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Andhra Pragathi Grameena Bank
(Sponsored by Canara Bank)

Request for Proposal [RFP]

For

Renewal of Bankers Indemnity Policy

From 31st March, 2024 to 30th March, 2025

**RFP- 41/HO PMSD/ Bankers Indemnity/2024,
dated 13.02.2024**

Issued by:

General Manager
Premises Maintenance & Services Department
HEAD OFFICE, 3rd Floor,
ANDHRA PRAGATHI GRAMEENA BANK
Beside Mariyapuram Church
Akkayapalle, Kadapa – 516 003
Ph: 9490158007, 9705164328



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Bid Details in Brief:

Sl. No.	Description	Details
1	RFP No. and date	RFP- 41/HO PMSD/ Bankers Indemnity/2024 dated 13.02.2024
2	Brief Description of the RFP	Renewal of Bankers Indemnity Policy.
3	Bank's Address for Communication	General Manager, Andhra Pragathi Grameena Bank, Premises Maintenance & Services Department, Head Office, Kadapa – 516 003. Andhra Pradesh. Tel – 9490158007, 9705164328 Email: hopms@apgb.in
4	Date of Issue	13.02.2024
5	Last date for submission of Pre-bid queries	19.02.2024 AT 4.00 PM
6	Date of Replies to Queries	21.02.2024 AT 4.00 PM
7	Last date for submission of bids	01.03.2024 AT 04.00 PM
7	Date and time of Opening of Technical Bid	01.03.2024 AT 04.30 PM
8	Date and time of Opening of Financial Bid with Reverse Auction Method.	11.03.2024 AT 04.00 PM tentatively as per GeM Portal
9	Coverage of insurance	FROM 31.03.2024 TO 30.03.2025
10	Date of Commencement	FROM 31.03.2024
11	Cost of application /tender documents	FREE OF COST
12	Insurance Brokers	M/s Atlas Insurance Brokers (P) Ltd., # 3-6-521, Flat No. 301 & 401, Gharondamany Apartments, Himayath Nagar Main Road, Hyderabad. PIN: 500 029. Mobile : 9959055508 E-mail: rajeeva.lochansyrl@yahoo.co.in
12 (A)	Brokers Remuneration	As per IRDA Norms
13	Premium Vs Claims Data	Furnished for 3 years in detail in Annexure-9

This document can be downloaded from Bank's website www.apgb.com, <https://gem.gov.in>.
The Tender processing will be done only through Government e- Market Place Portal.



DISCLAIMER

The information contained in this Request for Proposal Document (RFP Document /Bid Document) or information provided subsequently to bidder(s) or applicants whether verbally or in documentary form by or on behalf of Andhra Pragathi Grameena Bank, is provided to the bidder(s) on the terms and conditions set out in this RFP document and all other terms and conditions subject to which information is provided.

This RFP Document is not an agreement and is not an invitation by Andhra Pragathi Grameena Bank to any party/(ies) other than the applicants who are qualified to submit the bids ("Bidders"). The purpose of this RFP document is to provide the Bidder(s) with information to assist the formulation of their proposals. This RFP document does not claim to contain all the information each bidder may require. Each bidder should conduct its own independent investigation and analysis and is free to check the accuracy, reliability and completeness of the information in this RFP document and wherever necessary obtain independent information.

Andhra Pragathi Grameena Bank and its employees make no representations or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this RFP Document. Andhra Pragathi Grameena Bank may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP Document. Such change will be published on the Bank's Website and it will become part and parcel of RFP.

The Bank also accepts no liability of any nature whether from negligence or otherwise, however caused arising from reliance of any bidder upon the statements contained in this RFP.

The issue of the RFP does not imply that the Bank is bound to select a bidder or to appoint the selected bidder, as the case may be, for the purposes of RFP and the Bank reserves the right to reject all or any of the bidder or bids without assigning any reason whatsoever.

The bidder shall bear all the costs associated with or relating to the preparation and submission of the bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Bank or any other costs incurred in connection with or relating to the bid. All such costs and expenses will remain with the bidder and the Bank shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a bidder in preparation or submission of the Bid, regardless of the conduct or outcome of the bidding process.



ABBREVIATIONS:

Sl.No.	Short Text	Abbreviations
1	AOA	Any One incident
2	AOG Perils	Act of God Perils
3	AOY	Any One Year
4	ATM	Automated Teller machine
5	CDM	Cash Deposit Machine
6	CPH	Central Processing Hub
7	CTS	Cheque Truncation System
8	CVC	Central Vigilance Committee
9	DC	Data Centre
10	DRC	Disaster Recovery Centre
11	EDP	Electronic Data Processing
12	FFF	Furniture, Fittings & Fixtures
13	FLCs	Financial Literacy Centers
14	GeM	Government E-market
15	HO	Head Office
16	IEM	Independent External Monitors
17	INR	Indian Rupee
18	IPR	Intellectual Property Rights
19	IRDAI	Insurance Regulatory and Development Authority of India
20	ISC Parcels	Inland Sight for collection
21	KYC	Know Your Customer
22	NND	Nithya Nidhi Deposit
23	PRD	Panel for Resolution of Disputes
24	RFP	Request for Proposal
25	RO	Regional Office
26	RSMD	Riot, Strike, Malicious Damage
27	SI	Sum Insured
28	SLA	Service Level Agreement
29	STFI	Storm, Tempest, Flood, Inundation
30	SRKs	Sarala Runa Kendras
31	WIP	Work-in-progress



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1. About Andhra Pragathi Grameena Bank:

Andhra Pragathi Grameena Bank, a body corporate constituted under the RRB Act, 1976, having its head office at Mariyapuram, Kadapa, Andhra Pradesh, a Regional Rural Bank having 551 branches and 9 *Regional* Offices having a network in Anantapuramu, Sri Satya Sai, YSR, Kurnool, Nandyal, Prakasam, Nellore, Tirupati, Bapatla and Annamayya Districts.

The Bank is working on Core Banking Solutions using BQNC-EDGE. The Bank is providing various services to its customers including the safe deposit locker facilities.

The Bank intends to avail Insurance Cover under Bankers indemnity Policy.

2. Definitions:

BANK means, unless excluded by and repugnant to context or the meaning thereof, shall mean ANDHRA PRAGATHI GRAMEENA BANK, described in more detail in paragraph 1 above and which has invited bids under this RFP and shall be deemed to include its successors and permitted assigns.

RFP means this Request for Proposal for availing Insurance Cover under Bankers Indemnity Policy.

BIDDER means an Insurance Company submitting the proposal in response to RFP.

CONTRACT means the RFP document and acceptance thereof and the agreement duly executed between the Andhra Pragathi Grameena Bank and the successful bidder together with the documents referred to therein including the conditions and instructions from time to time by the Bank.

The Objective of the RFP is to invite offers from eligible entities for Insurance Coverage for Bankers Indemnity Policy as per the details given in Annexure – 3. The issue of tenders, submission of Bids, scrutiny, entrustment etc., will be done through Government e – Market place portal.

3. Eligibility criteria.

Insurance Companies who satisfy the following criteria are only eligible to apply for the RFP.

- a. Insurance Companies of Repute both In Public & Private Sectors who possess claims payment ability 'A' Rating and above from Approved Rating Agencies.
- b. Only well established & Reputed Insurance Companies licensed by IRDAI and Registered under Companies Act 2013 or any earlier Companies Act, with more than 5 Years establishment as on 31.12.2023, are eligible to submit the quotations/Bids. Insurance Company has to submit Self Attested Copies of the License Issued by IRDAI for the past Five continuous Years as Proof.
- c. Insurance Companies should have served at least 1 PSB (Nationalized Bank) / SBI / RRB / Private Sector Banks having a Network of More than 300 Branches, covering Bankers Indemnity Policy for the Banks, for any one Continuous Year During the last Five Years as on 31.12.2023.



d. The Bidder should not be from a country which shares a Land Border with India unless the bidder is Registered with the Competent Authority (as detailed in Office Memorandum-F.No.6/18/2019-Ppd Dated 23.07.2020 Of Dept. Of Expenditure, Ministry Of Finance). Bidder from a Country which shares a Land Border with India Means:

An entity incorporated, established or Registered in Such a Country;

OR

A Subsidiary of an Entity Incorporated, Established or Registered in such a Country; OR

AN ENTITY SUBSTANTIALLY CONTROLLED THROUGH ENTITIES INCORPORATED, ESTABLISHED OR REGISTERED IN SUCH A COUNTRY;

OR

AN ENTITY WHOSE BENEFICIAL OWNER IS SITUATED IN SUCH A COUNTRY; OR

AN INDIAN (OR OTHER) AGENT OF SUCH AN ENTITY; OR

A NATURAL PERSON WHO IS A CITIZEN OF SUCH A COUNTRY; OR

A CONSORTIUM OR JOINT VENTURE WHERE ANY MEMBER OF THE CONSORTIUM OR JOINT VENTURE FALLS UNDER ANY OF THE ABOVE.

With regards to Point no.d, Insurance Company shall provide a declaration in their Letter Heed signed by Competent Authority as per Annexure 6.

e. THE BIDDER SHALL HAVE ITS CLAIM PROCESSING OFFICE WITHIN ANDHRA PRADESH / TELANGANA JURISDICTION AND ALL CLAIMS ARISING FROM THIS POLICY SHALL BE PROCESSED FROM THE SAME OFFICE TILL ITS LOGICAL CONCLUSION. AN UNDERTAKING IN THIS REGARD SHALL BE PROVIDED AS PER ANNEXURE 7 UNDER COMPANY LETTER HEAD.

4. PRE- BID QUERIES

❖ The bidder should carefully examine and understand the scope and, terms and conditions of RFP and may seek clarifications, if required. The bidders in all such cases seek clarification in writing in the same serial order of that of the RFP by mentioning the relevant page number and clause number of the RFP.

All communications regarding points requiring clarifications and any doubts shall be given in writing to The General Manager, Andhra Pragathi Grameena Bank, Premises Maintenance & Services Department, Head Office, Kadapa – 516 003, Andhra Pradesh, by the intending bidders before 04.00 PM on 19.02.2024 (Monday) through e-mail::hopms@apgb.in

No oral or individual consultation shall be entertained.



5. TWO BID SYSTEM

The tender submission is through GeM Portal as per the details given in the said Portal. No submission of Physical Documents are permitted.

Please note to submit filled Bid Forms (as per Annexure 3 for Technical bid).

The Authorized Signatory has to sign on all pages of printed bid documents (including the Wording for Policy cover which forms part of the RFP), in token of having accepted all the terms and conditions of the Bid. The signed document shall be scanned & uploaded in GeM Portal.

Financial Bids are to be submitted through GeM Portal as per the format in GeM. The L1 bidder will be selected through Reverse Auction method as per GeM Portal guidelines.

Financial Bid will be opened only when Technical Bid is found to be in order and accompanied with documentary evidence supporting eligibility criteria as per Point 3 (a to e) above.

The preferred insurer will be the L1 bidder for **the above policy in Annexure-3**, after reverse auction. However, the Bank reserves the right to cancel the bid, if not found according to the proposal made and the Bank also reserves the right to accept or reject any tender without assigning any reason/s whatsoever.

6. CANCELTION/REJECTION OF THE TENDER:

- a) Time is of essence for the process of renewal of the policies which has to happen on a fixed date before expiry of the existing policies. Should there be any dispute or any eventuality which prolongs the tendering process or likely to prolong the tendering process, Bank reserves the right to cancel this entire Tender Process without assigning any reason to any tenderer. None of the bidders shall have any legal recourse against the Bank for such cancellation.
- b) Bank is also at liberty to take any further action in respect of renewal of policies before expiry.

7. SUBMISSION OF BIDS:

Bid (both Technical & Financial) made strictly as per provisions of the RFP should be submitted latest by 04.00 PM on 01.03.2024 (Friday) through GeM Portal.

No hard copy of the completed tender document will be accepted.



8. OPENING OF BIDS:

First the Technical Bids will be opened as per the following schedule:

Date	Day	Time	Venue
01.03.2024	Friday	04.30 pm	Online through GeM Portal

The financial Bids of Technically Qualified Insurance Companies will be opened as per the following schedule. Reverse Auction method as per GeM Portal procedures will be adopted for finalizing the L1 Bidder.

Date	Day	Time	Venue
11.03.2024	Monday	04.00 pm	Online through GeM Portal (Tentatively)

Only those bids of the bidders, which qualify the eligibility criteria under technical evaluation, their price bids will be opened on the above specified day or such other date intimated by Bank.

9. AGREEMENT FOR SERVICE STANDARD:

The selected insurance company should enter into an Service Level Agreement (SLA). The bidder/s whose bid is accepted by the bank will be referred to as the selected bidder/s and Bank will notify the name of the selected bidder/s by display in the website.

Bank will enter into SLA with the selected Bidder/s.

The effective date shall be from 31.03.2024 for One Year period.

The format for the agreement is provided as per Annexure

OTHER CONDITIONS:

10. Any onerous clauses stipulated by the bidders or conditional offers in the bids which impact the intent of required terms as determined by the Bank shall be liable for rejection and Banks decision in this regard will be binding and final.
11. Bidders are advised to submit all required information and details at the 1st instance in the GeM portal technical bid. Bank is not liable to seek clarification and such bids which do not provide all relevant information or incomplete submission are liable for rejection at this stage itself.
12. Insurance companies should ensure that the bank is not put to any loss/inconvenience in the event of any claims, due to wrong calculation of premium on the part of the companies. In such instances the cost and consequences will be the sole responsibility of the Insurance Company.
 - The Bank Reserves the Right to cancel or Postpone the tenders at any stage without assigning any reason.



- If any entity merges with Andhra Pragathi Grameena Bank during the Currency of Policy Period, the Insurance risk cover need to be extended for the merged entity also as per the requirement of Andhra Pragathi Grameena Bank.

13. INSURANCE BROKERS

Andhra Pragathi Grameena Bank has appointed & authorized M/s Atlas Insurance Brokers (P) Ltd., # 3-6-521, Flat No. 301 & 401, Gharondamany Apartments, Himayath Nagar Main Road, Hyderabad-500 029, as insurance broker for the purposes of this RFP. The onus of remunerating the Broker as per Industry norms.

Standards lies on the Successful bidder. All the rights and claims under the policy shall be exercised or preferred by the Bank either on its own or through the Broker appointed by it.

14. OTHERS:

I. Bank reserves the right to the following:

- Reject any or all proposals received in response to the RFP without giving any reason whatsoever.
- Reject the proposals received in response to the RFP containing any deviation.
- Waive or Change any formalities, irregularities, or inconsistencies in proposal format.
- Extend the time for submission of proposal.
- Modify the RFP document, by an amendment that would be notified on the Bank's website and in GeM Portal.
- To independently ascertain information from the Banks and other institutions / companies to which the bidder has already extended services for similar assignment.

II. Compliance Confirmation

The bidder must submit unconditional and unambiguous compliance confirmation to all the terms & conditions stipulated in the RFP in Annexure 5.

III. Undertaking by Bidder Insurance Company

The bidder shall furnish an undertaking as part of the proposal, that there has been no conviction by a Court of Law or contemplated by court for misconduct, guilty or indictment / adverse order by a regulatory authority for an offence against us or any of our sister concern or our MD &CEO, Directors / Managers / Employees and if it arises we will intimate the Bank of the same in the Letter Head signed by the Authorized Signatory. The format is as per Annexure -8.

The bidder shall further ensure the compliance of the guidelines issued by Central Vigilance Commission for the purpose of selection and employment of service providers.

As per Central Vigilance Commission (CVC) directives, it is required that Bidders /Suppliers / Contractors/Service Providers observe the highest standard of ethics during the procurement and execution of contracts:



"Corrupt Practice" means the offering, giving, receiving or soliciting of anything of values to influence the action of an official in the procurement process or in contract execution.

AND

"Fraudulent Practice" means a misrepresentation of facts in order to influence a procurement process or the execution of contract to the detriment of the Bank and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Bank of the benefits of free and open competition.

The Bank reserves the right to reject a proposal for award if it determines that the bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.

The Bank reserves the right to declare a bidder ineligible, either indefinitely or for a stated period of time, to be awarded a contract if at any time it determines that the firm has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

IV. Assignment

The bidder shall not assign or outsource the works undertaken by them under this RFP.

V. Confidentiality

The bidder shall hold in confidence all information, documentation etc., which come to their knowledge ('Confidential Information') and shall not disclose or divulge confidential information to any third party or use Confidential Information or any part thereof without prior written consent of the bank.

Confidential Information means information which is by its nature confidential or is designated by the bank as confidential and includes:

- a. All information marked or otherwise designated as confidential;
- b. Information, which relates to the financial position, the internal management structure, the Personnel, policies and strategies of Bank, its Subsidiary and Associate.
- c. Bank Data, customer lists, customer information, account information, and business information regarding business planning and operations of Bank, its Subsidiary and Associate or other information or data whether such data is permanent or otherwise.
- d. Any other information, which the parties specifically declared as confidential or reason to believe it as confidential.

The restriction imposed in this clause does not apply to any disclosure of information:

- a) Which at the material time was in the public domain other than by breach of this clause; or
- b) Which is required by law to be communicated to a person who is authorized by law to receive



that information.

VI. Resolution of Disputes

Andhra Pragathi Grameena Bank and the selected bidder shall make every effort at the earliest to resolve amicably, by direct informal negotiation, any disagreement or dispute arising between them under or in connection with the contract. If after thirty days from the commencement of such informal negotiations, Andhra Pragathi Grameena Bank and the bidder are unable to resolve amicably a contract dispute, either party may require that the dispute be referred for resolution by formal arbitration. The arbitration tribunal shall consist of sole arbitrator mutually agreed by the parties. In case if the parties fails to arrive at consensus regarding appointment of sole arbitrator within 30 days of notice of such dispute, parties may approach court of competent jurisdiction at Kadapa for resolving such dispute. The arbitration shall be concluded in English and a written order shall be prepared. The Arbitration and Reconciliation Act 1996 as amended from time to time shall apply to the arbitration proceedings and the venue & jurisdiction of the arbitration shall be Kadapa.

VII. Governing Law/Jurisdiction

The Agreement / Contract shall be governed by and construed in accordance with the laws in India and shall be subject to the exclusive jurisdiction of the Courts of Kadapa.

GENERAL MANAGER
(Sd/-)



Annexure – 1

From:

To:

The General Manager,
Premises Maintenance & Service
Department,
Andhra Pragathi Grameena Bank,
Head Office, Kadapa

Checklist

Bidder to verify the check points.

1	Rating from approved Rating Agencies	
2	Copy of original license issued by IRDAI and proof of renewal of License if any, with attestation for the last 5 years.	
3	Name of the PSB/SBI/Private Sector Banks. (self-declaration from Insurers)	
4	Undertaking as per Point 3 (d) of RFP as per Annexure 6	
5	Undertaking as per Point 3 (e) of RFP as per Annexure 7	
7	Compliance Confirmation letter as per Annexure 5.	
8	Undertaking as per Point 14 (III) of RFP as per Annexure 8	

S.No.	Other Clauses	[Yes/No]
1	Whether the Bid is authenticated by authorized person? Copy of Power of Attorney or Authorization letter from the company authorizing the person to sign the bid document is to be submitted with the Bid	
2	Whether all pages are authenticated with signature and seal (Full signature to be affixed and not initials). Erasures / Overwriting / Cutting / Corrections authenticated Certification / Undertakings authenticated?	

Insurance Company to verify the above checklist and ensure accuracy of the same before submission of the bid.

Date:

Signature with Seal

Name & designation



Annexure – 2

Bid Covering Letter

NAME OF THE INSURER: __

We hereby confirm our acceptance to all the requirements and specifications as detailed in the RFP.

Important:

- Duly sign and put seal/stamp on all pages attached with this Technical Bid document along with the wordings, which forms part and parcel of this RFP.
- Ensure that the wordings have been understood by us in terms of Bankers Indemnity Policy with modifications and endorsements detailed in the RFP. In the event of difference in understanding of such terms, Bank's view will prevail.

Enclosures as per eligibility for IRDAI approved Insurance Companies:

Signature of the authorized person & Seal

Name of the Authorized Signatory:

Address:

Date:

Place:



Annexure 3:

Technical Bid Format

Request for Proposal (RFP) – Bankers Indemnity Policy for Andhra Pragathi Grameena Bank for Period from 31st March, 2024 to 30th March, 2025.

TECHNICAL BID for Traditional Insurance Policies of ANDHRA PRAGATHI GRAMEENA BANK (Bankers Indemnity Policy)

The details of Contingencies & Amount of risk to be covered / other Terms & Conditions are furnished below:

Insured	Andhra Pragathi Grameena Bank		
Cover	Bankers Indemnity Policy		
Policy Period	31.03.2024 to 30.03.2025		
Incumbent Insurer	Oriental Insurance Co. Ltd.,		
Sr. No.	INSURING CLAUSES	Sum Insured (SI)(Rs.)	PolicyExcess
1	Basic Sum Insurance	1 Crore	0.50% of claim amount under Sections (A to H) but not exceeding INR 10000
2	Additional Sum Insurance for Sections		
A	On Premises	60 Crores	
	Currency Chest branches to be covered under premises section up to (4 Locations on PAN India Basis) INR 500 Crs (INR 300 Crs under premises + INR 200 Crs Additional)	250 Crores	
B	In Transit	5 Crores	
C	Forgery & Alteration	1 Crore	
D	Employee Dishonesty	1 Crore	
E	Hypothecated goods	Within Basic SI	
F	Registered post Parcel/courier	Within Basic SI	
G	Appraisers	AOA: 1 Crore AOY: 5 Crores	
H	Janata Agent / Collection agents or likes / Pygmy Collection / NND / Choti Bachat Yojana Agents/ Business Correspondent / Business Facilitator/Affiliate/Associates	1 Crore	
I	Forged Securities/ Documents	AOA: 1 Crore AOY: 5 Crores	INR 10,000 for Each claim
J	Damage to ATM/e-lounge/CDMs/Cash Recycler Machines (Only for bank owned)	AOA: 8 Lakhs AOY: 32 Lakhs	INR 5,000 for each claim



	machines)		
K	Counterfeit Currency	AOA: 1 Lakh AOY: 2 Lakhs	INR 2,000 for each claim
L	Infidelity of Bank Appointed Vendors/vendors/all outsourced service providers	AOA: 5 Lakhs AOY: 20 Lakhs	INR 5,000 for each claim
M	Liability arising out of Opening of Bank A/cwith forged documents	AOA: 5 Lakhs AOY: 20 Lakhs	5% of each claim but not exceeding. INR 10,000
N	Loss of cash / items of deposit in ATM/e-lounge / CDM / Cash Recycler. (Only for bank owned machines)	AOA:25 Lakhs AOY:1 Crore	NIL Excess
O	Negligence and Errors and Omissions including the loss by erroneous transfer and stop payment liability	AOA:10 Lakhs AOY:40 Lakhs	INR 5,000 for each claim
P	Loss of Keys	NA	
Q	Spurious Gold Cover	AOA: 50 Lakhs AOY: 1 Crore	INR 15,000 for each claim
R	Loss due to Impersonation of Borrower or Owners of Property	AOA: 1 Crore AOY: 4 Crores	INR 10,000 for each claim
S	Details of premium vs claims for last 3 years	Details of premium vs claims for last 3 years is mentioned in Annexure-9	

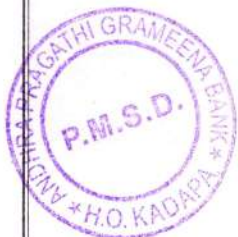
The Following Terms & Conditions would also be part of the policy

- 1) Policy covers loss of damage due to Fire & Allied perils, RSMD, Act of terrorism / Naxalite activities and all types of AOG perils including STFI cover.
- 2) 72 hours clause will be applicable for AOG perils.
- 3) ON ACCOUNT PAYMENT CLAUSE: With a minimum of 50% of Estimated Loss or UPTO 75% of admissible claim should be complied within a time line of 30 days subject to compliance of the relevant supporting documents from Bank.
- 4) Claims series clause – Time limit need to be extended up to 12months.
For Loss due to terrorism risk, for all the sections the excess would be 0.5% of the Sum Insured subject to a maximum of Rs. 10,000/-

Locations

All Offices/Work Places/Branches located in India either owned and /or Rented, existing as well as future including but not limited to:

1. Currency Chest Branches / Bullion Branches
2. Head Office.
3. Regional Offices/ Administration Office/DC/DRC/ LBO/ RUDSETI, CPHetc.
4. Branch Offices.
5. Extension Counters
6. ATM/E-LOUNGE Centers / Cash Deposit Kiosk / Bunch Note Acceptor



- /Cash AcceptorKiosk/ (Offsite/Onsite)- Owned and /or Rented, E.D. P
Systems centers.
7. Training Centers
 8. Residential Building/ Buildings/Flats/Guest Houses Etc.
 9. Representative Offices
 10. Mobile units (including ATM/e-lounge/CDM etc)

WORDINGS FOR BANKERS INDEMNITY POLICY

Whereas the Insured, named in the schedule hereto has made to the Insurer a written Proposal which it is agreed shall form the basis of this Insurance and has paid the premium specified in the schedule, all provisions of the said schedule and the written Proposal being hereby incorporated is forming part of this Policy.

The Insurer hereby undertakes and agrees, subject to the following terms, exclusions, limitations, general definitions and conditions, to make good to the Insured, as stated in the insuring clauses, or in any amendment endorsements attached thereto, in excess of the amounts of the deductibles/excess stated to be applicable, such financial loss sustained by the Insured subsequent to the retroactive date and discovered by the Insured during the period of the Policy and subject always to the Policy Limits as stated in the schedule or in any amendment endorsements attached there to.

The Insured is requested to read this Policy and if it is incorrect, return it immediately for correction.

The attention of the Insured is particularly drawn to each of the Insuring Clauses, Definitions, Exclusions and Conditions and any amendment endorsements/riders of this Policy.

In all communications the Policy Number appearing on the schedule should be quoted.

GENERAL DEFINITIONS

References in this Policy to the singular shall also include references to the plural and references to the male gender shall also include references to the female gender and vice versa in both cases.

The words or phrases defined below have a specific meaning. They have this meaning wherever they appear in the Policy and are shown with an initial capital letter.

1. **"Acceptance"** means a bill of exchange upon which is signified by the drawee his assent to the order of the drawer.
2. **"Insured"** means the Insured named and stated in the Schedule of this Policy and its Subsidiaries



3. **"Bill of Exchange"** means an unconditional order in writing, address by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a fixed or determinable future time a sum certain in money to or to the order of a specified person, or to bearer.
4. **"Bill of Lading"** means a document of title issued by a carrier to the order of a shipper and is transferable to another person by endorsement and delivery.
5. **"Certificate of Deposit"** means a written acknowledgement by a bank of a deposit of funds with a promise to pay to depositor to his order, or to some other person or to his order said deposit with interest on a specified date.
6. **"Cheque"** means a Bill of Exchange, drawn on a bank directing it to pay the sum specified on demand.
7. **"Counterfeited"** means the imitation of an instrument that is authentic such that the Insured is deceived on the basis of the quality of the imitation to believe that the imitation is the authentic original instrument. Fictitious instruments which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not counterfeit.

For the purpose of Insurance of Securities, Counterfeit shall be deemed to mean as **"Counterfeit"**, as used herein, means the reproduction of an authentic Security or Similar Written Instrument, as set forth above, such that the Insured is deceived on the basis of the quality of the imitation so as to believe that said item is the authentic original instrument.

8. **"Draft"** means Bills of Exchange payable on demand drawn by or on behalf of the bank upon itself whether payable at the Head Office or other offices of the insured
9. **"Employee" or "Employees"** means
 - a. The Insured's officers and other full and part-time staff compensated by salary or wages (including a Director of the Insured who is employed as a salaried officer or employee) while acting in the course of their employment by the Insured at or from the Premises of the Insured,
 - b. A Director of the Insured (other than one who is employed as a salaried officer or employee) but only while performing acts coming within the scope of the usual duties of an employee by resolution of the Board of Directors of the Insured while acting at or from the Premises of the Insured,
 - c. One or more persons, Business Correspondence/Business Facilitators provided by an employment contractor to perform employee duties for the Insured under the Insured's supervision; at or from any of the premises of the Insured & Business correspondence /Business Facilitators.



- d. One or more of the Insured 's retired officers or employees who have been retained by them as consultants, other than consultants involved in the Insured's Data Processing activities, while acting in their capacities as such consultants; and
- e. One or more persons engaged by the Insured as consultants, other than consultants involved in the Insured's Data Processing activities, while acting in their capacity as such,
- f. A guest student, volunteers, work experience participants pursuing studies or duties in any of the Insured's premises,
- g. Contractors or special visitors expressly authorized by the Insured to be on the Insured's premises and whilst under the supervision of the Insured,
- h. Employees of security and maintenance contractors while such contractors are temporarily performing services for the Insured whilst under the Insured's supervision,
- i. A person on secondment to the Insured from his or her employer to perform employee duties for the Insured under the Insured 'supervision.

In addition to the above the definition of employee shall mean all employees of the insured whether permanent, temporary or under contract including apprentices and under contract of any outstanding agency with whom the insured has entered or may be entering during the period of insurance into any contract relating to the business of the Insured.

- 10. **"Forgery"** or **"Forged Signature"** or **"Forged as to the Signature"** means the handwritten signing or endorsing of the name of another person without authority or with the intent to deceive. It does not include the signing or endorsing of one's own name, with or without authority in any capacity, for any purpose. Mechanically or electronically produced or reproduced copies of another person's signature shall be treated the same as a handwritten signature.
- 11. **"Insurer"** means the General Insurance Company viz Insurance Co Ltd.
- 12. **"Loan"** or **"Loans"** or **"Advance"** means
 - a). Any loan or Advance or transaction in the nature of, or amounting to, a loan or extension of credit, including a lease, made by or obtained by or from the Insured,
 - b). Any note, account, invoice, agreement, or other evidence of debt, assigned or sold by or to, or discounted otherwise acquired by the Insured,
 - c). Any payments made or withdrawals from a customer's / employee account involving an uncollected item and any other similar transaction



13. **"Letter of Credit"** means an engagement in writing by a bank, made at the request of a customer, that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in such Letter of Credit.
14. **"Payment"** of a promissory note means the discharge by the Insured of said promissory note and DOES NOT include the purchase, discount, sale, loan or advance of or on said promissory note.
15. **"Policy"** means:
- a. the Schedule, insuring clause(s), definitions, exclusions, conditions, and other terms contained herein; and
 - b. any endorsement attaching to and forming part of the Policy either at inception or during the Policy Period; and
 - c. the proposal.
16. **"Promissory Note"** means an unconditional promise in writing made by one person to another signed by the maker, engaging to pay, on demand or at a fixed or determinable future time, a sum certain in money to, or to the order of, a specified person or to bearer.
17. **"Property"** means the following tangible items: paper currency, foreign exchange, treasury notes, coins, bullion, pledged gold, gold on consignment, jewelry, precious metals of all kinds and in any tangible form and articles made there from, gems(including uncut gemstones), precious and semi-precious stones, stamps, insurance policies, travelers cheques, Cheques, certificates of stock, bonds, coupons, and all other types of securities, bills of lading, warehouse receipts, trust receipts, Bills of Exchange, Bankers Acceptances, Bankers Drafts, Bankers Cheques, Certificates of Deposit, share certificates, Gift Cheques, Travellers Cheques, Pay orders, Demand Drafts, Securities, Deposits, Term Deposits and Withdrawals Slips. Letters of Credit, Promissory Notes, Insurance Policies, import export documents, money orders, withdrawal notes/receipt/order, orders upon public treasuries, title deeds, certificates of title and all other negotiable and non-negotiable instruments or contracts representing money or other property (real or personal) , ATM/e-lounge/CDM keys, credit cards, debit cards, recharge cards, data magnetic tapes, any other storage media, coupons, postage stamps, revenue stamps, stamp papers, postal order, pay order, draft, bank guarantee documents, or representing interests in money or other property (real or personal) and other valuable papers, financial documents, including books of accounts and other written records used by the Insured in the conduct of its business in which the Insured has interest, or which are held by the Insured for any purpose or in any capacity and whether so held gratuitously or otherwise and whether legally liable therefore or not. Also covered are Dividend Warrants and/or Interest Warrants and/or Refund Orders issued by the Bank against its own shares and/or securities. Any new activity dealing in cash started by the insured shall also be covered.

Cash and Securities 'In Transit' would include all but not limited to include cash including foreign currency/securities transited from/to our branches/offices/ATM/e-lounge, other banks including co-operative banks, primary credit societies, post offices, treasuries, RBI, LIC



offices, any other institution or office where Bank is required to remit/collect cash/securities and office/premises of customer approved by the Insured, with or without specific order or with extended orders.

18. **"Premises"** means Insured's office at the address stated in the schedule and any other permanent or temporary, leased or owned or allowed to use arrangement office occupied by the Insured or on its behalf for the purpose of conducting business including ATM/e-lounge, Mobile Offices, Cash collection centers, Currency management/ chest centers, KIOSKS, Cash Management Service units, Cash Deposit Machines, mobile vans and likes and /or all vaults, safe deposit, safe deposit vaults, safe deposit boxes, strong room, defender safe. The premises also includes office of the Insured's bankers having custody of property for safekeeping purposes in any recognized place of safe deposit in course of normal business, including integrated currency chest. Office of a transfer or registration agent having custody of property for the purpose of exchange, conversion, registration or transfer in the usual course of business also constitute as Premises. All new premises owned or hired or leased during the course of the policy period are deemed to be covered. Additionally, all descriptive items mentioned under locations forming a part of the schedule are also covered.
19. **"Proposal"** means the application for insurance completed by the Insured and any ancillary information and documentation supplied by the Insured in connection with this insurance.
20. **"Withdrawal Receipt"** means a written instrument acknowledging receipt of funds from an account maintained with the Insured by a depositor including but not limited to withdrawal slips.
21. **Securities, Documents or Similar Written Instruments** shall be deemed to mean:
- i. original (including original counterparts) negotiable or non-negotiable instruments in writing, other than as set forth in (ii), (iii) and (iv) below, having value which value is, in the ordinary course of business, transferable by delivery of such instruments with any necessary endorsement or assignment; or
 - ii. original corporate, partnership or personal guarantees; or
 - iii. a Certificated Security or a Statement of Uncertificated Security; or
 - iv. an Instruction; or
 - v. an assignment, transfer, power of attorney, stock power, or guarantee presented in connection with the transfer, pledge or release from pledge of an Uncertificated Security and which transfers, pledges or releases from pledge or purports to transfer, pledge or release from pledge such Uncertificated Security



For the purpose of "Forged Securities", the definition of "Securities or Similar Written Instruments" means only the original (including original counterparts) negotiable or non-negotiable instruments in writing, having value which value is, in the ordinary course of business, transferable by delivery of such instruments with any necessary endorsement or assignment; or

- (a) Share certificates, bearer stock, certificates of stock, warrants or rights to subscribe, allotment letters, bonds, debentures or coupons issued by limited companies or corporations,
- (b) Bonds similar in form to corporate bonds issued by partnerships, which bonds are secured by mortgages, deeds of trust or collateral trust agreements,
- (c) Government or Government Guaranteed and Local Authority stocks, certificates of indebtedness, bonds, coupons or warrants issued by the Government of any Country or by any of its respective Agencies, States, Provinces, Counties, Cities, Towns or Municipalities, National Saving Certificate
- (d) Deeds of trust, mortgages upon real property and upon interests in real property and assignments of such mortgages,
- (e) Promissory Notes except:
 - (i) those issued or purporting to have been issued for use as currency, or those secured or purporting to be secured directly or indirectly by assigned accounts or what purport to be assigned accounts, or
 - (ii) when payable at and paid by the Insured,
- (f) Certificates of Deposits, Letters of Credit, and Bank Guarantee and Bill of Lading, Insurance Policies when pledged to the Insured as security for a Loan except Certificates of Deposit issued by the Insured,
- (g) Commercial Paper, Railway receipts and other instruments such as Title deeds, cheques, pay orders, invoice, bills of lading, bills of exchange etc.

22. "Automated Teller Machine" means an unmanned electronic terminal installed at the premises of the Insured (including stand-alone terminals), and bearing the Insured's designated logo or insignia, which can read the magnetic encoding of a 24 Hour Banking Card and permits a 24 Hour banking card holder of the Insured to perform certain basic financial transactions including the ability to deposit or receive money or Property and to send electronic instructions to a data center authorizing the processing of debit and credit entries to the card holders accounts. This definition also includes cash deposit machines

23. "Evidences of Debt" means instruments executed by a customer of the Insured and held by the Insured which in the regular course of business are treated as evidencing the customer's debt to the Insured including records of charges and accounts receivable.



24. "Financial Organization" means:

- i. Any bank, credit institution, financial institution, undertaking for collective investment in securities, investment firm, asset management company, building society, friendly society or similar organisation;
- ii. Recognized investment exchange, recognized clearing house, designated investment exchange or designated clearing house, overseas investment exchange, overseas clearing house;
- iii. Any regulated investment exchange or clearing house of the same type and nature as described in (b) above operating in any other country worldwide; and
- iv. Any Custodian.

25. "Instruction" means a written order to the issuer of an Uncertificated Security signed by or appearing to have been signed by the registered owner, the registered pledge or a person acting in a fiduciary capacity for the registered owner requesting that the transfer, pledge or release from pledge of the Uncertificated Security specified therein be registered.

26. "Loss" or "Losses" or "Lost" means:

- a. The financial loss sustained by the Insured (or by any person or organisation following the loss of Securities or other property under the care, custody and control of the Insured or for which the Insured is legally liable).
 - b. Direct compensatory damages (but not multiples thereof) awarded to a third party or settlements negotiated with the Insured's consent to reimburse a third party for their direct financial loss suffered as a result of an act, omission or event covered by Section of this Policy;
 - c. Interest Receivable or Payable;
 - d. Claims Expenses incurred in accordance with applicable Insuring Clause(Claims Expenses);
 - e. Verification Costs incurred in accordance with applicable Insuring Clause (Verification Costs);
 - f. Legal fees, costs and expenses incurred in accordance with applicable Condition (Legal Fees, Costs and Expenses).
27. "Trading" means any dealings in securities, metals, commodities, futures, options, funds, currencies, foreign exchange, and any other instruments traded through an established securities or commodities exchange.



INSURING CLAUSES:

A. ON PREMISES

By Reason of:

- a. Property within the Premises being lost through:
 - i. theft, larceny, false pretenses, burglary, robbery or hold-up committed by persons physically present on the premises where the Property is located, or
 - ii. mysterious unexplainable disappearance, or
 - iii. being damaged, destroyed or misplaced howsoever or by whosoever caused, while such Property is within the Insured's Premises, or actually within any recognized place of safe deposit or is actually within the premises of any Financial Organization / Business Correspondent / Business Facilitators in the usual course of business.
- b. Loss of Property, through any of the perils specified in the preceding paragraph, in the possession of any client or customer of the Insured, or of
- c. any representative of such client or customer, within the premises of the Insured for the purpose of transacting banking business with the Insured, whether or not the Insured is legally liable for the loss thereof and excluding in any event loss caused by such client or customer or representative. In the scenario of such a loss the claim will be paid directly to the client of the bank who has suffered the loss.
- d. Notwithstanding anything contrary in the policy, it is agreed that this policy indemnifies the cost of restoration of electronic records of securities or assets which are represented by the book entries in electronic form in an ordinary course of business as a depository participant
- e. This section is extended to include cover for property on premises/vaults of outsourced agencies as per limit mentioned in cover A (ii) the schedule of the policy.
- f. The assured's legal liability caused by damage, destruction or loss by any cause, theft or disappearance of any property and/or money or articles of intrinsic value the property of customers and/or depositors contained in the safe deposit vaults of the insured's premises anywhere including such property or articles or boxes are in the said premises but temporarily outside the safe deposit vaults. The insured's legal liability shall be deemed a direct financial loss for the purposes of this policy.



B. IN TRANSIT

By reason of:

- a) Loss, damage or destruction of Property from any cause (including by mysterious unexplainable disappearance) and negligence as well as fraud of the employees of the insured while the Property is in transit anywhere in the custody of an Employee of the Insured or any person designated by the Insured to act as its messenger or while in the custody of any Service Provider/outsourced agencies/vendors for the purpose of transportation on behalf of the Insured,
- b) Any non-negotiable instruments being lost or damaged from any cause while in transit anywhere in the custody of any Security Company.

Special Condition:

Transit shall be deemed to commence from the time the transporting person receives such items from or on behalf of the Insured and shall be deemed to end immediately upon delivery to the designated recipient or its agent. Transit cover is also required for Loading and unloading of cash or such items.

C. FORGERY OR ALTERATION

By reason of:

- i. Forgery or Fraudulent Alteration of, on, or in any Cheques, Bills of Exchange, Acceptances, Drafts, Certificates of Deposit, Transfer Orders, Letters of Credit, Money Orders, Order upon Public Treasuries, Stock Redemption forms, Stock Transfer forms, Promissory Notes, Withdrawal Receipts for the withdrawal of funds or any other documents;
- ii. The Insured, or any Financial Organization acting on behalf of the Insured, having acted or relied upon any written instructions or advices addressed to the Insured and authorizing or acknowledging the transfer, payment, delivery or receipt of any funds or property (including property or uncertificated securities) which instructions or advices either bear a Forged Signature or have been Fraudulently Altered. Those instructions or advices which are transmitted to the Insured by e-mail, cablegram, telex or other similar tested instructions by a person other than the said customer, client or Financial Organization purporting to send such instructions or advices and which are received by the Insured in written form shall be deemed to bear a Forged Signature.
- iii. The Payment by the Insured of Forged or Fraudulently Altered promissory notes or of promissory notes bearing forged endorsements.
- iv. All CTS related frauds to be covered



- v. By reason of the payment made in respect of bogus or fictitious or forged or raised cheques and/or drafts and/or genuine cheques and/or traveler cheques and/or gift cheques and/or fixed deposit receipts and/or bills of discount and/or other credit facilities issued by the insured bearing forged endorsements or the establishment of any credit to any customers on the faith of such documents whether received over the counter or through the clearing houses or by mail.
- vi. If Andhra Pragathi Grameena bank customer has misused any other bank customer cheque or other bank customer misused Andhra Pragathi Grameena Bank customer cheque and the other bank or Andhra Pragathi Grameena Bank goes to RBI – PRD to get the recovery of loss amount and whenever the RBI – PRD awards the case against the Andhra Pragathi Grameena Bank, those losses to be honored by Insurer under the policy, then the date of award should be treated as date of detection or discovery.

Special Condition:

The Insured must have relied upon the Forged Signature or the Fraudulent Alteration, either of which shall have been material and shall have caused the loss. This section will include cover for loss being caused to the insured due to the insured not being in compliance of applicable RBI guidelines/ circulars/ rules/ regulations and other statutory/compliance requirements.

D. DISHONESTY

By reason of:

Loss resulting solely and directly from dishonest, fraudulent or malicious acts or omission by any Employee of the Insured (including loss being caused to the insured due to the insured not being in compliance of applicable RBI guidelines/circulars/rules/regulations and other statutory/compliance requirements) wherever committed and whether committed alone or in collusion with others, including loss of Property through any such acts by Employee with the intension either to cause the Insured to sustain such loss or to obtain any improper personal financial gain to said Employee.

Special Conditions:

Notwithstanding the foregoing, it is agreed that concerning Loans or Trading this Insuring Clause covers only such direct financial loss that results from dishonest or fraudulent acts committed by an Employee whereby an improper personal financial gain is obtained by such Employee.



E. HYPOTHECATED GOODS:

By reason of:

Loss by Fraud and/or Dishonesty by the employee(s) of the Insured in respect of any goods and/or commodities pledged or hypothecated to the Insured under the insured's control.

F. REGISTERED POSTAL SENDINGS:

By reason of:

Loss by Robbery, Theft, or by other causes not herein excepted whilst in direct transit or intended to be dispatched by Registered Insured Post/courier from the Office of the Insured to the Consignee provided that each post parcel shall be insured with the Post Office. Provided always that the Company's liability for any one consignment and/or loss shall be limited to INR 10 lakhs.

G. APPRAISERS:

By reason of:

Loss by Infidelity or Criminal Acts on part of the Appraisers provided that such Appraisers are on the approved list of Appraisers maintained by the Insured and further provided that the Insured shall exercise reasonable precaution and safeguards in the selection and appointment of such Appraisers. This section to include cover for infidelity and criminal acts on part of the employees whilst acting as appraisers. This section will also include cover for infidelity and criminal acts of property valuers and advocates.

H. NND AGENTS / BUSINESS CORRESPONDENT / BUSINESS AFFILIATE / FACILITATORS / ASSOCIATES:

By reason of:

Loss by Infidelity or Criminal Acts on part of the NND agents / Collection Agents or like, Business Correspondents, Business Associates, Business Facilitators, Business Affiliates or persons performing duties of a like nature provided that such agents are regular part-time commercial agents of the bank.



I. FORGED SECURITIES/ DOCUMENTS

By reason of:

The Insured or any Financial Organization or other authorized representative acting on behalf of the Insured having in good faith and in the ordinary course of business acted upon any Security, Documents or Similar Written Instruments which prove to be:

- i. bear a Forged Signature, or
- ii. bear a Fraudulent Alteration, or
- iii. are Counterfeit, or
- iv. are lost or stolen.

Special Conditions:

- a. Actual physical possession of Securities or Similar Written Instruments by the Insured or, with respect to Loans in which the Insured participates, by the Insured's correspondent bank, at the time the Insured acts upon said items is condition precedent to recovery under this Policy. Concerning Loans, such physical possession must be continuous, up to and including the time that any loss by reason of such Securities or Similar Written Instruments is discovered.
- b. Securities or Similar Written Instruments which are either lodged or deposited with another Banking Institution or recognized Depository for safekeeping purposes by the Insured (or its correspondent bank), or are placed in the custody of a transfer or registration agent by the Insured (or its correspondent bank) for the purpose of exchange, conversion, registration or transfer in the usual course of business, shall be deemed to be in continuous physical possession.
- c. The foregoing Securities or Similar Written Instruments must be in written/printed characters and of a nature with which the Employee acting there upon is conversant. The Insured must have relied upon the Forged Signature or the Fraudulent Alteration, either of which shall have been material and shall have caused the loss.

Special Definitions:

"Securities or Similar Written Instruments" as used herein means only the original (including original counterparts) negotiable or non-negotiable instruments in writing, having value which value is, in the ordinary course of business, transferable by delivery of such instruments with any necessary endorsement or assignment; or

- (a) Share certificates, bearer stock, certificates of stock, warrants or rights to subscribe, allotment letters, bonds, debentures or coupons issued by limited companies or corporations,



- (b) Bonds similar in form to corporate bonds issued by partnerships, which bonds are secured by mortgages, deeds of trust or collateral trust agreements,
- (c) Government or Government Guaranteed and Local Authority stocks, certificates of indebtedness, bonds, coupons or warrants issued by the Government of any Country or by any of its respective Agencies, States, Provinces, Counties, Cities, Towns or Municipalities, National Saving Certificate
- (d) Deeds of trust, mortgages upon real property including Equitable Mortgage of title deeds and upon interests in real property and assignments of such mortgages,
- (e) Evidencing title to property like encumbrance certificate, tracks receipts, fake title deeds, possession certificate
- (f) Bill of exchange, bill of lading, profit and loss, letter of credit and balance sheet, export import related documents
- (g) Promissory Notes except:
 - i. those issued or purporting to have been issued for use as currency, or
 - ii. those secured or purporting to be secured directly or indirectly by assigned accounts or what purport to be assigned accounts, or
 - iii. when payable at and paid by the Insured, or
- (h) Certificates of Deposit, Letters of Credit and Bank Guarantee
- (i) Commercial Paper, Railway receipts and other instruments such as Title deeds, cheques, pay orders, invoice etc.
- (j) Fake warehouse receipts issued by the Warehouse Managers / Collateral Managers (i.e. Empanelled by the Bank) is covered.

"Counterfeit", as used herein, means the reproduction of an authentic Security or Similar Written Instrument, as set forth above, such that the Insured is deceived on the basis of the quality of the imitation so as to believe that said item is the authentic original instrument. The excess applicable for this section will be INR 10,000 each and every loss.



J. DAMAGE TO ATM/E-LOUNGES/ e-lounge/CDMS/CASH RECYCLER MACHINES(ONLY FOR BANK OWNED MACHINES)

By Reason of

Any Physical Damage arises to ATM/e-lounge/CDM/ Cash Recycler Machines including CCTV installed at the Site due any reason but not limited to attempted theft, burglary, riot, Strike or with malafide intension, Fire and allied perils or due to Act of God perils are covered.

K. COUNTERFEIT CURRENCY

By reason of:

Loss by the receipt and payment by the Insured in good faith and in the ordinary course of business of any counterfeit / altered paper currency or coin issued or purporting to have been issued as legal tender in any Country.

L. INFIDELITY OF THE BANK APPOINTED VENDORS/ALL OUTSOURCED SERVICE PROVIDERS:

By reason of:

Loss of money and/or securities resulting solely and directly from dishonest and fraudulent acts by employees of the vendors/service providers appointed by the insured committed with the manifest intent to cause the insured to sustain such loss or to obtain a financial gain for themselves wherever committed whether committed alone or in collusion with others.

M. LIABILITIES ARISING OUT OF OPENING OF BANK ACCOUNTS WITH FORGED DOCUMENTS:

By reason of:

Loss resulting directly and/ or indirectly from Forgery or fraudulent documents and/ or alteration of documents, on, or in any residence proof, Pan card, Aadhar or any KYC documents or other documents used for either online and/or offline opening of bank accounts, Drafts, Certificates of Deposit, Letters of Credit, Withdrawal slip etc., causing loss to Bank as a liability for others (customers or institutions or regulatory authorities) will be indemnified by the insurance company. Any liability arising on bank will be treated as direct financial loss.



N. LOSS OF CASH AND / OR ITEMS FOR DEPOSIT FROM ATM/E-LOUNGE / CASH RECEPTORS / CASH ACCEPTORS / RECYCLER/ ANY OTHER SUCH MACHINES RELATED FRAUD:

By reason of:

In consideration of the Insured having paid additional premium it is hereby declared and agreed that subject to the terms, conditions, exceptions, and limitations specified in this endorsement, the Company agrees to make good to the Insured such direct financial loss as stated hereunder, sustained by the Insured at any time and discovered by the Insured during the Policy Period and subject always to the limits of Indemnity and deductibles/excess as stated in the within mentioned endorsement.

i. Loss of Cash and / or items for deposit:

By reason of any cash and/or items for deposit being lost, damaged or destroyed due to any cause, including but not limited to mysterious unexplainable disappearance, while such cash and/or items are (or are supposed to be) within any Automated Teller Machine/Cash Deposit Kiosk / Bunch Note Acceptor owned and /or operated by the Insured.

ii. Unauthorized taking of cash and/or items for deposit

By reason of the unauthorized taking of cash from Automated Teller Machine / Cash Deposit Kiosk / Bunch Note Acceptor / Cash acceptor/ Recycler/ any other such machines as a direct result of a person either

- a. Fabricating an access or identification card or using a fabricated access or identification card.
- b. Altering an access or identification card or using an altered access or identification card.
- c. Using an access or identification card which has been lost by or stolen from the Bank or their printer or the person to whom the card was issued (including while in transit between the foregoing) including duplication of pin maker

iii. The property and/or money through the insured having affected the payment funds by the debit of a 24 hour banking card holders current or deposit accounts, the insured having relied upon electronic instructions directed through any ATM/E-LOUNGE and purporting to have been entered by the card holder but which have been entered by a person other than the said card holder and who is-

- a) Gaining access to such ATM/E-LOUNGE by means of lost or stolen debit, credit and/or any other card issued by the insured or
- b) Acting with fraudulent intent and causing a loss through a cloned/duplicate card



- iv. Additional cover for losses arising through POS terminals using cloned ATM/E- LOUNGE cards
- v. Property and/or money being lost through an illegal act or withdrawal by a customer acting under duress or being damaged or destroyed, howsoever or by whomsoever causes, while such property is contained in any Automated Teller Machine situated anywhere.
- vi. Loss to Bank due to either direct / indirect financial or legal liability arising out of network failure or arising out of other technical difficulties / external frauds resulting in claim from Bank's debit and credit card holders and other Banks.
- Vii) Loss to bank due to loading of cash in ATM/E-LOUNGE centers by wrong denominations of currencies in different cassettes which will lead to higher amount of disbursement.

O. NEGLIGENCE / ERRORS AND OMISSIONS INCLUDING ERRONEOUS TRANSFER AND STOP PAYMENT LAIBILITY:

By reason of:

In consideration of the payment of an additional premium, it is hereby agreed and declared that, notwithstanding anything in the within written policy contained to the contrary, the Policy shall extend to include Losses resulting wholly or partially from any Errors / Omissions / Negligence of the Insured employee.

The loss of fund erroneously directed or erroneously transferred by the Insured providing such transfer was not the result of a dishonest, fraudulent, malicious or criminal act. It is condition precedent to coverage hereunder that the Insured shall try every reasonable course of action to secure recovery of such funds.

The insured having complied or failed to comply with the request of any customer of the insured or an authorized agent of such customer, to stop payment on any cheque or draft made or drawn upon or against the Insured by such customer or by an authorized agent of such customer and which results in a loss to Insured's customer, thereby liability falling upon Insured to pay to its customer.

The Policy provides an indemnity to the insured in respect of insured's legal liability to the third parties for any third party claims.

Special Condition:

Including losses arising out of the insured not being in compliance of applicable RBI guidelines/circulars/rules/regulations and other statutory / compliance requirements.



P. LOSS OF KEYS:

By reason of:

Loss or misplaced or stolen keys, cost of keys including the cost of locksmith charges, new locks and replacement and /or associated repairs cost should be paid in full without applying any depreciation.

Q. SPURIOUS GOLD COVER

By reason of:

Loss arising out of Insured relying upon the Pledged Gold/Ornaments/Jewelleries having kept by Insured's customer as a security towards loan availed and it being spurious, fake, counterfeit, and/or sham.

R. LOSS DUE TO IMPERSONATION OF BORROWER OR OWNERS OF PROPERTY

Insurer shall pay for loss resulting directly from transfer/withdrawal of money, securities in reliance upon a transfer instruction purportedly issued by customer (borrower or owner of property) but which transfer instructions proves to have been fraudulently issued by an imposter without the knowledge or consent of the customer.

EXCEPTIONS

The Company shall not be liable in respect of Any **Loss** or damage occasioned by or through or in consequence whether directly or indirectly of any of the following occurrences:

- a) War, Invasion, Act of Foreign Enemy, hostilities, warlike operations (whether war be declared or not), civil war Mutiny, military, or popular uprising, insurrection, rebellion, revolution, military or usurped power, martial law, or state of siege, or any of the events or causes which determine of the proclamation or maintenance of martial law or state of siege.
- b) Losses resulting wholly or partially from the Wrongful Acts or default of any Directors, or Partners of the **Insured** other than salaried.
- c) Losses resulting directly or indirectly from trading actual or fictitious whether in the name of the **Insured** or otherwise and whether or not within the knowledge of the **Insured** and notwithstanding any act or omission on the part of any **Employee** in connection therewith whether acting within the scope of authority or not with any account recording the same.
- d) Loss destruction or damage to any **Property** whatsoever or any **Loss** or expense whatsoever resulting or arising there from or any consequential **Loss**.
- e) Any legal liability of whatsoever nature directly or indirectly caused by or contributed to, by or arising from ionizing radiations or contamination by radio activity from any source whatsoever or from nuclear weapons material.



REINSTATEMENT

At all times during the period of insurance the insurance cover shall be maintained to the full extent of the respective Sum Insured, in consideration of which, upon the settlement of any loss under this Policy prorata premium at the basic rate for the unexpired period for the amount of such loss paid (not exceeding the respective Sum Insured) shall be payable by the Insured to the Company. The additional premium referred to above shall be deducted from the net claim amount payable under the Policy. Thus continuous cover to the full extent will be available, notwithstanding any previous loss for which the Company may have paid hereunder and irrespective of the fact whether additional premium as mentioned above has been actually paid or not following discovery of a loss. The intention of this clause is to ensure continuity of cover to the Insured subject only to the right of the Company for deduction from the claim amount when settled, of prorata premium to be calculated from the date of discovery of each independent loss till the expiry of the Policy under which the loss falls. Provided that the liability of the Company will be limited to twice the respective Sum Insured during the entire period of the Policy in respect of any loss or losses caused by acts and/or omission of any person(s).

RETROACTIVE PERIOD: Since 31.03.2019

The Company shall not be liable for losses not sustained within a retroactive period, provided that in such retroactive period the insurance was continuously in force but in no event the Company shall be liable to pay any claim in respect of a loss or damage sustained prior to the retroactive period.

Further provided that losses which become payable under this clause shall be subject to the terms, conditions, exceptions of the Policy currently in force on the date of discovery.

CLAIMS SERIES CLAUSE

For the purpose of this policy where a series of and/or several loss of money/securities, claims are attributable directly or indirectly to the same cause/person, all such losses/claims shall be added together and all such losses/claims shall be treated as one claim and such loss/claim shall be deemed to have been made the point in time when the first of the claims was made in writing.

GENERAL CONDITIONS

1. Exclusive Policy Benefit

It is agreed that the Insurance granted hereunder shall be for the exclusive benefit only of the first named Insured of the schedule, and that in no event shall anyone other than the said Insured have any right of action under this Policy.



2. Discovery

This Policy applies to loss discovered by the Insured during the Policy Period. Discovery occurs when the Insured becomes aware of facts which would cause a reasonable person to assume that a loss covered by the Policy has been or will be incurred, even though the exact amount or details of loss may not then be known.

Notice to the Insured of an actual or potential claim by a third party which alleges that the Insured is liable under circumstances which, if true, would create a loss under this Policy constitutes such discovery.

3. Notification / Claims Procedure

Upon the happening of any event giving rise or likely to give rise to a claim under this policy, coming to the knowledge of the Insured:

- a) Lodge forthwith a complaint with the Police and take all practicable steps to recover the Property lost and to apprehend the guilty person(s) and to take appropriate departmental action against such person(s).
- b) As a condition precedent to its right to be indemnified under this Policy, the Insured shall, as soon as possible and in any event at the earliest after discovery by the Insured of any loss hereunder, give written notice thereof to the Underwriters.

4. Interpretation; Forum Selection; Service of Process

- a) The construction, interpretation and meaning of the terms, exclusions, limitations and conditions of this Policy shall be determined in accordance with the law (s) of India and in accordance with the English text as it appears in this Policy.
- b) In the event that the Insurer does not pay the amount claimed by the Insured to be due hereunder, the Insurer and the Insured shall bring suit in a Court of competent jurisdiction of Kadapa. Service of process in any such legal proceedings shall be made upon the person (s) named in the schedule who are duly authorized to accept Service of process on behalf of the Insurer.

5. Basis of Valuation

- a) Valuation of Securities and Foreign Currencies
 - i. The value of any securities for the loss of which a claim shall be made, shall be determined by their closing market value on the last business day prior to the date of discovery of the loss or in the event of the discovery of the loss after the close of the market, by their closing market value on the day of discovery of the loss.
 - ii. The value of foreign funds or currencies for the loss of which a claim shall be made, shall be determined by their mid-spot rate on the last business day prior to the date of discovery of the loss or in the event of the discovery of the loss after the close of the market, by their mid-spot rate on the day of discovery of the loss.



- iii. If there is no market value for securities or foreign funds or currencies on the day as stated in the preceding paragraphs then the value shall be as agreed between the Insured and the Insurer or in default thereof by arbitration. If, however, such securities or foreign funds or currencies shall be replaced by the Insured with the approval of the Insurer, the value shall be the actual cost of replacement.
- iv. If the applicable coverage of this Policy is subject to a deductible amount as specified in schedule and/or is not sufficient in amount to indemnify the Insured in full for the loss of securities for which claim is made hereunder, the liability of the Insurer is limited to the payment for, or the duplication of, so much of such securities as has a value equal to the amount of such applicable coverage.
- b) Valuation of Jewellery / Ornaments: Value for the purpose of settlement of any claim in respect of jewellery / ornaments under this Policy shall be market value on the dates of loss.
- c) Property other than Foreign currencies, Securities or Records

In case of loss, or damage to, any Property other than foreign currencies, securities, books of account or other records, or damage covered, the Insurer shall not be liable for more than the actual cash value of such Property, or of items covered under Insuring Clause. The Insurer may, at its election, pay the actual cash value of, replace or repair such Property.

6. Lost Instruments

It is agreed that in the event of a valid claim hereunder in respect of the loss of securities, the Insured may file a "Lost Instruments Bond" for the purpose of obtaining the issuance of duplicate securities.

It is further agreed that subject to the Insurer's prior consent being obtained to the filing of such "Lost Instruments Bond", the Insurer will indemnify the Insured for such sum or sums, not exceeding however the limits of liability expressed in this Policy which the Insured may be required to pay either during the currency of this Policy or any time thereafter by reason of any indemnifying agreement delivered by the Insured to the Company issuing the "Lost Instrument Bond".

Lost Securities, Document, or Similar Written instruments

- a. If Securities, Documents or Similar Written Instruments are able to be reissued then the Insured may reissue them, or arrange for them to be reissued, with the prior approval of the Underwriter (such approval shall not be unreasonably denied, delayed or withheld) and the value of those Securities, Documents or Similar Written Instruments shall be the actual cost of their reissue plus any interest charges incurred in doing so.
- b. To the extent that the Limit of Indemnity is not exhausted by the Insured in the reissuing of Securities, Documents or Similar Written Instruments in accordance with sub-clause (i) above, the direct financial loss shall also include any premium required to be paid by the Insured to purchase lost instrument bonds for the reissuing of duplicate Securities, Documents or Similar Written Instruments without reference to their total face value.



- c. The direct financial loss shall also include any sums which the Insured may be required to pay either during the period of the policy or any time thereafter by reason of any lost instrument bonds issued or purchased by the Insured as referred to in sub-clause (ii) above.
- d. The Insured shall pay the cost of obtaining such lost instrument bond referred to in sub-clause (iii) above for that portion of the direct financial loss which falls within the applicable retention or which is in excess of the Limit of Indemnity remaining available for the payment of direct financial loss.
- e. The Underwriter shall reimburse the Insured for the cost of obtaining such lost instrument bond referred to in sub-clause (iii) above for that direct financial loss which exceeds the applicable retention and is within the Limit of Indemnity.
- f. If for any reason it is not possible to re-issue Securities, Documents or Similar Written Instruments the value of such Securities, Documents or Similar Written Instruments shall be determined by the closing market value of such Securities, Documents or Similar Written Instruments on the day of Discovery of the direct financial loss (or if Discovered during a weekend or national holiday, on the next Business Day thereafter). The basis of valuation shall include any accrued interest (including coupons), dividends and privileges up to the date of Discovery of the direct financial loss.
- g. The valuation of Securities, Documents or Similar Written Instruments shall include external interest or interest charges up to the date of Discovery of the direct financial loss necessarily incurred by the Insured, or for which the Insured is legally liable, as the direct result of a loss of Securities, Documents or Similar Written Instruments covered under this Policy.
- h. In relation to Securities, Documents or Similar Written Instruments, the valuation of Securities, Documents or Similar Written Instruments shall include any loss of subscription, conversion, redemption or other similar privileges the value of such privileges shall be the closing market value of such privileges immediately preceding the expiration thereof.

7. **Salvage and Recovery**

In the case of recovery on account of any loss covered under this Policy the amount recovered, after deducting the actual cost of obtaining or making such recovery but excluding the Insured's own labour and/or establishment costs, shall be applied in the following order:

- i. To reimburse the Insured in full for the part, if any, of such loss which exceeds the amount of coverage provided by this Policy (disregarding the amount of any excess or deductible applicable).
- ii. the balance, if any, or the entire net recovery if no part of such loss exceeds the amount of coverage provided by this Policy, to reduction of that part of such loss covered by this Policy or if payment thereof shall have been made, to the reimbursement of the Insurer.



- iii. Finally, to that part of such loss sustained by the Insured by reason of any excess or deductible clause as specified in the schedule and/or to that part of such loss covered by any policy(ies) of Insurance of which this Policy is excess.

8. Co-operation

At the Insurer's request and at reasonable times and places designated by the Insurer the Insured after giving notice of any loss shall:

- i. submit to examination by the Insurer and subscribe to the same under oath; and
- ii. produce for the Insurer's examination all pertinent records;
- iii. co-operate with the Insurer in all matters pertaining to the loss; and
- iv. cause all persons interested in the matter, so far as it is within the Insured's power including employees, to submit to examination by the Insurer and subscribe to the same under oath. The Insured shall execute all papers and render assistance to secure to the Insurer the rights and causes of action provided for herein. The Insured shall do nothing after discovery of loss to prejudice such rights or causes of action.

9. Subrogation

It is agreed that the Insurer upon payment of any loss hereunder shall become subrogated to all rights and remedies of the Insured in respect of such loss. At the request of the Insurer the Insured shall execute such documents as are necessary to transfer the Insured's rights, title and interest as against any person or entity.

10. Limit of Liability

- a) Payment of loss under this Policy shall not reduce the liability of the Insurer for other losses covered by this Policy (except in respect of those Insuring Clauses which limits the Insurer's total liability for all losses during the Policy Period as specified in the schedule to the annual aggregate) PROVIDED ALWAYS (irrespective of the total amount of loss or losses or series of losses and subject always to the Policy Limits) as follows:
 - i. that the total liability of the Insurer on account of any loss or losses or series of losses caused by acts or omissions of any person whether one of the Employees of the Insured or not, or acts or omissions in which such person is concerned or implicated (and treating all such losses up to discovery as one event), shall not exceed the Limit of liability of the applicable Insuring Clause, and
 - ii. that if, and only if, there be directly or indirectly no such acts or omissions, the total liability of the Insurer on account of any loss or losses or series of losses arising out of the same event shall not exceed the Limit of liability of the applicable Insuring Clause of the Schedule, and



- iii. that, should more than one Insuring Clause apply, the total liability of the Insurer shall not exceed the Limit of liability under one of the applicable Insuring Clauses of the Schedule and in no event shall each Limit of liability under separate Insuring Clauses be aggregated.
- b) Non-Cumulative Liability: Regardless of the number of years this Insurance has been in force or may continue to be in force and of the premiums paid or payable in respect thereof the liability of the Insurer shall not be cumulative in amount from year to year or from period to period and in no case shall exceed the Policy Limits stated in the Schedule.
- c) Deductible: The Insurer shall be liable only in excess of the deductible of the applicable
- d) The deductible shall apply to the Ultimate Net Loss sustained by the Insured subsequent to the Retroactive Period /Date.
- e) "Ultimate Net Loss" shall mean the actual net loss to the Insured after making proper deduction for all recoveries including but not limited to payments against principal, interest and commissions and salvages (but deduction shall not be made for the amount of the deductibles which may be recoverable on specific insurance) and shall exclude all expenses for salaried Employees of the Insured incurred in the investigation or adjustment of claims, actions or proceedings, unless specially agreed by the Insurer but nothing in this Policy shall be construed to mean that a claim is not recoverable hereunder until the Ultimate Net Loss has been ascertained.

11. Merger or Change in Ownership or Control of the Business

- a) This Policy shall immediately cease to afford any cover of any kind in the event of the liquidation (voluntary or compulsory) of the Insured, or the appointment of a receiver or manager or the entering into of any scheme of arrangement or composition with creditors.
- b) The Insured shall immediately advise the Insurer of
 - i. Any consolidation or merger with another business or any purchase, assignment, transfer, pledge or sale of assets or shares occasioning any change in ownership or control, whether financial or otherwise, of the business; or
 - ii. Control of the Insured being taken over by any Government or by officials appointed by any Government or local authority.

As a condition of continuation of the Policy the Insured shall promptly provide the Insurer with such further information as the Insurer shall require and then the Insured shall pay such additional premium as the Insurer may require consequent upon such change.

However, failure to report such transactions within 30 (thirty) days of the date of such transaction shall be an election by the Insured to terminate this Policy as of the commencement of the thirty day period. Reporting of the transaction shall not have been accomplished by the Insured unless acknowledged in writing by the Insurer.



12. Cancellation or Termination

The Company may at any time, cancel this policy by giving 30 days notice in writing by Regd. A.D. to the Insured at its last known address and in which event return to the Insured the premium charged under the Policy on pro-rata basis for the unexpired period of the Policy. The Insured may also cancel this policy by giving 15 days notice in writing to the Company, (provided no claim has been paid or reported till the date of advice for cancellation) in which case, the Insured shall be entitled to return of premium less premium on the Company's customary short period scales for the duration the said Policy has been in force.

13. Fraud

If the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall be void and all claims hereunder shall be forfeited.

14. Arbitration and Disclaimer

If any dispute or difference shall arise as to the quantum to be paid under the policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within 60 days of any party invoking arbitration the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/ difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of The Arbitration and Conciliation Act, 1996.

It is clearly agreed and understood that no difference or dispute shall be preferable to arbitrations as herein before provided, if the Company has disputed or not accepted liability under or in respect of this policy.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that award by such arbitrator/ arbitrators of the amount of the loss or damage shall be first obtained.

It is also hereby expressly agreed and declared that if the Company shall disclaim liability to the Insured for any claim herein, and such claim shall not, within 12 calendar months from the date of such disclaimer have been made the subject matter of a suit in a Court of Law, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.



15. Rights of Recovery

Any amount which but for the acts or defaults on which the claim shall be found would have become payable by the Insured to the employee in respect of whom a claim is made hereunder or any other money which shall be due to such employee from the Insured shall be deducted from the amount payable under this Policy and that all moneys estate and effects of such employee in the hands of or received or possessed by the Insured and or claims which may be or may prior to the settlement of the claim become due from the Insured to the Employee and also all moneys or effects which shall come into the possession or power of the Insured for or on account of such Employee in respect of whom any claim shall be made on this Policy shall be applied by the Insured in and towards making good the amount of his claim under this Policy in priority to any other claim of the Insured upon such moneys estate or effects. The Company shall without there by being held to admit any claim be entitled at any time in the Company's own or the Insured's name to take steps for the recovery of any property claimed for and the Insured shall be bound to give the Company all information and reasonable assistance in so doing. The Insured may also be required as a condition of any settlement to procure settled. Any money recovered after settlement of any claim shall be the property of the Company not exceeding however the amount paid by the Company.

16. Observance of Terms and Conditions

The due observance and fulfillment of the terms, conditions and endorsements of this policy in so far as they relate to anything to be done or complied with by the Insured, shall be a condition precedent to any liability of the Company to make any payment under this policy.

17. Renewal Notice

The Company shall not be bound to issue any renewal notice nor shall be bound to accept the renewal premium there under.

18. Terrorism Damage Coverage Endorsement

"It is hereby declared and agreed that in consideration of payment of additional premium the Terrorism Damage Exclusion Warranty provision forming part of the within mentioned policy stands deleted. The expression/s "terrorism and/or act of terrorism" shall have the same meaning/s as contained in Terrorism Damage Exclusion Warranty.

This endorsement does not cover loss of or damage caused by

- I. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.
- II. Permanent or temporary dispossession resulting from confiscation, commandeering, requisition or destruction by order of the Government or any lawfully constituted Authority.



- III. Permanent or temporary dispossession of any building or plant or unit of machinery resulting from the unlawful occupation by any person of such building or plant or unit or machinery or prevention of access to the same.
- IV. Burglary, house breaking, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of terrorism.

This clause includes cover for loss or damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to action taken in respect of any act of terrorism.

The limit of coverage under this endorsement shall not exceed the basic sum insured. Naxalite attacks will also be covered as a part of this clause.

19. LEGAL FEES AND EXPENSES

The Underwriters shall indemnify the Insured against reasonable legal fees and legal expenses incurred and paid by the Insured with the prior approval of the Underwriters in the defence of any suit or legal proceeding brought against then Insured, with respect to which the Insured establishes that the act or acts which have been committed, or the events which have occurred, would entitle the Insured to recover under this Policy. Legal fees and legal expenses paid by the Underwriters in defending any suit or legal proceeding shall be applied subject to General Condition to the reduction of the Aggregate Limit of Indemnity and the Sub-Limit for the applicable Insuring Clause.

The Insured shall promptly give notice to the Underwriters of the institution of any suit or legal proceeding referred to above and at the request of the Underwriters shall furnish them with copies of all pleadings and other papers therein.

If multiple causes of action are alleged in any such suit or legal proceeding some of which causes of action, if established against the Insured, would not constitute a collectible loss under this Policy, including without limitation claims for punitive, consequential or other non-compensatory damages then the Insured shall bear for its own expense the legal fees and legal expenses incurred in the defence of such alleged causes of action.

If the amount of the Insured's loss is greater than the amount recoverable under this Policy, or if a Deductible is applicable, or both, the liability of the Underwriters under the first paragraph of this General Condition is limited to the proportion of the legal fees and legal expenses incurred and paid by the Insured or by the Underwriters that the amount recoverable under this Policy bears to the total of such amount plus the amount which is not so recoverable. Such prorated amount shall be applied in reduction of the Aggregate Limit of Indemnity and the Sub-Limit for the applicable Insuring Clause.

The Underwriters shall not be liable to indemnify the Insured for legal fees and legal expenses until after final judgment or settlement of any suit or legal proceeding.



The Underwriters may but are not obligated to conduct the defence of such suit or legal proceeding referred to in the first paragraph of this General Condition. At the Underwriters' election the Insured shall permit the Underwriters to conduct the defence of such suit or legal proceeding, in the Insured's name, through legal representatives of the Underwriters' selection. The Insured shall give all reasonable information and assistance that the Underwriters shall deem necessary to the defence of such suit or legal proceeding.

Legal fees and legal expenses paid by the Underwriters in defending any suit or legal proceeding shall be applied to the reduction of the Aggregate Limit of Indemnity and the Sub-Limit for the applicable Insuring Clause.

If having elected to defend the Underwriters pay legal fees and legal expenses in excess of their proportionate share of such fees and expenses the Insured shall promptly reimburse the Underwriters for such excess.

The Insured shall not unreasonably withhold consent to a settlement by the Underwriters of any suit or legal proceeding.

SPECIAL CONDITIONS

Special conditions attached and forming part of the Banker's Indemnity Policy No. _____ effective from 31.03.2024 to 30.03.2025.

The Policy covers

1. Cash in all ATM/E-lounge's (inclusive of Off Site ATM/E-lounge's) / Branch/Offices/Currency chests offices or any other premises of the Bank shall be treated as Cash on Premises. There shall be no requirement of Guards / CCTV / Alarm System at the ATM/E-LOUNGES centers / branches. Claims shall not be repudiated/reduced solely on the ground of non-functioning of installed Alarm System / CCTV on the day of the incident.
2. All Employees of the Bank whether permanent including, Part Time as well as Contract employees are covered.
3. Cash in Transit shall mean and include Cash in Transit either by Bank through its own employees / contracted employees or through Agencies/vendors/service providers engaged by the Bank, cash in transit between currency chests, any branches of the bank / any banks, ATM/E-LOUNGES (cover till completion of replenishment process), door step banking etc., and vice-versa. It also includes Loading and Unloading of cash at various points during the transit. This cover is also extended to losses that may arise whilst ATM/E-LOUNGE maintenance services are being carried out.
4. Notwithstanding anything contained in this policy to the contrary the subject policy covers fraud by staff in respect of any goods and/or commodities pledged or hypothecated or mortgaged or deposited with the Bank.
5. Notwithstanding anything contained in this policy to the contrary the subject policy covers loss due to misappropriation including robbery theft of money and/or securities sent through post and/or courier.



6. Cash includes foreign currency but claim in respect of foreign currency shall be paid in Indian Rupees.
7. The indemnity in respect of loss of jewellery and related valuables should be based on market value on the dates of loss or Market value on date of pledge whichever is higher.
8. The movement of cash may be done either by the vehicles owned by bank/hired vehicle/ employee's own vehicle / public / Private transport (Rail/Road/ Air/Water born Vessels)/ on foot as the case may be.
9. Loss of cheques / instruments deposited in the drop box also covered for Fraud and/or dishonesty, under the policy.
10. Bank employees can do gold verification/appraisal as per internal guidelines of the bank.
11. Covers "losses resulting wholly or partially from any negligent act of the Insured's Employee" during transit (it also includes cover for agencies / banking correspondents / banking facilitators).
12. Though the Bank has laid down conditions for money in bank premises (maximum retention / hold-up in a day), however such conditions should not be the ground for rejecting/ reducing any claim. Kindly note that this condition stands waived and the claim should be paid in full.
13. On account payment of 75% to be granted / paid where the submission of Final Police/CBI/Charge sheet report is awaited.
14. On account payment of 75% to be granted / paid where charge sheet copy issued by the bank after the departmental enquiry under Employee Dishonesty claims and balance 25% can be considered after the submission of Final Police/CBI report.
15. No additional term, condition or any such stipulation, not specified in the quote would not be entertained later.
16. Waiver of Police complaint for cash losses in ATM/E-LOUNGE /CDM and Cash Recyclers up to Rs.1,00,000/-
17. Waiver of FIR for claims up to INR 8.00 Lakhs under Bankers Indemnity Policy.
18. For a single claim a single excess to be applied.

FOR AND ON BEHALF OF Insurance Company

AUTHORISED SIGNATORY

Place:

Date:



Annexure-4

Compliance Confirmation

Having examined the RFP Document, we, the undersigned, offer our services shall be in conformity with the requirements mentioned in said RFP documents.

We undertake, if our bid / Proposal is accepted, to carry out the work as per the requirements of the RFP and within time frames specified in the RFP document.

We confirm that the information submitted by us in our Bid/Proposal is true and correct. We agree to abide by the Bid/ Proposal.

We declare that we have not made any alterations/changes whatsoever in the RFP document and we are fully aware that in the event of any change, the RFP document maintained at the Bank will be treated as authentic and binding and the Bid/Proposal submitted by us will be liable to be rejected by the Bank in the event of any alteration made in the RFP document.

We undertake that, in competing for and, if the award is made to us, in executing the above contract, we will strictly observe the laws against fraud and corruption in force in India namely "Prevention of Corruption Act, 1988".

We understand that Andhra Pragathi Grameena Bank is not bound to accept our request for participation in the process or bound to accept our bid, or give any reason for rejection of any bid. We also agree and confirm that we will not claim any expenses incurred by us in preparing of bid documents and that Andhra Pragathi Grameena Bank will not defray any expenses incurred by us in proposal.

We understand that Andhra Pragathi Grameena Bank is not bound to accept the lowest, or any other Proposal, it may receive.

Dated this day of 2024.

(Signature)

(In the capacity of)

Duly authorized to sign Proposal for and on behalf of _____



Annexure-5

Declaration as per Point No. 3(d) of RFP (To be provided in Letter Head of the Insurer)

We have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India –

- We certify that we are not from such a country or;
- If from such a country, have been registered with the Competent Authority (copy attached).

We hereby certify that we fulfil all requirements in this regard and are eligible to be considered.

Signature of the authorized person & Seal

Name of the Authorized Signatory:

Address:

Date:

Place:



Annexure-6

Undertaking as per Point No.3 (e) of RFP (To be provided in Letter Head of the Insurer)

We have our Claim processing Office within Andhra Pradesh / Telangana jurisdiction and all Claims arising from this Policy shall be processed from the same office till its logical conclusion.

The Address details are as below:

Signature of the authorized person & Seal

Name of the Authorized Signatory:

Address:

Date:

Place:



Annexure – 7

Undertaking as per Point No.14 (III) of RFP (To be provided in Letter Head of the Insurer)

We certify that there has been no conviction by a Court of Law or contemplated by court for misconduct, guilty or indictment / adverse order by a regulatory authority for an offence against us or any of our sister concern or our CEO, Directors / Managers / Employees and if it arises we will intimate the Bank of the same.

Signature of the authorized person & Seal

Name of the Authorized Signatory:

Address:

Date:

Place:



Annexure - 8

THIS AGREEMENT OF SERVICE STANDARD (hereinafter referred to as 'Agreement')
made on day of, 2024 at

BETWEEN

ANDHRA PRAGATHI GRAMEENA BANK, a body corporate constituted under the RRB Act, 1976, having its head office at Mariyapuram, Kadapa, Andhra Pradesh, hereinafter called "BANK" which expression shall unless repugnant to the context or meaning thereof, be deemed to mean and include the successors and permitted assigns of the bank, as well as divisions, subsidiaries and affiliates of the bank and their successors and assigns), of the FIRST Part.

AND

M/s an IRDAI approved General Insurance Company having its Registered & Head Office at and Divisional Office at _____, India (hereinafter referred to as the "Insurance Policy Service Provider" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the SECOND PART;

The parties to this Agreement are hereinafter individually referred to as a "Party" and collectively as "Parties".

WHEREAS:

- (A) The Bank being desirous of obtaining Bankers Indemnity Policy under Traditional Insurance Policies from 31st March, 2024 to 30th March, 2025 has issued RFP with Ref: 41/HO PMSD/ Bankers Indemnity/ Dated 13.02.2024 (herein after referred to as RFP). On finalization of the RFP process has been identified as the successful bidder.
- (B) The Insurance Policy Service Provider has represented to the Bank that it is IRDAI approved Insurance Policy Service Provider fulfilling all the eligibility criteria detailed in the RFP issued for this purpose and has the necessary licenses and authorizations as also competence and financial capacity to provide the Insurance Cover conforming to the specifications of the Bank.
- (C) After verification of the credentials of the Insurance Policy Service Provider, the bank has agreed to avail Bankers Indemnity Policy under Traditional Insurance Policies from the Insurance Policy Service Provider as referred to in the RFP and the Insurance Policy Service Provider has agreed to provide services to the Bank.

Details of the required services have been described in the above RFP Document hereto, (the "Insurance Policy Services") on the terms and conditions appearing therein.



- (D) Accordingly, the terms of the agreement between the Parties would be guided by the terms and conditions, representations, warranties, covenants and principles set forth in this Agreement.

Therefore, in consideration of mutual consent and undertaking between the parties, it is agreed as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires, the following expressions shall have the following meanings:

- a) "Effective Date" shall mean the date on which this Agreement becomes effective i.e. 31st March, 2024.
- b) "Agreement" shall mean this agreement together with the RFP and corrigenda if any issued to the RFP, annexure, schedules, exhibits, attachment, or any other documents attached to this Agreement.
- c) "Applicable Laws" shall mean, as to any Person, the applicable Indian laws, treaties, ordinances, judgments, decrees, injunctions, writs, orders and stipulations of any court, or governmental agency or authority and statues, rules, regulations, orders and interpretations thereof of any Central, State, Municipal, or other Government entity, instrumentality, agency, authority, court or other body as may be (i) applicable to or binding upon such Person or any of its property or actions or to which such Person or any of its property is subject or (ii) having jurisdiction over either Party or the activities contemplated under this Agreement.
- d) "Confidential Information" shall mean all non-public information of either party which is accessible by or is available to the other party whether in writing, oral, graphic, visual or any other tangible, intangible or electronic form including, without limitation, any and all information relating to the parties and / or the parties Customers (whether past, present, or future) financial data, financial results and projections, costs and prices, details of suppliers, retainers, employees and consultants (whether past, present or prospective), technologies, technical and business strategies, business and marketing plans, marketing and sales techniques, pricing and other strategies, computer programs, software tools, source codes, object codes, protocols, product descriptions, development schedules, product positioning, choices of product names, trade secrets or know how, customer information and Intellectual Property Rights (defined later) as well as any such information not generally known to third parties or received from others that such Party is reasonably expected to treat as confidential.



- e) **“Event of Force Majeure”** shall mean an event beyond the control of the parties, due to or as a result of or caused by act of God, wars, insurrections, riots, earthquake, fire, revolutions, floods, epidemics, pandemics, quarantine restrictions, trade embargos, declared general strikes in relevant industries, satellite failure, acts of Government events not foreseeable but does not include any fault or gross negligence on the part of the parties, resulting in such a situation affecting performance of the Insurance Policy Obligations under this Agreement;
- f) **“Intellectual Property”** shall mean all forms of intellectual property subsisting under the laws of India and all analogous rights subsisting under the laws of other jurisdictions and shall include any legally protectable product or process of the human intellect whether registerable as patents, trademarks, copyrights, designs or otherwise such as an invention, expression or literary creation, unique name, trade secret, business method, database, industrial process, computer program, source code, process or presentation.
- g) **“Intellectual Property Rights (IPR)”** shall mean all rights, benefits, title or interest in or to any Intellectual Property, anywhere in the world (whether registered or not and including all applications for the same).
- h) **“Law”** shall include any guideline, rule, bye-law, notification, regulation, act, ordinance, administrative order, directive, order or instruction having the force of law, enacted or issued by the Central Government, the State Government or any other Government or Regulatory Authority or Government Agency including Regulators like SEBI, IRDAI, RBI etc.
- i) **“Personnel”** shall mean any person employed by the Insurance Policy Service Provider for the purpose of fulfilling its obligations under this Agreement.
- j) **“Quality and Schedule Specification”** shall mean the prescribed Service standard and the time schedule specified by the Bank in relation to the Services as set out in Annexure-8 and its Schedules if any.
- k) **“RFP”** shall mean the Bank’s Request for Proposal bearing RFP with Ref: 41/HO PMSD/Bankers Indemnity/2024 dated 13.02.2024 and all clarifications, addendums, corrigenda issued by Bank
- l) **“Insurance Policy Services”** shall mean the services that are to be rendered by the Insurance Policy Service Provider in the form of Bankers Indemnity Policy in accordance with the terms of this Agreement, which are more particularly described in Annexure-8 and its Schedules if any.
- m) **“Contingencies and Risk Coverage”** shall mean the Contingencies as described in the Annexure and Insurance Cover in respect of each of such Contingency.



1.2 Unless the context otherwise requires, this Agreement shall be construed as follow:

- (a) Words using the singular or plural number also include the plural or singular number, respectively.
- (b) The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to this entire Agreement.
- (c) The term "Recital", "Section", "Clause", "sub-Clause", "Schedule", "Attachment" and "Annexure" refers to the specified recital, section, clause, schedule, attachment and annexure, respectively, of the Agreement.
- (d) References in this Agreement to statutory provisions shall be construed as references to those provisions as modified or re-enacted from time to time (whether before or after the date of this Agreement) and to any subordinate legislation made under such provisions and shall include references to any repealed statutory provision which has been so enacted (whether with or without modification); and
- (e) Headings, bold, italicized and other stylized type faces are only for convenience and shall not be considered for the purposes of interpretation / construction of this Agreement.
- (f) Unless otherwise specifically stated in this Agreement, time will be the essence of contract for the purpose of the obligations under this Agreement.

2. TERM OF THE AGREEMENT

- 2.1 This Agreement shall remain in force for a initial period of 12 months from the Effective Date i.e. 31.03.2024 TO 30.03.2025.
 - 2.1.1 This agreement during its tenure is not liable to be terminated by Insurance Policy Service Provider for any reason.
- 2.2 No alterations, amendments, omissions, additions, suspensions or variations in the contingencies specified by the Bank or the amount of cover available under each of such contingencies (herein after referred to as variation) under the contract shall be made by the Insurance Policy Service Provider.
- 2.3 Insurance Policy Service Provider acknowledges and accepts that the Insurance Policy Premium computed and received by it from the Bank has been computed taking in to consideration all the contingencies and extent of Insurance Cover specified by the Bank and that the Bank shall not be put to any loss/inconvenience in the event of any claims citing wrong calculation of premium on the part of the Insurance Company /Insurance Policy Service Provider.
- 2.4 In the event of a disagreement as to the reasonableness of the said payment and the interpretation of contingencies and the risk covered there under, the decision of Bank shall prevail.



3. PROVISION OF SERVICES

The Insurance Policy Service Provider agrees to provide to the Bank and the Bank agrees to avail from the Insurance Policy Service Provider the services, on the terms and conditions set forth herein. The terms & conditions contained in RFP and contingencies and extent of Insurance cover as detailed in the technical bid shall form part of this agreement.

4. CONSIDERATION

- a) In consideration of the provision of the Insurance Policy Services by the Insurance Policy Service Provider in accordance with the terms and conditions of this Agreement, the Bank shall pay the Insurance Policy Premium to the Insurance Policy Service Provider in accordance with the Insurance Premium schedule as set forth in Annexure-8 and its **Schedules if any.**

Subject to the terms and conditions of this Agreement, such Insurance Policy Premium Payment(s) shall constitute the Insurance Policy Service Provider's full and final consideration for the performance of Services.

5. OBLIGATIONS OF THE INSURANCE POLICY SERVICE PROVIDER

The Insurance Policy Service Provider shall:

- (a) Provide the Insurance Policy Services set out in the above RFP Document in accordance with Contingency Specifications and the extent of cover in respect of each of such contingency. The Bank is at liberty to stake claim in respect of and in the event of happening of one or more of such contingencies happening at the same time or at different times.
- (b) At all times render the Services in accordance with all Laws, Bank's requirements, and the terms and conditions as set out in this Agreement.
- (c) Make the payments promptly in respect of the insurance claims raised by the Bank either on its own or through its Broker, M/s Atlas Insurance Brokers Pvt. Ltd., Hyderabad in the event of happening of any of the contingencies.
- (d) The Insurance Policy Service Provider shall not, without the Bank's prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the Bank in connection therewith, to any person other than a person employed by the Insurance Policy Service Provider in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- (e) It shall be the sole responsibility of the Insurance Policy Service Provider to comply with all statutory and regulatory provisions while delivering the services mentioned in the RFP.



6. PAYMENTS AND APPLICABLE TAXES

6.1 Taxes

- 6.1.1 The Insurance Policy Service Provider shall be entirely responsible for the payment to all applicable duties, levies, charges, Service Tax, GST etc. The cost of preparing and execution of Policy documents shall also be borne by the Insurance Policy Service Provider.
- 6.1.2 The Insurance Policy Service Provider must also ensure that all applicable laws, rules, guidelines and regulations framed by the Central Government, State Government and Regulators like IRDAI and RBI Laws are complied.
- 6.1.3 Providing clarifications/particulars/documents etc., to the appropriate tax authorities for assessment of tax, compliance with labour and other laws, etc., will be the responsibility of the Insurance Policy Service Provider at his cost.
- 6.1.4 Wherever the laws and regulations require deduction of such taxes at the source of payment, the Bank shall effect such deductions from the payment due to the Insurance Policy Service Provider. The remittance of amounts so deducted and issuance of certificate for such deductions shall be made by the Bank as per the laws and regulations in force. Nothing in the Contract shall relieve the Insurance Policy Service Provider from his responsibility to pay any tax that may be levied in India on income and profits made by the Insurance Policy Service Provider in respect of this contract.

6.2 Payment:

Payment will be made by the Bank in lump sum / installments. TDS will apply as per Income Tax act.

7. FORCE MAJEURE-NOT TO IMPAIR PERFORMANCE OF THE AGREEMENT.

Due to peculiar nature of the agreement, the Insurance Policy Service Provider will not be entitled to claim exemption from performance of any of its obligations under this Agreement due to happening of any of the Force Majeure Events. For the purpose of this clause, "Force Majeure" shall mean an event beyond the control of the parties, due to or as a result of or caused by act of God, wars, insurrections, riots, earthquake and fire, revolutions, floods, epidemics, quarantine restrictions, trade embargos, declared general strikes in relevant industries, satellite failure, events not foreseeable but does not include any fault or negligence or carelessness on the part of the parties, resulting in such a situation. In the event of any such intervening Force Majeure, either party shall notify the other in writing of such circumstances and the cause thereof immediately with in five calendar days. The Insurance Policy Service Provider shall be under obligation to continue to perform/render/discharge obligations under the agreement.



8. REPRESENTATIONS AND WARRANTIES

8.1 The Insurance Policy Service Provider hereby represents and warrants that:

- a) It is a IRDAI Approved Insurance Provider that has been duly incorporated in India and is valid as per the existing under the laws of the place of its incorporation.
- b) It has taken all required measures to authorize the execution and consummation of this agreement and will furnish satisfactory evidence of the same upon request. An authenticated list of the officers of the Insurance Policy Service Provider who are authorized to sign and / or execute this agreement and / or other related documents and writings shall be provided to the Bank.
- c) The execution, delivery and performance of this Agreement by the Insurance Policy Service Provider in accordance with its terms shall not Violate or conflict with its articles or memorandum of association or any other organizational documents.
- d) The Insurance Policy Service Provider shall ensure that there are no judicial or administrative actions, proceedings or investigations pending to the best of its knowledge, which would have a material adverse effect on its capacity to perform its obligations under this agreement or any of the other documents referred to in this agreement to which it is a party.

8.2 The Insurance Policy Service Provider hereby represents and warrants to the bank that it shall not violate any proprietary and/ or intellectual property rights of any third party or bank, including without limitation, confidential relationships, patents, trade secrets, copyright and/or any other proprietary rights.

8.3 The Employees of the Insurance Policy Service Provider shall continue to be the Employees of the Insurance Policy Service Provider and work under its discretion and shall not have any of employment from the Bank.

8.4 The Insurance Policy Service Provider agrees, represents and warrants that no officer of the Bank, director employee or immediate family member thereof has received or will receive anything of value of any kind from the Insurance Policy Service Provider or its officers, directors, employees or agents in connection with this agreement; and that none of them has a business relationship of any kind with the Insurance Policy Service Provider, it's Personnel or any of its other officers.

9. COMPLIANCE WITH LAWS:

9.1 The Insurance Policy Service Provider agrees that it shall comply with all applicable Central, state and local laws, ordinances, regulations and codes of IRDAI and other regulators in performing its obligations hereunder, including the procurement of licenses, permits and certificates and payment of taxes where required.



9.2 The Insurance Policy Service Provider shall establish and maintain all proper records particularly but without limitation required by any law, code, practice, or corporate policy applicable to it from time to time. Insurance Policy Service Provider further agrees that notwithstanding the termination of this agreement either by the efflux of time or otherwise Insurance Policy Service Provider shall provide such details as above to the bank as and when demanded for submission to the authorities. Any breach of this condition shall entitle the bank to claim such damage the bank may suffer in this respect.

10. INDEMNITIES, OTHER PROVISIONS AND LIMITATION OF LIABILITY

10.1 The Insurance Policy Service Provider shall indemnify the Bank and keep the Bank fully indemnified and without limit against all costs, claims, damages, expenses, fines, losses, liabilities and penalties including attorney's cost, expenses accruing, incurred or suffered by the Bank directly or indirectly arising on account of:

a) Failure by the Insurance Policy Service Provider to perform any of its obligations under this Agreement, in accordance with the provisions of this Agreement.

b) Any act, commission or omission, negligence, fraud, forgery, dishonesty, misconduct or violation of any of the terms and conditions of this agreement by the Insurance Policy Service Provider/its employees.

10.2 The Insurance Policy Service Provider shall be liable to reimburse the Bank for any amount as determined by the Bank at its sole discretion under this provision, on demand, should any claim be made on the Bank owing to any direct or indirect action of the Insurance Policy Service Provider. The Bank shall be entitled to adjust such amount that may be so determined from the future insurance policy premium payments due by the Bank to the Insurance Policy Service Provider or otherwise recover from Insurance Policy Service Provider.

10.3 The Insurance Policy Service Provider shall co-operate fully in defending any claim/s made by any local, state, or central authority against the Bank with respect to any levies, taxes, duties, fines and/or penalties etc. due and payable by the Insurance Policy Service Provider, and shall indemnify the Bank, fully and without limit, against the same. This provision shall survive the termination/expiry of this Agreement.

10.4 The Insurance Policy Service Provider hereby agrees to indemnify the Bank from any loss, claim, damages, costs or expenses of any kind including reasonable attorney's fees, to which the Bank may be subjected owing to any breach of the representations and/or warranties set out in the Agreement.

10.5 Notwithstanding any other provision of this Agreement, in no event either party shall be liable for loss of profits or revenues, indirect, consequential or similar damages arising out of or in connection with the Insurance Policy Services covered under this Agreement.



10.6 The Insurance Policy Service Provider is liable to the extent of claims raised by the Bank within the Insurance Cover agreed by the Insurance Policy Service Provider:

In following circumstances limitation of liability shall not apply and Insurance Policy Service Provider shall be liable for actual amount of damages suffered by the Bank.

- a) breach of the confidentiality and IPR provisions;
- b) liability for an infringement by Insurance Policy Service Provider of a third party's IPR;
- c) employment liabilities for staff relating to the period of their employment within Insurance Policy Service Provider;
- d) any other liability that cannot be capped or excluded as a matter of applicable law;
- e) the Insurance Policy Service Provider shall indemnify, protect and save the Bank against all claims, losses, costs, damages, expenses, action suits and other proceedings, resulting from any actions of the employees or agents of the Insurance Policy Service Provider.
- f) The Insurance Policy Service Provider shall indemnify, protect and save the Bank against all claims, losses, costs, damages, expenses, action suits and other proceedings, resulting from infringement of any law pertaining to insurance laws, rules, regulation, guidelines etc. of IRDAI, patent, trademarks, copyrights infringements etc. or such other statutory infringements.
- g) If any action in court is brought against the Bank for the failure, omission or neglect on the part of the Insurance Policy Service Provider to perform any acts, matters, covenants or things under the contract, or for damage or injury caused by the alleged omission or negligence on the part of the Insurance Policy Service Provider, his agents, representatives etc., or in connection with any claim of Agents / sub- contractors, workmen, or employees, the Insurance Policy Service Provider shall in all such cases indemnify and keep Bank and its representatives harmless from all losses, damages, expenses or decrees arising out of such action.
- h) The Bank shall have full power and right at its discretion to defend or compromise any suitor, pay claim or demand brought or made against it as aforesaid whether pending or threatened, as it may consider necessary or desirable and shall be entitled to recover from the Insurance Policy Service Provider all sums of money including the amount of damages and compensation and all legal costs, charges and expenses in connection with any compromise or award which shall not be called into question by the Insurance Policy Service Provider and shall be final and binding upon him.



11. INDEPENDENT INSURANCE POLICY SERVICE PROVIDER

This Agreement is on a principal-to-principal basis between the parties hereto. Nothing contained in this Agreement shall be construed or deemed to create any association, partnership or joint venture or employer-employee relationship or principal-agent relationship in any manner whatsoever between the parties. The Insurance Policy Service Provider acknowledges that its rendering of services is solely within its own control, subject to the terms and conditions agreed upon and agrees not to hold itself out to be an employee, agent or servant of the Bank or any subsidiary or affiliate thereof.

12. MAINTENANCE OF RECORDS

The Insurance Policy Service Provider would be required to ensure that -

- a. Adequate safeguards have been built in to ensure that the information / documents / records / assets of the Bank are maintained in a way that the same are safe and there is no co-mingling of similar information with other organizations to which it may be providing services.
- b. All documents / data are being preserved in accordance with all legal / regulatory obligations.

13. CONFIDENTIALITY AND SECRECY

13.1 The Insurance Policy Service Provider recognizes that in the course of the transactions envisaged under this Agreement, it may be privy to confidential information (whether or not the information is marked or designated as "confidential" or "propriety") relating to the Bank and its business including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc., client information, the terms of this Agreement. The Insurance Policy Service Provider agrees that it shall:

- a) Keep all information and other material passing from the Bank to the Insurance Policy Service Provider confidential and shall not, without the prior written consent of the Bank, divulge such information to any other person or use such information other than for the purpose of carrying out this Agreement.
- b) Take all steps as may be reasonably necessary to protect the integrity of the information and to ensure against any unauthorized disclosure thereof.
- c) Promptly inform the Bank of any potential or accidental disclosure of the information and take all steps, together with the Bank, to retrieve and protect the said information.
- d) Ensure that the personnel and all its employees and / or representatives who are given access to the information shall at all times be bound by legally valid and written non-disclosure obligation under their employment contracts.



- e) Use the information only for the purpose for which it was provided and not profit from the same in an unauthorized manner to the exclusion of the Bank.
- 13.2 The obligations contained in this section shall not apply to any part of the Information in the case where that part of Information that is or has become public (other than by breach of this Agreement) or Independently developed by the Insurance Policy Service Provider or directly received from the third party and not detrimental to the interest of the Bank and shall not restrict any disclosure to the Insurance Policy Service Provider required by law or any governmental, official or any regulatory body which is lawfully entitled to require such disclosure, provided that so far as it is lawful and practical to do so prior to such disclosure, the Insurance Policy Service Provider when subject to such disclosure shall promptly notify the Bank of such requirement with a view to providing the opportunity for the Bank to contest such disclosure or otherwise to agree the timing and content of such disclosure.
- 13.3 The obligations contained in this section shall continue to apply after the termination/expiry of this Agreement for a period of 3 (three) years from the said date of termination/expiry.
- 13.4 The Insurance Policy Service Provider shall, on written demand of the Bank immediately return Information together with any copies in its possession.
- 13.5 The Insurance Policy Service Provider acknowledges that in the event of any breach or threatened breach of this section by the Insurance Policy Service Provider/ its employees/ agents/ sub-contractors, monetary damages may not be an adequate remedy, and therefore, the Bank shall be entitled to injunctive relief to restrain the Insurance Policy Service Provider/ its employees / agents / sub-contractors from any such breach, actual or threatened.

14. PUBLICITY

The Insurance Policy Service Provider shall not use the name and / or trademark / logo of the Bank, its group companies, subsidiaries, or associates in any marketing publication or advertisements or in any other manner without prior written consent of the Bank.

15. SUCCESSORS

This Agreement binds the executors, administrators, successors and permitted assigns of the Insurance Policy Service Provider with respect to all covenants herein. The term "Insurance Policy Service Provider" wherever used in this Agreement shall mean and include its employees, agents, subcontractors and representatives and the executors, administrators, successors and assigns of all such employees, agents, subcontractors and representatives.

16. NON EXCLUSIVE AGREEMENT

This Agreement is on non-exclusive basis and the Insurance Policy Service Provider shall not have any exclusive right to provide the Services to the Bank. The Bank shall be free to engage any other Insurance Policy Service Provider/s or may entrust services similar to the Services or any part thereof to any person/s.



17. GOVERNING LAW & JURISDICTION

All disputes arising from or in relation to this Agreement would be subject to Indian laws and the Courts at Kadapa shall have exclusive jurisdiction in this regard.

18. MISCELLANEOUS

18.1 Relationship of the parties

This Agreement shall not constitute the appointment of either Party as the legal representative or agent of the other Party. No Party to this Agreement shall have any right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name of or on behalf of the other Party to this Agreement except as may be specifically provided in this Agreement, neither party shall assume or be responsible for any liability or obligation that arises from any act or omission to act of, the other party however or whenever arising.

18.2 Notices

- (1) Notices or other communications required or permitted to be given or made hereunder shall be in writing and delivered personally or through e-mail addressed to the intended recipient at its address set out below or to such other address or fax number as any Party may from time to time notify to the other Party.

Address of Bank

Andhra Pragathi Grameena Bank, Premises Maintenance & Services Department, Head Office, Kadapa – 516 003, Andhra Pradesh. Tel – 9490158007, 9705164328, E mail id :: hopms@apgb.in

Address of Insurance Company

- (2) Any such notice, demand or communication shall be in English and shall, unless the contrary is proved, be deemed to have been served, if given or made by fax, together with the original fax being sent by courier service as outlined above, on the following business day. If personally delivered, any such notice, demand or communication shall be deemed to have been served at the time it is handed over to an employee or other officer at the recipient's address. In proving the above, it shall be sufficient to show that the envelope containing the letter was correctly addressed and handed over by courier service or personal delivery respectively.



18.3 Severability

If any provision of this Agreement is rendered void, illegal, or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Should any provision of this Agreement be or become ineffective for reasons beyond the control of the Parties, the Parties shall use reasonable endeavors to agree upon a new provision, which shall as nearly as possible have the same commercial effect as the ineffective provision.

18.4 No Waiver

No waiver of any provision of this Agreement or consent to any departure from it by any party shall be effective unless it is in writing. A waiver or consent shall be effective only for the purpose for which it is given. No default or delay on the part of any Party in exercising any rights, powers or privileges operates a waiver of any right, nor does a single or partial exercise of a right preclude any exercise of other rights, powers or privileges.

18.5 Entire Agreement

This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter of this Agreement and supercedes all prior agreements and undertakings, written or oral, with respect to the subject matter hereof except as otherwise expressly provided herein.

18.6 Amendments

Modification, amendment, waiver, discharge or termination of any of the provisions of this agreement shall be effective only if made in writing specifically referring to this Agreement and duly signed by each of the Parties.

18.7 Non-Waiver and other remedies

Failure or delays on the part of any party in exercising any right, power or privilege under this Agreement and no course of dealing between the Parties shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder shall not preclude any other or further exercise thereof or the exercise of any other right, power and privilege hereunder. The rights, powers and remedies herein expressly provided are cumulative and not exclusive of any rights, powers or remedies, which the parties would otherwise have.

18.8 Assignment

The Insurance Policy Service Provider shall not assign or subcontract any of its responsibilities contained in this Agreement to any agent, sub-agent or sub-contractor without written intimation to the Bank. The Insurance Policy Service Provider shall be fully responsible for all acts and omissions of its employees, agents, etc.



The Bank has appointed & authorized M/s Atlas Insurance Brokers (P) Ltd., # 3-6-521, Flat No. 301 & 401, Gharondamany Apartments, Himayath Nagar Main Road, Hyderabad-500029, Mobile: 9959055508, E-mail: rajeeva.lochansyrl@yahoo.co.in for the purposes of this Agreement. The onus of remunerating the Broker as per Industry Standards lies on the Insurance Policy Service Provider. All the rights and claims under the policy shall be exercised or preferred by the Bank either on its own or through the broker appointed by it. The Bank shall have the right, in its sole discretion to assign this Agreement to any of its affiliates and group Companies after giving notice of such assignment to the Insurance Policy Service Provider.

18.9 Further Assurance

Each of the Parties hereto shall co-operate with the others and execute and deliver to the other such instruments and documents and take such other actions as may be reasonably requested from time to time in order to carry out, give effect to and confirm their rights and intended purpose of this agreement.

18.10 Costs

Each of the parties shall pay its own legal, accountancy and other costs and expenses incurred in relation to the negotiation, preparation and execution of this Agreement.

18.11 Counterparts

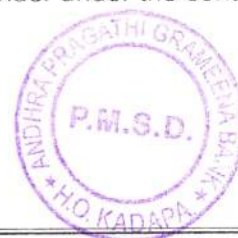
This Agreement may be executed in duplicate, each of which when so executed and delivered shall be an original, and each party shall be entitled to retain one.

18.12 Survival

Any provision or covenant of this Agreement, which expressly, or by its nature, imposes obligations beyond the expiry or Termination of this Agreement, shall survive such expiry or Termination.

19. MALPRACTICES

Any graft, commission, gift or advance given, promised or offered by or on behalf of the Insurance Policy Service Provider or his partner, agent, officers, director, employee or servant or any one on his or their behalf in relation to the obtaining or to the execution of this or any other contract with Bank, shall, in addition to any criminal liability which may it incur, subject the Insurance Policy Service Provider to the cancellation of this and all other contracts and also to payment of any loss or damage to Bank resulting from any cancellation. Bank shall then be entitled to deduct the amounts so payable from any policy premiums otherwise due to the Insurance Policy Service Provider under the contract.



20. PENALTY FOR DELAY IN SETTLEMENT OF CLAIMS

The Insurance Policy Service provider is liable to pay a penalty of Rs. 1,000/- for each day of such delay in Settlement of Claim beyond 30 days, from the date of submission of documents by the Bank.

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribe their respective hands and seal at the day, month year first herein above written.

SIGNED, SEALED AND DELIVERED

For (Insurance Policy Service Provider)

in the presence of

SIGNED, SEALED AND DELIVERED

For Andhra Pragathi Grameena Bank

Name Designation:

In the presence of



Annexure – 9

Details of premium vs claims for last 3 years

ANDHRA PRAGATHI GRAMEENA BANK:HEAD OFFICE:: KADAPA												
BANKERS' INDEMNITY POLICY - DETAILS OF PREMIUM PAID AND CLAIMS REPORTED/SETTLED/REPUDIATED/OUTSTANDING												
S. No	Year	Policy Number	Name of the Insurance Company	Period Of Insurance		Premium Paid	GST	Total Premium	No. of Claims Reported	Type Of Claim	Amount of Claim(rs.)	Remarks - Reported/ Settled /Repudiated/ Outstanding
				From	To							
1	2021-22	432706/48 /2021/343	ORIENTAL INSURANCE COMPANY KADAPA	31.03.2021	30.03.2022	996490	179368	1175858	NIL	NIL	NIL	NIL
2	2022-23	432706/48 /2022/171	ORIENTAL INSURANCE COMPANY KADAPA	31.03.2022	30.03.2023	680993	122578	803571	1	Employee Fraud	19.61 LACS	Claim reported and under process
3	2023-24	432706/48 /2023/144	ORIENTAL INSURANCE COMPANY KADAPA	31.03.2023	30.03.2024	750000	135000	885000	4	SPURIOUS GOLD - Borrower involvement – 4 Branches - Lingala, Pulivendula, Pulivendula-Poola Angallu and Nallapu Reddy Pali	3429010	Claim reported and under process

