

ERRORS AND OMISSION LIABILITY INSURANCE

PROSPECTUS

This document is only a summary of the features of the Policy. Actual benefits available are as mentioned in the Policy, and are subject to its terms, conditions and exclusions.

This Policy is designed to protect you against your legal liability to pay compensation for financial injury suffered by third party resulting from failure of your product to perform the function or to serve the purpose intended or failure to provide service in accordance with terms and conditions of a contract which is caused by wrongful act to which this insurance applies. It is a prudent risk mitigation practice to have such cover in place to protect your assets as a single incident may lead to heavy financial obligation.

An error, unintentional omission or negligent act including all related wrongful acts and all series of continuous, repeated or related wrongful acts of yours can lead to heavy financial injury to third party. In turn making you responsible to make good, the loss suffered by the third party. The laws now days have been constantly evolving, by way of judicial interpretations and amendments, to become one of the most important socio- economic legislations for the protection of third-party interests. The loss determination process is through legal proceedings which are very costly in terms of money, time and can deprive the business of vital resources which can be used for Core business activity.

Networking and information technology companies, electronics manufacturers, technology consultants, and telecommunications firms all require such coverage. Because technology companies are at the forefront of innovation, unforeseen or unanticipated failures sometimes occur. Without E&O insurance, hardware, software and telecommunications companies are putting the longevity of their business at risk. If you are into business of IT and/or ITES segment (like software development, BPO, KPO, e-Commerce, web portal designing, etc.), it is prudent to have such cover in place.

Scope of Cover

Errors and Omission Liability insurance Policy primarily covers:

Loss for which **Insured** becomes obligated to pay because of liability imposed by law or assumed in an **Insured Contract**, by reason of any **Financial Injury** arising out of the failure

- i. of Insured Product to perform the function or to serve the purpose intended, due to defect, deficiency, inadequacy or dangerous condition in Insured product; or
- ii. to perform **Insured's Service**, in accordance with the terms and conditions of a contract or agreement.

which is caused by a **Wrongful Act** to which coverage applies and claim for the same is first made against the Insured during the **Policy Period** and notified to the **Insurer** during the **Policy Period** or applicable extended reporting period. No cover is provided under this contract for serial **Losses** if the first such **Loss** occurred before retroactive date.

It also covers the legal cost and expenses incurred by Insured in defence within the limit of indemnity.

Add On Covers

On payment of additional premium, the following coverage can be opted:

- Designated Contract Coverage extension
- Designated Contract Exclusion
- Designated Product or Service Exclusion
- Intellectual Property Law and rights extension Clause
- Hackers & Virus extension
- Loss of Documents Extension
- Dishonesty of employees Extension
- Loss of Data
- North American Jurisdiction Extension Clause
- Duty to Defend Clause
- Waiver of Subrogation Rights Extension (Blanket)
- Waiver of Subrogation Rights Extension (Specific)
- Additional Insured Clause
- Excess Clause

Premium

Premium rate depends on various factors such as limit of indemnity, nature of business, business sector, revenue with geographical bifurcations, USA & Canada exposure, optional covers opted for etc.

Major Exclusions

- Fines, penalties, punitive and /or exemplary damages;
- Deliberate, willful non-compliance of statutory requirements;
- Pollution, Nuclear radiations;
- Criminal Wrongs, Dishonesty & Fraud;
- Insured V/s Insured;
- Bodily Injury and property damage;
- Adjustment, Inspection, Recall, replacement expenses;
- Aviation Liability;
- Failure to provide support;
- Contractual Liability;
- Delay in delivery and/or failure to deliver;
- Prior and Pending Acts/Claims;
- Intellectual Property Rights (IPR).

Our Claims Services

- The Company's dedicated and experienced claims team aim to deliver a differentiated customer service of a fast, fair, convenient and transparent claims process for the management and settlement of your claim.
- The Company's philosophy is to always look for ways to pay valid claims in a fair and timely manner.
- Keep you informed of the progress of your claim
- The Company will act efficiently to ensure you get back to normal as quickly as possible

Grievance

If You have a grievance about any matter relating to the Policy, or Our decision on any matter, or the claim, You can address Your grievance as follows:

Stage 1: Bima Bharosa

You can register your grievances with the regulator using the following link: <https://bimabharosa.irdai.gov.in/Home/Home>

Stage 2: Head – Customer Care

Alternatively, if you wish to register your grievances directly with us, you may write to the Head – Customer Care. We aim to respond to all Grievances within 7 days. In our initial acknowledgement of receipt letter, we will provide the name and title of the person that is handling your Grievance. This individual will have the authority necessary to investigate and resolve the Grievance.

Email: head.customercare@sbigeneral.in

Toll-Free Number: 1800 102 1111 (Available 24/7)

Stage 3: Grievance Redressal Officer (GRO)

In case, you are still not satisfied with the decision/resolution communicated by the above officer or have not received any response within 5 Business days, you may escalate the matter to the Grievance Redressal Officer (GRO) which will undergo a detailed case investigation, and we aim to resolve the issue within 7 days from the date of receipt of your Grievance at GRO Desk

Email: gro@sbigeneral.in

Designation: Grievance Redressal Officer

Phone: 022-45138021

Note: - The Company shall endeavour to maintain the regulatory TAT of 14 days in resolving your grievances.

Stage 4: Escalation to Insurance Ombudsman

If you feel that the response to your Grievance was unsatisfactory, or if you believe your concerns have not been adequately addressed by the company, you may escalate the matter to the Insurance Ombudsman.

Submit your Grievance online: <https://www.cioins.co.in/Ombudsman>

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 PENALTY WHICH MAY EXTEND TO TEN LAKHS RUPEES.