

SBI General Surety Bond Bima (Conditional)

PROSPECTUS

Surety Insurance provides a guarantee to the project owner in the form of a Surety Bond that the contractor will perform the contract in accordance with the contract documents. The product is designed to insure the contractors for non-performance and financial exposures in case of contractual default.

Conditional bond is where If, certain conditions are met, the surety may be required to pay a set amount to the obligee or beneficiary.

Scope of Cover

Surety Insurance primarily covers:

Bid bond

Operates as an alternative of earnest money deposit and if the Contractor fails to accept the contract post winning the bid, Surety pays the Obligees earnest money or the cost of retendering or cost of differential between the original bidder and the next best bidder.

Advance Bond

Typically this bond offers coverage against the principal not being able to mobilise the requisite resources as defined in the contract but has taken advance from the Obligees (Beneficiary) and the delay caused due to such non-mobilisation of resources may result in project delays which an Obligees may claim from the Principal as per the Contract Terms

Performance Bond

This type of Bond can be raised by the Obligees in case the principal fails to perform the contractual terms and execute the project to its fullest, such bond can be raised at various milestones of the project or at the end of the project if the completion of said project is delayed or is not in accordance with the Contractual Terms.

Retention Bond

Certain contract warranty that a portion of Contract will be retained for a specified period to ensure that the project has completed satisfactory performance period or machinery has performed to its proposed capabilities. Currently many Obligees keep 10% - 20% of the machine value as the retention money and is released after specified time period (Typically 1 year in case of Capital Goods, 1-3 years in case of Projects like Bridges, Culverts etc).

Premium

Premium rate depends on various factors such as financial health of the company, project tenure, contract value along with others factors such as age of the company and credit score.

Major Exclusions

- Force Majeure
- Fraud/Collusion
- War/Act of God/Nuclear Perils

You may kindly contact your agent/broker or your SBIG relationship manager/executive for complete details about Surety Insurance.

Grievance Redressal Procedure

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.customer@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>

Our Claims Services

1. Claims Servicing, reach out to us at:
 - Toll Free No: 1800 22 1111 / 1800 102 1111.
 - Email Id: customer.care@sbigeneral.in
2. Admissibility/Denial of claim Depends as mentioned below
 - The beneficiary shall serve notice of invocation upon insurer.
 - Notice must be signed by Authorized Signatory of Beneficiary
 - The beneficiary shall submit the original Surety Bond to Insurer.
 - Beneficiary shall provide KYC and Bank details
 - The insurer, after completing their internal process shall make the payment of the bond amount.

*Note Information mentioned here is indicative and note extensive, kindly refer to policy wordings for complete details.
3. Turn Around Time (TAT) for Claim Settlement: 7 days from the date of receipt of all necessary documents required for assessing the claim.

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.

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