shall be entitled to bring proceedings in the name of that *bank*.
- (b) Each *bank* shall take all steps necessary or required by the *insurer* whether before or after payment by the *insurer* to preserve the rights and remedies which the *bank* may have to recover its *loss*, fees or expenses from any third party.
- (c) Both before and after any payment under this policy, each *bank* shall provide to the *insurer* any assistance in their power as the *insurer* may require to secure those rights and remedies set out in clauses G4(a) and (b) above and shall take all steps required by the *insurer*.
- (d) The *insurer* shall be entitled to take control of all steps which are taken to recover any covered *loss*, fees or expenses from any third party whether or not a portion of the *loss*, fees or expenses the *bank* has suffered is uninsured.
- (e) The costs of those proceedings shall be borne by the *bank* and the *insurer* in the same proportion that the *loss*, fees or expenses bears to any uninsured element of the claim against the third party, but only to the extent that those

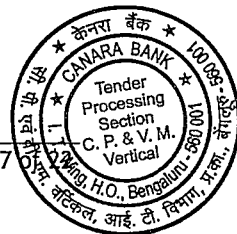


costs are incurred after the *insurer* has accepted liability. In the event that there is no uninsured loss, the costs shall be borne entirely by the *insurer*.

- (f) Any amounts recovered from third parties shall be applied in the following order:
- (i) to recompense the *bank* and the *insurer* for the costs incurred in bringing proceedings against the third party (which payments shall be allocated between the *bank* and the *insurer* in the same proportions as they have borne those costs);
 - (ii) then to the bank for the amount, if any, of the loss, fees or expenses which exceeds the limit of liability;
 - (iii) then, to the insurer up to the amount of the loss, fee or expense paid by the insurer, and
 - (iv) then, to the bank in respect of any uninsured element of the claim against the third party (including the excess).
- I. Interest on amounts recovered from third parties shall be allocated proportionally to the amounts paid in clause G4(f)(i), (ii) (iii) and (iv) above.
 - II. The insurer agrees not to exercise its rights of recovery against a bank unless the claim is brought about or contributed to by dishonest, fraudulent or intentional criminal acts or omissions of that bank.

G5 Basis of valuation

- (a) In determining the amount payable under this policy for any *loss*, fees or expenses, deductions shall be made in respect of any property (including **valuable property**) received from any source whatsoever, including payments and receipt of principal, interest, dividends and commissions, whenever received, in connection with any matter from which an indemnifiable *loss*, fee or expense has arisen. The *excess* shall apply to the net figure after making these deductions, but nothing in this clause shall be construed to mean that such *loss*, fee or expense is not payable under this policy until the net figure has been ascertained.
- (b) In no event shall the *insurer* be liable for more than:
- (i) the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data furnished by the bank in order to reproduce physical records;
 - (ii) the cost of blank electronic data processing media and the cost of labour for the actual transcription or copying of electronic data furnished by the bank, in order to reproduce that electronic data, however if that electronic data cannot be reproduced and represents securities or of instruments of value, then the loss will be valued as indicated at sub-paragraphs (i) and (iv) of this clause G5(b);
 - (iii) the actual cash value of other property at the time the *loss* was *discovered*, or the actual cost of repairing or replacing the property with property or material of like quality or value, whichever is less; and
 - (iv) The value of subscription, redemption, conversion or deposit privileges immediately preceding their expiration.



G6 Lost instrument bonds

Where the loss of securities is covered by this policy, the insurer shall, at their election, indemnify the bank for either:

any premium required to be paid by the bank to purchase lost instrument bonds;
or

sums which the bank may be required to pay either during the policy period or any time thereafter by reason of any indemnifying agreement executed by the bank or delivered by the bank in relation to any lost instrument bonds issued or purchased by the bank, for the reissuing of duplicate securities.

G7 Other insurance

If a loss, fee or expense covered by this policy is also covered by any other collectible insurance, this policy shall only pay loss, fees or expenses (not exceeding the limit of liability) in excess of the amount of that other insurance. As excess insurance this policy shall not apply or contribute to the payment of any loss, fee or expense until the amounts of that other insurance have been exhausted.

G8 Fraudulent claims

If any bank gives notice of a loss under this policy knowing that notice to be false or fraudulent in any respect, that loss shall be excluded from cover under this policy for the fraudulent bank and the insurer shall have the right to avoid its obligations under this policy in relation to that fraudulent bank.

G9 Non-disclosure, misrepresentation

Except as provided for in clause G8, the insurer will not seek damages, nor seek to avoid or repudiate this policy, for any non-disclosure, misrepresentation, breach of warranty or untrue statement, provided that the bank shall establish to the insurer's reasonable satisfaction that any alleged non-disclosure, misrepresentation, breach of warranty or untrue statement was free of any fraudulent conduct or intent to deceive.

G10 Confidentiality

(a) The *insurer* will treat as confidential all information provided to it by the *bank* in connection with this policy or any *loss*, potential *loss*, *corporate identity fraud* or potential *corporate identity fraud* under this policy and will not disclose that information to any third party. However, the *insurer* shall be entitled to disclose confidential information to:

- i. any director, officer, employee, reinsurer or professional adviser of the *insurer* and/or its group companies or any loss adjuster appointed by the *insurer* in dealing with the insurance of the *bank*;
- ii. any person in order to comply with any legal or regulatory requirement;
or
- iii. a court, mediator, or arbitrator to whom matters are referred in connection with this policy or with any reinsurance of this policy.

(b) The *insurer* will not be required to treat as confidential any information provided to it by the *bank* if that information:



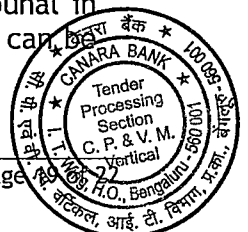
- i. is in the public domain, other than by means of the insurer having disclosed it;
 - or
 - ii. was in the insurer's possession prior to it being provided by the bank.
- (c) The insurer will cooperate with the bank in preserving the confidentiality of the confidential information and will inform the bank in the event that the insure is asked, by a third party other than the parties listed in clause G10(a)(i) to (iii) to produce any confidential information.
- (d) It is agreed that, if the bank is advised by its lawyers in respect of any loss, potential loss, corporate identity fraud or potential corporate identity fraud under this policy that a separate confidentiality agreement is required to preserve common interest privilege between the insurer and the bank, the provisions of that confidentiality agreement, once agreed, will supersede the provisions of this clause G10.

G11 Policy interpretation

- (a) Any interpretation of this policy relating to its construction, validity or operation shall be determined in accordance with the laws of the India.
- (b) This policy, its Schedule and any endorsements are one contract in which, unless the context otherwise requires:
- i. headings are descriptive only, not an aid to interpretation;
 - ii. references to specific legislation include amendments to and re-enactments of that legislation and equivalent legislation in the relevant jurisdiction; and
 - iii. references to positions, offices or titles shall include their equivalents in any jurisdiction.

G12 Arbitration Clause

- a. Any and all disputes or differences which may arise under, out of, in connection with or in relation to this policy, or to its existence, validity or termination, or to the determination of the amount or any amounts payable under this policy, shall be referred to a sole arbitrator to be appointed by the parties to the dispute within 30 days of any party giving notice of arbitration to the other(s).
- b. In the event that the parties are unable to agree upon the identity of a sole arbitrator, the disputes or differences shall be referred to the decision of 3 arbitrators of whom one shall be appointed in writing by each of the parties within a period of 30 days after the failure to appoint a sole arbitrator and the third (who shall serve as Chairman) shall be appointed by the nominated arbitrators. In case either party shall refuse or fail to appoint an arbitrator within the aforesaid 30 days after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator who shall thereafter be empowered to conduct the arbitration and determine the disputes or differences referred to him as if he had been appointed a sole arbitrator with the consent of both parties.
- c. The parties shall share the expenses of the arbitrator or arbitral tribunal equally and such expenses, along with the reasonable costs of the parties in the arbitration, shall be awarded by the arbitrator or arbitral tribunal in favour of the successful party in the arbitration or, where no party can



said to have been wholly successful, to the party who has substantially succeeded.

- d. The place of arbitration shall be Mumbai India, the language of the arbitration shall be English, the law applicable to and in the arbitration shall be Indian law and the arbitration process will be in accordance with the provisions of the Arbitration & Conciliation Act 1996, as amended from time to time.
- e. It is a condition precedent to any right of action or suit upon this policy that the award by such arbitrator or arbitrators shall be first obtained.
- f. In the event that these arbitration provisions shall be held to be invalid then all such disputes shall be referred to the exclusive jurisdiction of the Indian courts.

G13 Rights of Third Parties

Nothing in this policy is intended to confer a directly enforceable benefit on any third party other than the **bank**.

G14 Assignment and amendment

- (a) Neither this policy nor any right under it may be assigned without the prior written consent of the **insurer**.
- (b) No amendment to this policy will be effective unless it is in writing.

G15 Cancellation

This policy may be cancelled as follows:

- (i) by the **Parent Bank** sending a written notice of cancellation which shall take effect immediately upon the **Insurer's** receipt of that written notice. On cancellation by the **Parent Bank**, the **Insurer** shall refund any premium calculated at short-rate of the annual premium as stated below, unless a **loss** has been **Discovered** before cancellation, in which case no refund shall be due;

Table of Short Period Rates	
Period of Risk	Amount of Premium to be Retained
Up to 1 month	1/8th of the Annual Premium
1 month and above, up to 2 Months	2/8th of the Annual Premium
2 months and above, up to 3 Months	3/8th of the Annual Premium
3 months and above, up to 4 Months	4/8th of the Annual Premium
4 months and above, up to 5 Months	5/8th of the Annual Premium
5 months and above, up to 6 Months	6/8th of the Annual Premium
6 months and above, up to 7 Months	7/8th of the Annual premium
7 months and above	Full Annual Premium.

- (ii) by the **Insurer** following the issue of a written notice to the address specified in the Schedule in respect of the **Parent Bank** or any **Bank**. Cancellation shall take effect 30 days after the issue of such notice. On cancellation by the **Insurer**, the **Insurer** shall refund the premium calculated at pro-rata of the

annual premium; or by mutual agreement between the **Parent Bank** and the Insurer.

Specific Matter Endorsement: I

Notwithstanding anything stated to the contrary anywhere in the policy, this policy is written specifically on primary basis for the loss covered under this policy. Except otherwise for the loss which is covered under this policy as well as under valid Bankers Indemnity Insurance, this policy applies as an excess over only such Bankers Indemnity Insurance Policy available to the **Bank**.

In the event Bankers Indemnity Insurance Policy limit of liability is exhausted, then any loss amount remaining to be paid shall be paid under this policy if the original loss is covered hereunder.

All other terms, conditions and exclusions of this policy remain unaltered.

Specific Matter Endorsement - II

Continuity of Cover

Notwithstanding anything to the contrary contained in the within mentioned policy and any of the endorsements exclusion, coverage is provided for loss or circumstances which could or should have been notified under any policy of which this policy is a renewal or replacement or which it may succeed in time provided always that:

- (i) XXX has continued to be the insurer under such previous policy without interruption; and
- (ii) the cover provided by this Extension shall be in accordance with all the terms and conditions (including, for the avoidance of doubt, the limit of liability and deductible amounts) of the policy under which the loss or circumstance could and should have been notified.

All other terms, conditions and exclusions of this policy remain unaltered.

Specific Matter Endorsement - III

Error & Omissions

Notwithstanding anything contained in the policy, it is hereby agreed that the Insurer will pay on behalf of the Insured (Bank) all losses resulting from any Claim.

For the purpose of this endorsement, breach of duty is defined as:

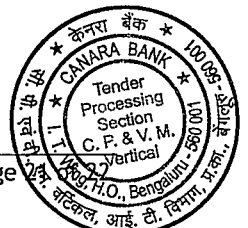
means any actual or alleged negligent breach of duty, act, error, misstatements, misleading statements, breach of confidentiality or omission in the performance of or failure to perform **Professional Services**.

Professional Services means the services provided by the Bank including but not limited to Personal banking, business banking, wholesale banking, digital services such as mobile banking, internet banking, cards, fastag, UPI etc.

Claim means any: (i) written demand or (ii) civil or administrative proceeding, that seeks **Damages** from insured's breach of duty.

Damages means any amount that the bank shall be legally liable to pay to a customer or third party

All other terms, conditions and exclusions of this policy remain unaltered.



COMPLAINTS

Every effort is made to ensure a high standard of service is provided. However, if the *bank* is not satisfied with the service it has received, it should contact:

Insurer's name

Insurer's Address & contact details

Please quote the policy or claim number and the name of the *parent bank*.

We comply with the above Scope of Work, Non-compliance to any of the scope of work will lead to disqualification of the bidder in Technical proposal.

Date:

Signature with seal

Name:

Designation :

