

TECH SURAKSHA

POLICY WORDING

NOTES

This insurance contract is established on the basis of the declarations and representations made and documents furnished (including the proposal form) by the insured and insured's agent(s)/broker(s) to the company, all of which constitute an integral part of this contract of insurance.

This contract combined with the policy schedule contains the full insurance terms, conditions, definitions, exclusions, extensions and limitations. Please read the entire policy carefully and keep it safe. This policy and the policy schedule, along with extensions if any and endorsements if any, terms and conditions is a legal contract between you, the insured, and us, the insurers. Please examine it thoroughly to ensure it meets your requirements and that you understand its terms and conditions. If it does not, please advise the company immediately.

If the insured shall make any claim knowing the same to be false or fraudulent, as regards any amount or otherwise, this contract shall become void at the option of the insurer and all rights hereunder shall be forfeited.

PREAMBLE

This Policy consists of

- i. the Policy wording; and
- ii. each endorsement issued by the Company and attached to and intended to be attached to the Policy wording or intended by the Company to form part of this Policy; and
- iii. the Policy Schedule.

The Policy wording and the Policy Schedule are to be read together. Any word or expression given a specific meaning in Section 3. Definitions will mean the same wherever else it appears unless specially stated otherwise.

OPERATIVE CLAUSE

Upon receipt of written proposal and declaration along with premium from the Insured (as named in the Policy Schedule), SBI General Insurance Company Limited (hereafter referred to as "the Company") agrees to indemnify the Insured as per the Insuring clause contained hereafter.

SECTION 1: INSURING CLAUSE

Subject to all of the terms, exclusions, limitations and conditions contained herein or otherwise endorsed hereon, the Company agrees to indemnify such Loss for which Insured is held legally liable because of Liability imposed by law or assumed in an Insured Contract by reason of any Financial Injury, caused by or arising out of the failure:

1. of the Insured Information and Network Technology Product to perform the function or to serve the purpose intended, due to defect, deficiency, inadequacy, or dangerous condition in the Insured product; or
2. of the Insured to perform the Professional Services or Information and Network Technology Based Services, in accordance with the terms and conditions of a contract or agreement.

Provided, it is caused by a Wrongful Act to which this coverage applies and Claim for the same is first made against the Insured

during the Policy Period and notified to the Company 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.

The Company will indemnify the Insured only up to the Limit of Liability as stated in the Policy Schedule for:

- i. all amount which the Insured becomes legally liable to pay as compensation (excluding punitive, exemplary, indirect, consequential, multiple portion of any multiplied damages award, aggravated and liquidated damages);
- ii. Defence Cost;
- iii. Supplementary Payments.

The Liability provided above does not apply to:

- i. any Injury, Wrongful Act, Claim, Suit or other circumstances reported, in whole or part, to the Company or any other Insurer before the beginning of the Policy Period; or Deemed Known, before the beginning of the Policy Period, that could reasonably be expected to result in any payment under this insurance;
- ii. Injury arising out of any Wrongful Act; or continuation or resumption of any Wrongful Act or Deemed Known, before the beginning of the Policy Period, to have been committed.

SECTION 2: POLICY EXTENSIONS

The Company agrees to pay Loss to the Insured under this section provided that such Loss under the applicable policy extension is subject to all of the terms and conditions of this Policy, schedule and endorsements attached to and forming part of the Policy, deductible (unless otherwise expressly excluded); the inclusion of any policy extension shall not automatically increase the aggregate Limit of Liability.

2.1. Court attendance costs

The Company agrees to provide for court attendance fees incurred by employees of Insured, or by partners, principals, or directors of Insured's if they are legally compelled to attend a civil proceeding as a witness in a Claim covered by this policy.

The sublimit under this extension shall be as mentioned in the schedule of the Policy and no deductible shall apply. This sublimit shall be within the Limit of Liability and not in addition to the aggregate Limit of Liability as mentioned in the schedule.

2.2. Defamation

The Company agrees to pay the Insured against liability for compensation arising from any Claim made against Insured for defamation, libel, slander harassment, trespass, false arrest, wrongful detention or imprisonment.

2.3. Estates and legal representatives

The Company agrees to include in the definition of 'Insured' the estate, heirs, legal representatives or assigns of Insured's in the event of the death or incapacity of Insured in respect of a civil liability that would have been covered by Insuring clause had it been if Insured were alive or had capacity, provided that such estate, heirs, legal representatives or assigns shall observe and be subject to all terms of this policy in so far as they can apply.

2.4. Intellectual Property Rights

The Company agrees to pay Insured against liability for compensation arising from any Claim made against Insured for

any unintentional infringement of copyright, trademark, registered design or any plagiarism or breach of confidentiality excluding patents and trade secrets. The onus of proof that such infringement was unintentional lies with Insured.

2.5. Loss of Documents

The Company will pay on behalf of the insured all damages and defence costs resulting from the loss of third-party documents which have been destroyed, damaged, lost or mislaid during the Policy Period for which the insured is held legally liable in connection with the Information and Network Technology Based Service performed by the Insured under an Insured Contract Provided that:

- the loss is discovered by Insured during the Policy Period and reported to the Company during the Policy Period.
- such Liability shall be limited to reimbursement of reasonable costs and expenses incurred by Insured to replace or restore such documents and shall not extend to any consequential or indirect loss; and
- the Company shall not be liable under this extension to pay the loss in respect of damages to documents caused by gradual deterioration, wear and tear, or the action of moths or vermin.

Total liability in respect of all Claims made under this extension shall not exceed limit as specified under the policy schedule.

2.6. Newly Created or Acquired Entity or Subsidiary

If during the Policy Period the Insured acquires or creates a new Subsidiary then that legal entity shall be covered as a Subsidiary under this Policy with effect from the date of acquisition or creation unless at the time of such acquisition, the legal entity:

- i. Is domiciled in the United States of America or Canada, its territories and possessions and any state or political subdivision thereof;
- ii. Is a Financial Institution
- iii. Has assets greater than the Acquisition Threshold of 25%

If the new Subsidiary does not gain coverage because of the conditions mentioned above, then the Insured must divulge full information of the new Subsidiary for the Insurer's assessment of the increased exposure and the Insurer may then agree at their absolute discretion to extend cover in return for the payment of additional Premium and/or amendments to the terms of this Policy.

Cover under this extension shall only apply in respect to any claim against the subsidiary arising from the conduct of technology professional services provided or required to be provided after the date of acquisition or the date the subsidiary was formed or the retroactive date whichever is later.

2.7. Outgoing Principals and Employees

The Company agrees to cover former principals, partners, directors and employees of the Insured in respect of Legal liability of the Insured by the Insuring Clause provided that the definition of Insured includes those persons and only in respect of work performed in capacity while being a principal, partner, director or employee of the Insured.

2.8. Dishonesty of Employees

The Company agrees to pay on behalf of the Insured, who is not the actual perpetrator, by reason of liability imposed by law for financial injury, because of any dishonest and fraudulent conduct committed by any employee while performing duties related to the conduct of their services.

This coverage does not apply to financial injury arising out of any dishonest, criminal, fraudulent or malicious conduct committed by or with the consent or knowledge of the Insured except the actual perpetrator.

2.9. Vicarious Liability Extension

The Company agrees to pay to the Insured in respect of any Claim made against Insured arising from any act, error or omission committed or alleged to have been committed by any third party engaged by the Insured under a contract for service and for whose acts, errors or omissions the Insured is held legally liable, provided that such coverage shall not extend to such third party

SECTION 3: DEFINITIONS

Wherever used in this Policy in bold face type, the following definitions shall apply.

- 3.1 **"Aircraft"** means any vessel, aircraft or thing made or intended to fly or move in or through the atmosphere or space.
- 3.2 **"Asbestos"** means asbestos in any form, including its presence or use in any alloy, by-product, compound or other material or waste. Waste includes material to be recycled, reconditioned or reclaimed.
- 3.3 **"Bodily Injury"** means any actual, alleged or threatened physical injury, death, illness or disease of or to any person at any time including humiliation, emotional distress, mental anguish or any other form of psychological injury.
- 3.4 **"Claim"** means any written demand for monetary damages, suit or arbitration proceeding made or commenced against the Insured for a Wrongful Act.
- 3.5 **"Computer Systems"** means computers and associated input and output devices, data storage devices, networking equipment, and back up facilities:
 - i. operated by and either owned by or leased to the Insured; or
 - ii. operated by a third-party service provider exclusively for the purpose of providing hosted computer application services to the Insured or exclusively processing, maintaining, hosting or storing the Insured's electronic data, pursuant to a written contract with the Insured for such services.
- 3.6 **"Deductible"** means the amount the Insured must first bear in relation to each Occurrence, as mentioned in the schedule. The deductible applies to all amounts payable under this Policy including defence cost.
- 3.7 **"Deemed Known"** means known by, or that should have been known from the standpoint of a reasonable person in the circumstances of:
 - Insured; or
 - any of Insured directors, members, officers or partners (whether or not an Employee). Officer will be deemed to include an officer's designee.

Such injury, Wrongful Act, claim, Suit or circumstance, as applicable, will be Deemed Known at the earliest time when any such person described above

- i. reports all, or any part, of the injury, Wrongful Act, claim, Suit or circumstance to the Company or any other insurer;
- ii. receives a claim for damages in connection with the injury, Wrongful Act or circumstance; or
- iii. becomes aware:

- a. that the injury has occurred or has begun to occur; or
- b. that the Wrongful Act has been committed or has begun; or
- c. of any actual, alleged or threatened injury, Wrongful Act, claim or Suit in connection with the circumstance.

3.8 **"Employee"** means the person under a contract of service or apprenticeship with the Insured.

3.9 **"Financial Injury"** means economic injury sustained by a person or organization because their property, including software, data and other information that is in electronic form cannot be used; or is less useful and it includes only that part of economic injury, which results from Insured's Product or Insured's Service, or a part or phase of Insured's Product or Insured's Service, that has been accepted.

Insured's Product or Insured's Service, or a part or phase of Insured's Product or Insured's Service, will be deemed accepted only when and only to the extent that such product or service (or such part or phase) has been accepted pursuant to the acceptance criteria in effect at the time of acceptance.

But, in no event will such:

- i. product be deemed accepted unless and until possession of the product has been relinquished to perform the function or serve the purpose intended;
- ii. service be deemed accepted unless and until the service has begun.

3.10 **"Information and Network Technology Product"** means a computer or communications hardware or software, product, or related electronic product, Internet, data or other information in electronic form, network or website which is created, developed, installed, leased or licensed (to others).

3.11 **"Information and Network Technology Service"** means analysis, technology consulting and training, custom software programming also including installation and integration, computer and software support, and network management services performed by the Insured or by others acting on Insured's behalf for a fee, (but shall not mean "Information and Network Technology Products"). It also includes the analysis, design, integration, management, maintenance, processing, programming, repair or support services in connection with an Information and Network Technology Product.

3.12 **"Insured"** means:

- i. Any Entity or, subsidiary specified as the Insured in the Schedule
- ii. Any natural person, who is a principal, partner or director of the Insured or any subsidiary only with respect to the conduct of Named Insured's business
- iii. Any Employee only for acts within the scope of their employment or while performing duties related to the conduct of Named Insured's business.
- iv. Any temporary contractual labour, self-employed person, labour only sub-contractors, solely under contract with, and under the direction and direct supervision of the Insured or any subsidiary only with respect to the conduct of Named Insured's business

3.13 **"Insured Contract"** means a contract or agreement pertaining to Insured's business in which Insured assume the liability of another person or organisation for Financial Injury sustained by

a third person or organisation, that is caused by a Wrongful Act, to which this insurance applies, committed by the Insured or on Insured's behalf.

3.14 **"Intellectual property rights"** means

- i. certification mark, copyright, patent or trademark (including collective or service marks);
- ii. right to, or judicial or statutory law recognizing an interest in, any trade secret or confidential or proprietary non-personal information;
- iii. other right to, or judicial or statutory law recognizing an interest in, any expression, idea, likeness, name, slogan, style of doing business, symbol, title, trade dress or other intellectual property; or
- iv. other judicial or statutory law concerning piracy, unfair competition or other similar practices.

3.15 **"Limit of Liability"** means the applicable Limit of Liability specified in the Policy Schedule.

3.16 **"Loss"** means

- i. damages that the Insured becomes legally obligated to pay; and
- ii. Claim adjustment expenses related to a Claim or Suit, to which this insurance applies that seeks such damages.

But it does not include

- i. any consideration owed or paid to any Insured in connection with Insured's "Information and Network Technology Product or Insured's "Information and Network Technology Service, including any restitution or return of any charges or fees;
- ii. damages, loss, cost or expense to perform any obligation assumed by or on behalf of any Insured;
- iii. Fines, penalties, punitive or exemplary damages, non pecuniary relief, taxes, or any amount for which an Insured is not financially liable, or which is without legal recourse to an Insured, or any matter which may be deemed uninsurable under Indian law.
- iv. other damages, loss, cost or expense incurred, or agreed to, by or on behalf of any Insured, except in an agreed settlement.

3.17 **"Occurrence"** means a Wrongful Act which results in Financial Injury neither expected nor intended from the Insured's standpoint. All Financial Injury arising out of continuous or repeated exposure to substantially the same general conditions will be construed as arising out of one Occurrence.

3.18 **"Period of Insurance"** means the period commencing from the retroactive date as shown in the Policy Schedule and terminating on the expiry date as shown in the Policy Schedule.

3.19 **"Policy Period"** means the period commencing from effective date and hour as shown in the Policy Schedule and terminating at midnight on the expiry date as shown in the Policy Schedule.

3.20 **"Policy Schedule"** means the schedule of the Insurance or any endorsement schedule provided by the Company.

3.21 **"Pollution"** means pollution or contamination of the atmosphere or of any water, land, or other tangible property.

3.22 **"Pollutant"** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour,

soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditions or reclaimed. Pollutants shall also mean a hazardous substance as defined under the Indian Public Liability Insurance Act, 1991 or any statutory amendments made thereto or modification thereof, or any other similar law for the time being in force.

3.23 "Property Damage" means actual, alleged or threatened physical loss of or injury to or damage to or destruction of or loss of use of tangible property.

Tangible property does not include any software, data or other information that is in electronic form.

3.24 "Regulatory Authority" is a person or entity established under any act or legislation for the purposes of enforcement of such legislation.

3.25 "Retroactive date" means the date specified as such in the schedule.

3.26 "Subsidiary" means companies in which the Insured, either directly or indirectly through one or more of its Subsidiaries;

- i. controls the composition of the board of directors;
- ii. controls more than half of the voting power; or
- iii. holds more than half of the issued share capital.
- iv. For any Subsidiary or any Insured thereof, cover under this Policy shall only apply to Wrongful Acts committed while such entity is a Subsidiary of the Insured

3.27 "Suit" means a civil proceeding in which damages, to which this insurance applies, are sought. It includes arbitration or other dispute resolution proceedings in which such damages are sought and to which the Insured must submit or does submit with consent of the Company.

3.28 "Wrongful Act" means any error, unintentional omission or negligent act including all related wrongful acts and all series of continuous, repeated or related wrongful acts.

SECTION 4: NOTIFICATION AND EXTENSION CLAUSE

Should the Insured notify the Company during the Period of Insurance in accordance with General Condition 14.1 of any specific event or circumstance which the Insured accept may give rise to a Claim or Claims which form the subject of Liability by this Policy then acceptance of such notification means that the Company will deal with any Claims subsequently arising from such circumstance(s) and such Claim or Claims shall be considered to have been made during the Policy Period or the Extended Reporting Period in which the circumstances were first reported to the Company. The extension granted under this clause will be subject to the Claim being made against the Insured within three (3) years from such notice to the Company.

SECTION 5: EXTENDED REPORTING PERIOD

In the event of non-renewal or cancellation of this Policy, either by the Company for any reason other than for non-payment of premium or by the Insured, the Company will allow a time limit not exceeding thirty (30) days from the date of expiry or cancellation of the Policy provided no insurance is in force during this extended reporting period for the same interest, for notification of Claims for Occurrences which had taken place during the Period of Insurance but Claims thereof could not be made during the Policy Period, provided, however, all Claims made during the extended reporting period shall be handled as if they were made on the last day of the expiring Policy Period and are subject to the limits of Liability and the terms, conditions and exceptions of the Policy.

The extended reporting period does not

- i. extend the Policy Period or change the scope of coverage provided;
- ii. reinstate or increase the Limit of Liability;
- iii. apply to Claims that are covered under any subsequent insurance the Insured purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such Claims;
- iv. apply to any injury, Wrongful Act, Claim, Suit or other circumstance reported, in whole or in part, to the Company or any other insurer before the beginning of the Extended Reporting Period.

SECTION 6: CROSS LIABILITY CLAUSE

Where Insured comprises of more than one entity or person, each entity or person is separately paid in respect of Claims made against any of them by any other person or party (other than the named Insured) subject to Company's total liability not exceeding the Limits of Liability stated in the Policy Schedule.

SECTION 7: DEFENCE COST

Subject to all of the terms and conditions of this insurance the Company will pay all reasonable costs, fees and expenses incurred by the Insured with prior consent of the Company in the investigation, defence or settlement of any Claim made against the Insured and the costs of representation at any inquest, inquiry or other proceedings in respect of matters which have a direct relevance to any Claim made or which might be made against the Insured, provided such Claim or Claims are the subject of liability by the Policy. Such costs, fees and expenses are called 'Defence Cost' and it shall serve to reduce the Limit of Liability of this Policy as stated in the Policy Schedule. The Company's obligations hereunder end when the Company has used up the applicable Limit of Liability.

SECTION 8: SUPPLEMENTARY PAYMENTS

Subject to all of the terms and conditions of this insurance the Company will pay, with respect to a Claim or Suit to which this insurance applies

- i. reasonable expenses (other than defence cost) incurred by the Insured at the request of the Company to assist in the investigation, defence or settlement of such Claim or Claims which are the subject of Liability by the Policy;
- ii. interest on the full amount of a judgment that accrues after entry of the judgment and before the Company has paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit of Liability.

Such expenses are called 'Supplementary Payments' and it shall serve to reduce the Limit of Liability of this Policy as stated in the Policy Schedule.

Supplementary Payments do not include any fine or other penalty. The Company's obligations hereunder end when the Company has used up the applicable Limit of Liability

SECTION 9: LIMIT OF LIABILITY

The Company's total liability to pay compensation, Claimant's costs, fees and expenses and defence cost shall not exceed the Limit of Liability stated in the Policy Schedule in the form of Any One Accident (AOA) Limit and Aggregate One Year (AOY) Limit.

- i. **Any One Accident (AOA) Limit**

Any one Accident (AOA) Limit is the most the Company will pay

for the sum of damages for Loss for Financial Injury arising out of any one Occurrence. Any such sums the Company pay will reduce the amount of the applicable Aggregate one Year (AOY) Limit available for any other payment.

If the applicable Aggregate One Year (AOY) Limit has been reduced to an amount that is less than the Any One Accident (AOA) Limit, the remaining amount of such Aggregate One Year (AOY) Limit is the most that will be available for any other payment.

ii. Aggregate one Year (AOY) Limit

Subject to the Any One Accident (AOA) Limit, the Aggregate one Year (AOY) Limit is the most the Company will pay for the sum of damages for Loss for Financial Injury.

Any damages the Company pay will reduce the Limit of Liability. Payments made by the Company by way of the Defence Cost and Supplementary Payments under this insurance contract will reduce the Limit of Liability. The Company's obligations hereunder end when the Company has used up the applicable Limit of Insurance.

SECTION 10: CLAIMS SERIES CLAUSE

For the purpose of this Policy, where a series of and/or several Financial Injuries are attributable directly or indirectly to the same cause, all such Financial Injuries shall be added together and all such Financial Injuries shall be treated as one Claim and such Claim shall be deemed to have been made at the point in time when the first of the Claims was made in writing. There shall, however, be no coverage for Claims made arising from one specific cause, which are made later than 3 years after the first Claim of the series.

SECTION 11: DEDUCTIBLE

The Insured shall bear the Deductible for each and every Claim, the amount or percentage of the Limit of Liability per any one accident so stipulated in the Policy Schedule attached to the Policy. This Deductible shall be applicable to Financial Injury Claims, inclusive of Defence Cost arising out of any one accident. The Company's liability shall attach for the Claim in excess of such Deductible.

SECTION 12: TERRITORY AND JURISDICTION LIMITS

The Territory and Jurisdiction limits will be as specified in the Policy schedule

SECTION 13: EXCLUSIONS

13.1 Antitrust and Restraint of Trade

This insurance does not apply to Financial Injury arising out of or giving rise to or in any way related to any actual or alleged monopolisation, price discrimination, price-fixing, predatory pricing, trade conduct or violation of any law, regulation or statute relating to thereto regardless of whether this insurance would otherwise apply to all or part of any such alleged or actual injury or damage in absence of such actual or alleged conduct or violation.

13.2 Adjustment, Inspection, Recall or Replacement Expenses

This insurance does not apply to any damages, Loss, cost or expense incurred by any Insured or others for any loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- Insured's Information and Network Technology Product;
- any property containing or incorporating Insured's Information and Network Technology Product; or

- any property on which Insured's Information and Network Technology Service is or was performed.

This exclusion does not apply to Financial Injury, sustained by others, resulting from the loss of use of:

- Insured's Information and Network Technology Product;
- property containing or incorporating Insured's Information and Network Technology Product; or
- property on which Insured's Information and Network Technology Service was performed; in connection with the ownership, maintenance or use of Insured's Information and Network Technology Product or Information and Network Technology Services

13.3 Aircraft Products

This insurance does not apply to any Financial Injury arising out of or connected directly or indirectly with any aircraft product or any missile or spacecraft or aerial devise including any

- article, equipment, material, part or spare part installed or otherwise incorporated in, on or under any Aircraft, missile, spacecraft or aerial devise, or furnished or used in connection therewith;
- air or space communication, guidance or navigation system;
- ground control, handling or support equipment or tools furnished or used in connection therewith;
- equipment or tools furnished or used in connection with manufacturing, repairing or servicing any of the foregoing;
- blueprints, designs, drawings, information, instructions, manuals, maps, opinions, reports, representations, software, specifications, surveys, training aids, warnings or warranties or engineering or other data furnished or used in connection with any of the foregoing; or
- engineering or other advice, instruction, labour or service relating to any of the foregoing.

13.4 Asbestos, Asbestos Dust And/or Asbestos Products

This insurance does not apply to any Financial Injury arising out of or connected directly or indirectly with

- any actual or alleged liability whatsoever for claims in respect of Loss or Losses, directly or indirectly (exclusively or partially) caused by or resulting from or in consequence of or contributed to by or arising out of or resulting from the existence, production, processing, manufacture, sale, distribution, storage, deposit or use of or in any way involving Asbestos or respirable ceramic fibres, or any material containing Asbestos or respirable ceramic fibres in whatever form or quantity;
- the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of Asbestos;
- any damages, Loss, cost or expense arising out of any:
 - demand, order, request or regulatory or statutory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of Asbestos; or
 - claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of Asbestos.

13.5 Bodily Injury And/or Property Damage

This insurance does not apply to any financial injury arising out of, based upon or attributable to Bodily Injury and/or Property Damage, unless arising from an actual or alleged failure to achieve the legally required standard of care, diligence and expertise in performing of the Professional Services.

13.6 Contractual Liability

This insurance does not apply to any Financial Injury for liability arising out of or connected with liability assumed by the Insured under any agreement or contract provided however this exclusion will not apply to the liability which would have been attached to and/or imposed on the Insured in the absence of such agreement or contract.

13.7 Licensing Fees/ Royalty Payments

Arising out of or resulting from any actual or alleged obligation to make licensing fee or royalty payments, including but not limited to the amount or timeliness of such payments;

13.8 Patents and Trade Secret

Arising out of, based upon or attributable to the infringement of or misappropriation of Patents or Trade Secrets;

13.9 Deliberate, Conscious and Intentional Acts

This insurance does not apply to any Financial Injury arising out of or caused by the dishonest, deliberate, conscious, criminal, fraudulent or intentional or malicious conduct committed by or with the consent or knowledge of the Insured.

13.10 Employment Practices

This insurance does not apply to any liability arising out of, based upon or attributable to any:

- i. actual or alleged employment related: practices, harassment or discrimination; or
- ii. intentional or systemic harassment or discrimination;

13.11 Pricing, Advertising or Gambling

- i. inaccurate, inadequate, or incomplete description of the price of goods, Information and Network Technology Products or Services;
- ii. the failure of goods, Information and Network Technology Products or Services to conform with any represented quality or performance contained in Advertising; or
- iii. any actual or alleged gambling, contest, lottery, promotional game or other game of chance;

13.12 Expected or Intended Financial Injury

This insurance does not apply to any liability arising out of or connected directly or indirectly with Financial Injury intended by the Insured or that would be expected from the standpoint of a reasonable person in the circumstances of the Insured.

13.13 Government Claims

This insurance does not apply to any damages, Loss, cost or expense arising out of any Claim or proceeding made by or on behalf of any governmental authority. This exclusion does not apply to Financial Injury sustained by a governmental authority resulting from their ownership, maintenance or use of the Insured's Product or Insured's Service.

13.14 Fines, Penalty and Punitive Damages

This insurance does not apply to any liability arising out of or connected directly or indirectly with fines, penalties, punitive, aggravated, liquidated or exemplary damages or multiple portions of any multiplied damages award or any other damages resulting from the multiplication of compensatory damages, unless insurable by law and unless specifically mentioned in the schedule of the Policy.

13.15 Electrical, Utility and/ or Infrastructure Failure

Arising out of, resulting from or alleging any failure or malfunction of electrical or telecommunications infrastructure or services, unless under the Insured's operational control.

13.16 Maintenance of Contracts or Licenses

This insurance does not apply to any actual or alleged Financial Injury arising out of, any actual, alleged or threatened failure to effect, maintain, procure or secure; or cancellation, lapse, modification, nonrenewal, revocation, suspension or other impairment of, in whole or in part at any time, any bond, insurance, lease, license, order, permit or other contract or agreement that any Insured is obligated to maintain, procure or secure in connection with Insured's Product or Insured's Service.

13.17 Seepage, Pollution and Contamination

This insurance does not apply to any Financial Injury arising out of

- i. the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of Pollutants and/or any contamination therefrom;
- ii. any damages, Loss, cost or expense arising out of any:
 - a. demand, order, request or regulatory or statutory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of Pollutants; or
 - b. Claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of Pollutants.

This exclusion applies regardless of whether or not the Pollution was accidental, expected, gradual, intended, preventable or sudden.

13.18 Prior Acts

This insurance does not apply to any liability arising out of or due to any Wrongful Act, or any event or any occurrence prior to the retroactive date which may result into a Financial Injury during the Policy Period as mentioned in the Policy Schedule.

13.19 Radioactivity, Ionizing Radiation or Contamination

This insurance does not apply to any actual or alleged Financial Injury arising out of or connected directly or indirectly with

- i. ionising radiation, combustion or contamination by radioactivity from any nuclear fuel or weapon, medical isotope, waste or other material whether occurring naturally or otherwise;
- ii. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

- iii. storage, transport, assembly, disassembly, maintenance or operation of any nuclear weapon or nuclear component thereof.

13.20 Strike, Riots and Civil Commotion

Any Loss, Financial Injury, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection Strike, riots and civil commotion regardless of any other cause or event contributing concurrently or in any other sequence to the Loss.

13.21 War and Terrorism, Invasion and Act of Foreign Enemy

This insurance does not apply to any liability arising out of or connected directly or indirectly with or occasioned by, happening through or in consequence of

- i. war, warlike action by military, invasion, act of foreign enemy, hostilities (whether war be declared or not) including any action in hindering or defending against any actual or expected attack, by any government, sovereign or other authority using military personnel or other agents;
- ii. civil war, rebellion, revolution, insurrection or military or usurped power including any action by any governmental authority in hindering or defending against any of these;
- iii. any act of terrorism, piracy or hijack; iv. legal liability arising directly or indirectly as a result of or in connection with Terrorism (including, without limitation, contemporaneous or ensuing Loss or damage or legal liability caused by fire and/or looting and/or theft) regardless of whether this insurance would otherwise apply to all or part of any such damages, Loss, cost or expense in the absence of any of the foregoing.

13.22 Delay in Delivery or Failure to Deliver

This insurance does not apply to any actual or alleged Financial Injury arising out of or connected directly or indirectly with any actual, alleged or threatened delay in delivery of or failure to deliver Insured's Information and Network Technology Product or part or phase of Insured's Information and Network Technology Product.

13.23 Delay in Performance of or Failure to begin Service

This insurance does not apply to any actual or alleged Financial Injury arising out of or connected directly or indirectly with any actual, alleged or threatened delay in performance of or failure to begin Insured's Information and Network Technology Service or part or phase of Insured's Information and Network Technology Service.

13.24 Unauthorised Access or Security Breach

This insurance does not apply to any actual or alleged Financial Injury arising out of or connected directly or indirectly with any actual, alleged or threatened security breach of, unauthorised access to or unauthorised use of:

- i. Insured's Information and Network Technology Product;
- ii. any property containing or incorporating Insured's Information and Network Technology Product;
- iii. any property on which Insured's Information and Network Technology Service is or was performed; by any person or organisation (including any Insured), regardless of whether this insurance would otherwise apply to all or part of any such actual or alleged injury in the absence of any such actual, alleged or threatened breach, access or use.

SECTION 14: General Conditions

14.1 The Insured shall give written notice to the Company as soon as reasonably practicable, but not later than the expiry of Policy or applicable extended reporting period, of any Claim made against the Insured (or any specific event or circumstance that may give rise to a Claim being made against the Insured) and which forms the subject of Liability under this Policy and shall give all such additional information as the Company may require. Every Claim, writ, summons or process and all documents relating to the event shall be forwarded to the Company immediately they are received by the Insured.

14.2 The Company will have the right, but in no case the obligation, to take over and conduct in the name of the Insured the defence of any Claim and will have full discretion in the conduct of any proceedings and in the settlement of any Claim and having taken over the defence of any Claim, may relinquish the same.

All amounts expended by the Company in the defence settlement or payment of any Claim will reduce the Limit of Liability specified in the Policy Schedule. In the event the Company, in its sole discretion, chooses to exercise its right pursuant of this condition, no action taken by the Company in the exercise of such right will serve to modify or expand in any manner, what the Company's liability or obligations would have been had it not exercised its rights under this condition.

14.3 No admission, offer, promise or payment shall be made or given by or on behalf of the Insured without the written consent of the Company.

14.4 The Insured shall give all such information and assistance as the Company may reasonably require. The Insured shall at all times in addition to their obligations set out in General Condition 14.1 above provide such information to and cooperate with the Company or their appointed representative.

14.5 The Insured shall give notice as soon as reasonably practicable of any fact, event or circumstance which materially changes the information supplied to the Company at the time when this Policy was effective, and the Company may amend the terms of this Policy according to the materiality of such change.

14.6 The Company may at any time pay to the Insured in connection with any Claim or series of Claims under this Policy, to which the Limit of Liability applies, the amount of such limit (after deduction of any sums already paid) or any lesser amount for which such Claims can be settled and upon such payment and/or settlement being made, the Company shall relinquish the conduct and control of and be under no further liability in connection with such Claims.

14.7 The Policy and the Policy Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Policy Schedule shall bear such specific meaning wherever it may appear. The terms, conditions and exclusions of this Policy (and any phrase or word contained therein) shall be interpreted in accordance with Indian Law.

14.8 Where the premium is based on the Insured's estimates, the Insured shall keep accurate records and after expiry of the Period of Insurance, declare as soon as possible such details as the Company require. The premium shall then be adjusted and any additional premium as the case may be collected from the Insured.

- 14.9 This Policy does not cover liability which at the time of happening of any event resulting into such liability, be Insured by or would, but for the existence of this Policy, be Insured by, any other Policy (but not a Errors And Omission Liability Insurance) or Policies, except in respect of any Excess beyond the amount which could have been payable under such Policy/Policies, had this Insurance not been effected.
- 14.10 The insurance afforded by this Policy is excess over any other valid and collectable insurance available to the Insured. Valid and collectable insurance includes any self-insurance plan which would be applicable to the Loss.
- 14.11 In the event of liability arising under the Policy or the payment of Claim under the Policy, the Limit of Liability per Any One Year under the Policy shall get reduced by the extent of quantum of liability paid or to be paid in respect of such Claim. Under no circumstances, it shall be permissible to reinstate the Limit of Liability to the original level, even on payment of extra premium unless specifically agreed and endorsed for.
- 14.12 On the Occurrence of any Loss within the scope of cover under the Policy, the Insured shall allow the Investigator or any agent of the Company to inspect the material items and assist and not hinder or prevent the Company or any of its agents in pursuance of their duties on happening of Loss.
- If the Insured does not comply with the provisions of this Clause or other obligations cast upon the Insured under this Policy, in terms of the other clauses in the Policy documents, all benefits under the Policy shall be forfeited, at the option of the Company.
- 14.13 No Claim shall be payable under this Policy unless the cause of action arises in India, unless otherwise specifically provided in the Schedule to this Policy. All Claims shall be payable in India in Indian Rupees only.
- 14.14 The Company have no duty to provide coverage under this insurance unless Insured and any other involved Insured have fully complied with all of the terms and conditions of this insurance.
- 14.15 This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit the Company from providing insurance.
- 14.16 **Cancellation**
- In case of any fraud, misrepresentation, or suppression of any material fact either at the time taking the Policy or any time during the currency of the earlier policies, Company may at any time cancel this policy by sending the Insured 15 days notice by registered letter or email, at the Insured's last known address or email id provided and in such event Insurer shall refund to the Insured a pro-rata premium for unexpired period of Insurance subject to no Claim has occurred up to date of cancellation. Insurer shall, however, remain liable for any Claim which arose prior to the date of cancellation.
- The Insured may at any time cancel this policy by giving a written notice to the Company and in such event Insurer shall allow refund of premium at short period rate only provided no Claim has occurred up to the date of cancellation. Short Period Rate Chart

Period (Not exceeding)	Rate
1 Month	25% of the Annual rate
2 Months	35% of the Annual rate
3 Months	50% of the Annual rate
4 Months	60% of the Annual rate
6 Months	75% of the Annual rate
8 Months	85% of the Annual rate
Exceeding 8 Months	Full Annual Premium

14.17 **Reasonable Care**

The Insured shall exercise reasonable care that only competent Employees are employed and shall take all reasonable steps to prevent Occurrence and to comply with all statutory or other obligations and regulations imposed by any authority and shall maintain the Premises and all ways, works, machinery and plant in sound condition. In the event of the discovery of any defect or danger the Insured shall forthwith cause such defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require.

14.18 **Fraudulent/wilful act or misrepresentation of facts**

The Policy shall be null and void and no benefit shall be payable in the event of untrue or incorrect statements, misrepresentation, misdescription or on non-disclosure in any material particular in the proposal form, personal statement, declaration and connected documents, or any material information having been withheld, or a Claim being fraudulent or any fraudulent means or devices being used by the Insured or any one acting on his behalf or if any Loss or Financial Injury be occasioned by the wilful act or with the connivance of the Insured to obtain any benefit under this Policy.

14.19 **Contribution**

If at the time of the happening of any Loss or Financial Injury covered by this Policy, there shall be any Errors and Omission Liability Insurance or other insurance effected by the Insured or by any other person covering the same liability, then the Company shall not be liable to pay or contribute more than its rateable proportion of such liability.

14.20 **Subrogation**

In the event of payment under this Policy, the Company shall be subrogated to all the Insured's rights or recovery thereof against any person or organisation, and the Insured shall execute and deliver instruments and papers necessary to secure such rights.

The Insured and any Claimant under this Policy shall at the expense of the Company do and concur in doing and permit to be done, all such acts and things as may be necessary or required by the Company, before or after Insured's indemnification, in enforcing or endorsing any rights or remedies, or of obtaining relief or Liability, to which the Company shall be or would become entitled or subrogated.

14.21 **Other Insurance**

This Policy shall apply in excess of any other valid and collectible insurance available to any Insured, including any self-Insured retention or deductible portion thereof unless such other insurance is written only as specific excess insurance over the Limit of Liability of this Policy with the prior consent of the Company.

14.22 **Policy Disputes**

Any dispute concerning the interpretation of the terms, conditions, limitations and/or exclusions contained herein is

understood and agreed to by both the Insured and the Company to be subject to Indian Law. Each party agrees to submit to the exclusive jurisdiction of the courts of India and to comply with all requirements necessary to give such Court the jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such Court.

14.23 Arbitration clause

The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy. Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

14.24 Currency

Premiums, limits, Deductible, retentions, Loss and other amounts under this insurance contract are deemed to be expressed and payable in Indian Rupees currency unless specifically agreed. If judgment is rendered, settlement is denominated or another element of Loss is expressed in currency other than Indian Rupees, then the payment under this insurance shall be made in Indian Rupees at prevailing exchange rate on the date that the final judgment is rendered, the amount of the settlement is agreed upon or the other element of Loss is due, respectively.

14.25 Changes

This insurance may be amended by a written endorsement from the date of such endorsement which becomes part of this insurance. The endorsement must be signed by one of the Company's authorised representatives.

14.26 Legal Action

No person or organisation has a right under this insurance to join the Company as a party or otherwise bring the Company into a Suit seeking damages from an Insured or sue the Company on this insurance unless all of the terms and conditions of this insurance have been fully complied with.

A person or organisation may sue the Company to recover on an agreed settlement or on a final judgment against an Insured obtained after an actual trial in a civil proceeding or arbitration or other alternative dispute resolution proceeding but the Company will not be liable for any damages, Loss, cost or expense not payable under the terms and conditions of this insurance or in excess of the applicable Limits of Insurance. The terms and conditions of this insurance shall be governed by and construed in accordance with the laws of India. If any person or organisation sues the Company on this insurance or as a result of a dispute arising out of, in connection with or relating to this insurance, then such legal proceeding against the Company must be brought in and determined exclusively in the courts of India.

SECTION 15: Conditions Precedent to Liability of the Company

It is hereby understood and agreed that this insurance shall not apply to and does not cover any liability, whatsoever for any Claim in respect of Loss or Losses directly or indirectly (exclusively or partially) arising out of, resulting from, or in consequence of failure of the Insured to meet the following conditions, these are the conditions precedent to the Company's liability:

- 15.1 Insured has taken required government/regulatory approvals and has followed related rules & regulations;
- 15.2 Insured maintains satisfactory details in respect of record keeping and traceability of the Insured's Information and Network Technology Product and Insured's Information and

Network Technology Service and provide the same to the Company (as and when required by the Underwriters);

- 15.3 Insured's Information and Network Technology Products follows Product Safety guidelines applicable to the country where the product is sold;

- 15.4 Retroactive coverage is applicable on following conditions being complied with

- i. no break/gap in between the insurance periods; ii. no known or reported Losses for last 5 years, unless declared to the Company before inception of Policy and agreed by the Company;
- iii. the insurance has been Claims made since the retroactive date;
- iv. Retroactive cover is restricted to limit/coverage in place during relevant Policy Period (but retroactive cover not exceeding this Policy coverage);

- 15.5 Insured has to notify in writing to the Company of the Claims made against the Insured or any adverse incident that might lead to a Claim under this Policy. This notification must be given to the Company within Policy Period or applicable extended reporting period.

Subject otherwise to the terms and conditions of this Policy, except for the specific terms, conditions and exclusions made applicable.

15.6 Grievance Redressal Mechanism

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>