

Bajaj Allianz Professional Protect

Construction Project
Professional Indemnity Insurance

Bajaj Allianz General Insurance Co. Ltd.

Please read this policy carefully, hereunder the exclusions and duties of the *Insured*.
This insurance is underwritten by Bajaj Allianz General Insurance Co. Ltd. located at
GE Plaza 1st Floor, Airport Road, Yerawada, Pune - 411006.

UIN: BAL-LI-P14-34-V01-14-15

Construction Projects Professional Indemnity Insurance

In consideration of payment of the premium by the *Insured*, and in reliance upon the *Proposal*, and subject to all the terms, conditions and exclusions, including all definitions, all cover under this policy is afforded solely with respect to *Claims* first made against the *Insured* during the *Policy Period* or *Extended Reporting Period* and reported to the *Insurer* as required by this policy.

1. Insuring Clauses

1.1 Professional Liability

The *Insurer* will pay on behalf of the *Insured* all *Loss* resulting from any *Claim* for any *Breach of Duty* of the *Insured* in the provision of *Professional Services* in respect of the *Project*.

2. Extensions

The following extensions are subject to all the terms, conditions and exclusions, including all definitions, of this Policy.

2.1 Defamation

The *Insurer* will pay on behalf of any *Insured* all *Loss* resulting from any *Claim* first made and reported to the *Insurer* during the *Policy Period* or *Extended Reporting Period* alleging any libel or slander arising from the performance of *Professional Services*. No cover is provided under this extension where it is established by an admission of such *Insured* or by a judgement, award, finding or other final adjudication of a court, tribunal, commission or arbitrator that such *Claim* is arising from an intentional libel or slander.

2.2 Lost Documents

The *Insurer* shall indemnify an *Insured* for costs and expenses reasonably incurred with the *Insurer's* prior written consent in replacing or restoring any *Documents* which during the *Policy Period* have been destroyed, damaged, lost, distorted, erased or mislaid provided that:

- (i) such loss or damage is sustained while the *Documents* are in the ordinary course of the *Insured's Professional Services* either: (1) in transit to or from the *Insured*; or (2) in the possession of an *Insured* or of any person to whom an *Insured* has entrusted them;
- (ii) the *Documents* have been the subject of a diligent search by or on behalf of an *Insured*;
- (iii) the loss or damage is reported to the *Insurer* during the *Policy Period* or *Extended Reporting Period*;
- (iv) the amount of such costs and expenses shall be supported by evidence of expenditure that shall be subject to approval by a competent person to be nominated by the *Insurer* with the consent of the *Policyholder*;
- (v) where *Documents* are in electronic format, the *Insured* can demonstrate to the reasonable satisfaction of the *Insurer* that the *Insured* had in place sufficient and appropriate procedures for the security and daily back-up of the *Documents*;
- (vi) the *Insurer* shall not be liable for loss or damage to *Documents* arising directly or indirectly from any computer virus or unauthorized access to any computer system or network; and

- (vii) the *Insurer* shall not be liable for any costs and expenses arising out of wear, tear and/or gradual deterioration, moth and vermin.

This cover will be subject to a Sub-Limit stated in Item 4 (b) of the Schedule in the aggregate during the *Policy Period* and *Extended Reporting Period* (combined).

A *Retention* as stated in Item 5(b) of the Schedule applies to each and every claim under this cover.

2.3 Professional Inquiries

The *Insurer* shall pay on behalf of the *Insured* the reasonable and necessary fees, costs and expenses incurred by the *Insured* (but excluding the *Insured's* salaries, wages, fees, allowances, travel accommodation expenses, loss of income and any profit costs) in preparing and attending at any *Professional Inquiry*, provided that

- (i) an *Insured* is legally required to attend at such *Professional Inquiry*; and
- (ii) the findings of such *Professional Inquiry* are likely in the *Insurer's* opinion to give rise to a covered *Claim*; and
- (iii) the *Insured* has obtained the prior written consent to such costs and expenses, which shall not be unreasonably withheld; and
- (iv) if the *Insurer* decides that representation by a solicitor is necessary (such decision to be at the sole discretion of the *Insurer*) than the *Insurer* shall select one of the Legal Panel to provide such legal representation and the *Insurer* shall have the discretion as to the barrister and/or experts to be appointed; and
- (v) the notice requiring the *Insured* to attend is first served upon the *Insured* and reported to *insurers* during the *Policy Period* or *Extended Reporting Period*.

This cover will be subject to a Sub-Limit stated in Item 4(a) of the Schedule in the aggregate during the *Policy Period* and *Extended Reporting Period* (combined). A *Retention* stated in Item 5(a) of the Schedule applies to each and every claim under this cover.

2.4 Mitigation

Where the *Insured* first makes a determination during the *Policy Period* that it has committed a *Breach of Duty* requiring remediation or mitigation, the *Insurer* will pay, excess of the *Retention*, the reasonable and direct cost of any remediation or mitigation, provided that as a condition precedent to indemnification under this clause:

- (i) the *Insurer* shall during the *Policy Period* have been informed in writing of the *Breach of Duty* and the work that is required to rectify it or mitigate its consequences;
- (ii) the *Insurer* shall be reasonably satisfied that an *Insured* has committed a *Breach of Duty* requiring remediation or mitigation and only insofar as such costs are necessary to prevent or reduce the amount of a *Claim* covered under the Professional Liability Cover, and that the amount of *Damages* prevented or reduced would be greater than the cost of the work.(iii) such costs are supported by evidence of expenditure which shall be subject to approval by a competent person to be nominated by the *Policyholder* with the consent of the *Insurer*;
- (iv) such costs shall not include any element of profit or loss of profit, nor any element of overheads, staff remuneration, standing idle time or management time of an *Insured*;

- (v) this extension shall only apply to the extent that such mitigation costs (or part thereof) exceed the cost that the *Insured* would have incurred in carrying out the works without the relevant Breach of Duty; and
- (vi) the *Insurer* has consented in writing to the payment of such costs before work is carried out, or agreed to be carried out, such consent not to be unreasonably withheld.

Subject to conditions (i) to (v) above, if, whilst awaiting the *Insurer's* consent, the *Insured* is required to undertake any immediate action to mitigate a Claim, the *Insurer* will indemnify an *Insured* for such expense incurred over a period not exceeding 7 days beginning from the time mitigation was undertaken by an *Insured*.

2.5 Fraud & Dishonesty

The *Insurer* will pay on behalf of any *Insured*, who is not the actual perpetrator, all *Loss* resulting from any Claim by a *Third Party* first made and reported to *Insurers* during the *Policy Period* or *Extended Reporting Period* for fraudulent or dishonest conduct of any *Employee* of the *Policyholder* in the provision of *Professional Services* provided that the relevant fraudulent or dishonest conduct occurred before the date of discovery by any partner, principal, director or *Member* of the *Policyholder* of reasonable cause of suspicion of fraudulent or dishonest conduct on the part of the *Employee*, whether or not it is possible at that date to identify the *Employee(s)* involved in the fraud or dishonesty.

This cover will be subject to a Sub-Limit stated in Item 4(c) of the Schedule in the aggregate during the *Policy Period* and *Extended Reporting Period* (combined). A *Retention* stated in Item 5(c) of the Schedule applies to each and every claim under this cover.

2.6 Court Attendance

The *Insurer* will pay for any person described in (i) and (ii) below who has been required to attend and actually attends a court or an arbitration or an adjudication hearing as a witness in connection with a Claim notified under and covered by this policy, the following rates per day :

- (i) for any principal, partner, director or *Member* of an *Insured*: stated in Item 6(a) of the Schedule.
- (ii) for any *Employee*: stated in Item 6(b) of the Schedule.

Retention stated in Item 5 (d) of the Schedule applies to each and every claim under this cover.

Definitions

- 3.1 **Bodily Injury** means physical injury, sickness, disease or death of a natural person; and if arising out of the foregoing, nervous shock, emotional distress, mental anguish or mental injury.
- 3.2 **Breach of Duty** means any actual or alleged negligent act, negligent error or negligent omission committed solely in the performance of or failure to perform *Professional Services*.
- 3.3 **Claim** means any written demand for compensation in respect of a *Breach of Duty* of an *Insured*.
- 3.4 **Damages** means any amount that an *Insured* shall be legally liable to pay to a *Third Party* in respect of judgments or arbitral awards rendered against an *Insured*, or for settlements reached with *Insurer's* prior written consent.

- 3.5** **Defence Costs** means reasonable fees, costs and expenses incurred by or on behalf of an *Insured*, with the prior written consent of the *Insurer*, in the investigation, defence, adjustment, settlement or appeal of any *Claim*. It shall not include any element of an *Insured's* own time costs or lost profits incurred in dealing with a *Claim* or any other matter notified under this policy.
- 3.6** **Documents** means all documents of any nature whatsoever including computer records and electronic or digitised data; but does not include any currency, negotiable instruments or records thereof.
- 3.7** **Extended Reporting Period** shall mean the period of time specified in Item 7 of the *Schedule* after the end of the *Policy Period* for reporting claims arising out of a *Breach of Duty* committed by the *Insured* during the *Policy Period*. For the avoidance of any doubt: (i) any *Breach of Duty* after the *Policy Period* shall be excluded; (ii) the *Extended Reporting Period* shall not serve to increase or reinstate the *Limit of Indemnity* nor reduce any of the *Insured's* obligations pursuant to this policy. If no *Extended Reporting Period* is stated in Item 7 of the *Schedule* it shall be deemed to be not applicable and no additional time for notification shall be granted.
- 3.8** **Employee** means any natural person who is, has been or during the *Policy Period* becomes expressly engaged under a contract of employment with the *Policyholder*.
- Employee* shall not include any principal, partner, director or Member of any *Insured* in their capacity as such.
- 3.9** **Insured** means the *Policyholder* or any *Insured Person*.
- 3.10** **Insured Person** means:
- (i) any natural person, who is or has been a principal, partner, director or *Member* of the *Policyholder* in their capacity as such;
 - (ii) any *Employee*;
 - (iii) any spouse, civil partner, estate or legal representative of any *Insured Person* for *Loss* arising from a *Claim* for a *Breach of Duty* of such an *Insured Person* listed in (i) or (ii) above.
 - (iv) the administrator, heirs, legal representatives or executor of a deceased, incompetent, insolvent or bankrupt *Insured Person's* estate for *Loss* arising from a *Claim* for a *Breach of Duty* of such *Insured Person* listed in (i) or (ii) above.
- 3.11** **Insurer** means Bajaj Allianz General Insurance Co. Ltd.
- 3.12** **Legal Panel** means the firms of solicitors appointed from time to time by the *Insurer* to provide representation on behalf of an *Insured* under this policy.
- 3.13** **Limit of Liability** means the amount specified as such in the *Schedule*.
- 3.14** **Limited Liability Partnership** means a partnership as determined by the *Limited Liability Partnerships Act (Chapter 163A)* and any subsequent amendments thereto or by any equivalent legislation in any jurisdiction.
- 3.15** **Loss** means *Damages* or *Defence Costs*, however *Loss* shall not include and this policy shall not

cover any:

- (i) taxes;
- (ii) non-compensatory damages, including punitive, multiple, exemplary or liquidated damages;
- (iii) fines or penalties ;
- (iv) the costs and expenses of complying with any order for, grant of or agreement to provide injunctive or other non-monetary relief;
- (v) benefits or overheads of, or charges or expenses incurred by any *Insured* including but not limited to the cost of any *Insured's* time;
- (vi) fees or commissions, for any *Professional Services* rendered or required to be rendered by an *Insured* or that portion of any settlement or award in an amount equal to such fees, commissions, or other compensation; or
- (vii) any matters which may be deemed uninsurable under the law governing this policy or the jurisdiction in which a *Claim* is brought.

Loss shall also include the sums indemnifiable under the Extensions and Optional Extensions, subject to the above requirements, and the Policy terms, conditions and exclusions.

3.16 **Member** means a member of a *Limited Liability Partnership*.

3.17 **Policy Period** means the period of time between the inception date and the expiry date stated the Schedule or the effective date of the Final Acceptance Certificate or similar acceptance certificate or document issued by or on behalf of the client in respect of the Project, whichever is the sooner. The term "*Policy Period*" specifically excludes the *Extended Reporting Period*.

3.18 **Policyholder** means the entity specified as such in the Schedule.

3.19 **Pollutants** means any substance, solid, liquid, gaseous or thermal irritant or contaminant including, but not limited to smoke, vapours, toxic mould, soot, fumes, acids, alkalis, chemicals, air emissions, odour, silica, waste water, oil, oil products, medical waste, radioactive or nuclear material, asbestos or asbestos products, fungus, mycota or by-products, lead or products containing lead and waste materials. Waste materials include but are not limited to recycled, reconditioned or reclaimed materials.

3.20 **Professional Inquiry**
means any:

(1) official investigation, official inquiry, official examination or official hearing in relation to the performance of the *Professional Services* of the *Insured*.

(2) criminal, civil, regulatory or administrative proceeding in relation to the performance of the *Professional Services* of the *Insured*.

3.21 **Professional Services** means the professional design, contract administration, inspection, professional supervision of construction, feasibility studies, technical information, calculation or surveys performed by the *Insured* under the supervision of a *Properly Qualified Person* in respect of the *Project*. *Professional Services* shall not include supervision by an *Insured* of its

own or its subcontractors' workmanship where such supervision is no different from that which would be expected of an *Insured* if it only had a construction and/or workmanship obligation.

- 3.22** **Project** means the project specified in the Schedule.
- 3.23** **Properly Qualified Person** means any *Insured Person* recognised and properly registered with their appropriate professional body as an architect, engineer, surveyor, quantity surveyor or other person having equivalent professional qualifications more appropriate to the work undertaken.
- 3.24** **Property Damage** means damage to or loss of or destruction of tangible property or loss of use thereof.
- 3.25** **Retention** means the amount specified as such in the Schedule.
- 3.26** **Retroactive Date** means the date specified as such in the Schedule.
- 3.27** **Settlement Value** means in respect of any *Claim* covered under this policy:
- (i) the full amount claimed; or
 - (ii) any settlement offer from the claimant(s) which is capable of acceptance.
- Where the claimant(s)' costs, if applicable, are not quantified by the claimant, the *Insurer* will also pay a reasonable sum to an *Insured* to represent these costs.
- 3.28** **Proposal** means:
- (i) each and every signed proposal form, the statements, warranties, and representations therein, its attachments;
 - (ii) the description of the *Project* and all related material; and
 - (iii) all other material information submitted to the *Insurer* in connection with this policy.
- 3.29** **Terrorism** means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.
- 3.30** **Third Party** means any entity or natural person except (i) any *Insured*; or (ii) any other entity or natural person having a financial interest or executive role in the *Policyholder*.
- 3.31** **Trade Secret** means information that derives independent economic value, actual or potential, from not being generally known and not being readily ascertainable through proper means by other persons who can obtain economic advantage from its disclosure or use.
- 3.32** **Transaction** means any one of the following events:
- (i) the *Policyholder* consolidates with or merges into or sells all or a majority of its assets to any other person or entity or group of persons and/or entities acting in concert;
 - (ii) an administrator, liquidator or receiver is appointed to the *Policyholder*.

4. Exclusions

This policy shall not cover *Loss*:

4.1 Antitrust

arising out of, based upon or attributable to any actual or alleged antitrust violation, restraint of trade or unfair competition.

4.2 Bodily Injury/ Property Damage

arising out of, based upon or attributable to *Bodily Injury* or *Property Damage* unless resulting from a *Breach of Duty* by the *Insured* in the provision of *Professional Services* for the *Project*. This exclusion shall not apply to the *Lost Documents Extension*.

4.3 Conduct

arising out of, based upon or attributable to any dishonest, malicious, fraudulent, willfully reckless or criminal conduct of an *Insured*.

This exclusion shall not apply to the extent that the optional cover extension Fraud and Dishonesty applies.

This exclusion will only apply where it is established by an admission of such *Insured* or by a judgment, award, finding or other adjudication of a court, tribunal, commission or arbitrator that such conduct did in fact occur.

4.4 Contractual Liability

arising out of, based upon or attributable to any:

- (i) liability assumed or accepted by an *Insured* under any contract or agreement; or
- (ii) guarantee or warranty;

except to the extent such liability would have attached to an *Insured* in the absence of such contractual duty, term or agreement.

4.5 Costs and Time

arising out of, based upon or attributable to

- (i) any failure by any *Insured* or other party acting for an *Insured* to make an accurate pre-assessment of the cost of performing *Professional Services*; or
- (ii) any estimates or statements regarding costs for the construction, installation, fabrication, erection and/or testing and commissioning with respect to the *Project* or parts thereof; or
- (iii) any estimates or statements regarding the required for the time for construction, installation, fabrication, erection and/or testing and commissioning with respect to the *Project* or parts thereof.

4.6 Directors' and Officers' Liability

arising out of, based upon or attributable to any *Claim* made against an *Insured* in their capacity as a director, officer, trustee, *Member* or partner of the *Policyholder* in respect of the performance or non-performance of their duties as a director, officer, trustee, *Member* or partner of the *Policyholder*.

4.7 Employers Liability

arising out of, based upon or attributable to any bodily injury, sickness, disease or death of any person incurred, or occurring whilst under a contract of service or apprenticeship with an *Insured* or arising out of, based upon or attributable to any breach of any obligation owed by an *Insured* as an employer.

4.8 Employment Practice Violation

arising out of, based upon or attributable to any act, error or omission with respect to any employment or prospective employment of any past, present, future or prospective employee or *Insured Person* of any *Policyholder*

4.9 Infrastructure

arising out of, based upon or attributable to:

- (i) software or mechanical failure;
- (ii) electrical failure, including any electrical power interruption, surge, brown out or black out; or
- (iii) telecommunications or satellite systems failure;

outside the direct control of an *Insured*.

4.10 Insolvency

arising out of, based upon or attributable to the insolvency, liquidation, administration or receivership of the *Policyholder*.

4.11 Insurance, Financial Advice and Market Fluctuation

arising out of, based upon or attributable to:

- (i) the effecting or maintenance of, or the failure to effect or maintain, any bond, surety, guarantee insurance, or the provision of, or failure to provide, advice in respect such bond, surety, guarantee or insurance; or
- (ii) the provision of, or failure to provide financial services or financial advice, or
- (iii) any depreciation or loss of investment, which arises from fluctuations in any financial stock or commodity or other markets trading debt incurred by an *Insured*.

4.12 Licensing Inquires

arising out of, based upon or attributable to any prosecution, inquiry, hearing, commission or other investigation in relation to the *Insured* failing to be properly licensed, registered or accredited to provide *Professional Services* as required by Acts, rules, regulations or industry codes of practice.

4.13 Manufacturing Liability

arising out of, based upon or attributable to any manufacturing defect in any product.

4.14 Pollution

arising out of, based upon or attributable to any actual or alleged failure to: (a) survey, inspect, test for, monitor, clean up, properly handle, remove, contain, treat, detoxify or neutralise *Pollutants*, and/or (b) respond to or assess the effects of *Pollutants*.

4.15 Post Policy Period

arising out of any *Breach of Duty* after the *Policy Period*, including during the *Extended Reporting Period*.

4.16 Prior Claims/circumstances/inquiries

arising out of, based upon or attributable to: (a) any Claim, professional inquiry, criminal, regulatory or administrative proceedings, official investigation, or hearing into the performance of the *Professional Services* of the *Insured*, first made or commenced prior to the inception of this policy; or (b) circumstances of which the *Insured* was aware prior to the inception of this policy which may give rise to a *Claim*; (c) circumstances which have been notified under any other policy or certificate of insurance prior to the inception of this policy.

4.17 U.S.A./Canada

made or pending within or to enforce a judgment obtained in the United States of America, Canada, or any of their territories or possessions.

4.18 Prior Acts

arising out of based upon, attributable to or in any way involving any *Breach of Duty* which first takes place before the *Retroactive Date*.

4.19 Surveys and Valuations (*Properly Qualified Persons*)

arising out of, based upon or attributable to any survey or valuation unless it was undertaken by, or under the direct supervision of, a *Properly Qualified Person*.

4.20 Trade Debts

arising out of, based upon or attributable to any: (i) trading debt incurred by an *Insured* or (ii) guarantee given by an *Insured* for a debt.

4.21 War/Terrorism

arising out of, based upon or attributable to any war (declared or otherwise), *Terrorism*, warlike, military, terrorist or guerrilla activity, sabotage, force of arms, hostilities (declared or undeclared), rebellion, revolution, civil disorder, insurrection, usurped power, confiscation, nationalisation or destruction of or damage to property by or under the order of, any governmental, public or local authority or any other political or terrorist organisation.

4.22 Watercraft, Aircraft and Motor Vehicle

arising out of, based upon or attributable to the ownership, maintenance, operation, possession, use, loading or unloading by or on behalf of the *Insured* of any watercraft, aircraft, motor vehicle or trailer.

4.23 Workmanship

arising out of defective workmanship (including without limitation, defective physical construction work, erection, installation, repair or service), defective materials, defective products, or any defective materials, workmanship or production techniques used in the actual manufacture of any product. This Exclusion shall not apply where such liability solely arises from the performance of *Professional Services*.

5. Claims

5.1 Allocation

In the event that any *Claim* involves both covered matters and matters or persons not covered under this policy, a fair and proper allocation of any cost of defence, damages, judgments and/or settlements shall be made between each *Insured* and the *Insurer* taking into account the relative legal and financial exposures attributable to covered matters and matters not covered under this policy.

5.2 Circumstances

The *Policyholder* shall as soon as reasonably practicable during the *Policy Period* or *Extended Reporting Period* notify the *Insurer* at the address listed in the *Claim* Notifications clause below of any circumstance of which any *Insured* becomes aware during the *Policy Period* or *Extended Reporting Period* which is reasonably expected to give rise to a *Claim*. The notice must include at least the following:

- (i) a statement that it is intended to serve as a notice of a circumstance of which an *Insured* has become aware which is reasonably expected to give rise to a *Claim*;
- (ii) the reasons for anticipating that *Claim* (including full particulars as to the nature and date(s) of the potential *Breach of Duty(s)*);
- (iii) the identity of any potential claimant(s);
- (iv) the identity of any *Insured* involved in such circumstance; and
- (v) the date on and manner in which an *Insured* first became aware of such circumstance.

Provided that notice has been given in accordance with the requirements of this clause, any later *Claim* arising out of such notified circumstance shall be deemed to be made at the date when the circumstance was first notified to the *Insurer*.

5.3 Claim Notifications

The *Policyholder* shall give written notice to the *Insurer* of any *Claim* first made against an *Insured* as soon as practicable and during the *Policy Period* or *Extended Reporting Period*. All notifications must be in

UIN: BAL-LI-P14-34-V01-14-15

writing to to the address stated in the Schedule.

If posted, the date of posting shall constitute the date that notice was given, and proof of posting shall be sufficient proof of notice.

5.4 Cooperation

An *Insured* will at their own cost:

- (i) render all reasonable assistance to the *Insurer* and co-operate in the defence of any *Claim* and the assertion of indemnification and contribution rights;
- (ii) use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any *Loss* under this policy; and
- (iii) give such information and assistance to the *Insurer* as the *Insurer* may reasonably require to enable it to investigate any *Loss* or determine the *Insurer's* liability under this policy.

5.5 Defence

The *Insurer* does not assume any duty to defend, and an *Insured* shall defend and contest any *Claim* made against them unless the *Insurer*, in its sole and absolute discretion, elects in writing to take over and conduct the defence and settlement of any *Claim*. If the *Insurer* does not so elect, it shall be entitled, but not required, to participate fully in such defence and the negotiation of any settlement that involves or appears reasonably likely to involve the *Insurer*. In the event that the *Insurer* decides that representation by a solicitor is necessary (such decision to be at the sole discretion of the *Insurer*) then an *Insured* shall select one of the *Legal Panel* to provide such legal representation.

5.6 Insured's Consent

The *Insurer* may make any settlement it deems expedient of any *Claim* against any *Insured*, subject to such *Insured's* written consent. Where an *Insured* does not consent the *Insurer* may elect to pay to an *Insured* or pay direct to the relevant claimant the *Settlement Value* less the applicable *Retention* that the *Insurer* wishes to accept. Upon such payment being made there is no further cover available under the policy for that *Claim*.

5.7 Insurer's Consent

No *Insured* shall admit or assume any liability, enter into any settlement agreement, or consent to any judgment without the prior written consent of the *Insurer*, other than where provided for under the terms of the Mitigation cover.

5.8 Fraudulent Claims

If any *Insured* shall give any notice or claim cover for any *Loss* under this policy knowing such notice or claim to be false or fraudulent as regards amounts or otherwise, such *Loss* shall be excluded from cover under the policy, and the *Insurer* shall have the right, in its sole and absolute discretion, to avoid its obligations under or void this policy in its entirety, and in such case, all cover for *Loss* under the policy shall be forfeited, all premium shall be deemed fully earned and non-refundable and the *Policyholder* shall reimburse the *Insurer* for any payments made under this policy.

5.9 Settlement

The *Insurer* shall be under no obligation (save where requested by the *Policyholder*) to make any payment to an *Insured* other than the *Policyholder* and shall unless otherwise requested by the *Policyholder* make payment of all losses insured hereunder to the *Policyholder* and such payment shall constitute a full and complete release and discharge of the *Insurer's* liabilities in respect of all and any such loss whether suffered directly by the *Policyholder* or not.

5.10 Payment of Policy Limit

The *Insurer* may at any time pay to the *Insured* in connection with any Claim or request for indemnity under the policy the amount of the applicable limit of indemnity (or sub-limit) as shown in the *Schedule* or elsewhere within the policy (after deduction of any sum or sums already paid by the *Insurer* in connection with the policy which may erode the said limit of indemnity). Upon such payment being made the *Insurer* shall be released from any further liability in connection therewith and shall (except with respect to any subrogation action) be at liberty to relinquish the conduct and control of and be under no further liability in connection with such *Claim(s)* or request for indemnity, including for any associated costs and expenses.

6. General Provisions

6.1 Assignment

This policy and any rights under or in respect of it cannot be assigned by an *Insured* without the prior written consent of the *Insurer*.

6.2 Cancellation

This policy may be cancelled:

- (i) by the *Insurer* pursuant to the Premium Payment clause for non-payment of premium; or
- (ii) if no notice of a *Claim* or circumstance which is reasonably expected to give rise to a *Claim* has been provided to the *Insurer* under this policy, by the *Policyholder* with effect immediately upon the *Insurer's* receipt of written notice of such cancellation; the *Insurer* shall retain the customary short rate proportion (unexpired portion of *Premium* less handling charges) of the *Premium*. If notice of a *Claim* or circumstance which is reasonably expected to give rise to a *Claim* has been provided to the *Insurer* under this policy, the *Premium* shall not be returnable and shall be deemed fully earned at cancellation;
- (iii) by mutual agreement between the *Insurer* and the *Policyholder*.

6.3 Change of Control

The *Insurer* shall not be liable to make any payment or to provide any services in connection with any *Claim* arising out of, based upon or attributable to a *Breach of Duty* committed after the occurrence of a *Transaction*.

All customers will receive an acknowledgement within 5 working days.

6.4 Contract Rights

Nothing in this policy is intended to confer an enforceable benefit on any *Third Party*, whether pursuant to any equivalent laws or regulations of the Contract (Rights of Third Parties) Act 2001 or any equivalent local law.

6.5 Arbitration Clause

If any dispute or difference shall arise as to the quantum to be paid under this policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of the sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within 30 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 arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act 1996 as amended from time to time and for time being in force.

It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as hereinbefore provided, if the **Insurer** 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 the award of such arbitrator/arbitrators of the amount of the loss or damage shall first be obtained.

6.6 Material Change to Risk

The *Insured* must, as a condition precedent to any entitlement to indemnity under this Policy, within 30 days of a material change to the risk that is the subject of this Policy, have notified *Insurers* in writing of that change. Such changes include but are not limited to any material change to the *Professional Services* provided by an *Insured* in respect of the *Project* and/or any material change to the nature of the *Project* itself.

6.7 Plurals, Headings and Titles

The descriptions in the headings and titles of this policy are solely for reference and convenience and do not lend any meaning to this contract. Words and expressions in the singular shall include the plural and vice versa. In this policy, words in italic typeface have special meaning and are defined. Words that are not specifically defined in this policy have the meaning normally attributed to them.

6.8 Sanctions

This Policy does not provide any cover or benefit for any business or activity to the extent that

- (i) such cover or benefit and/or
- (ii) such business or activity

would violate any applicable economic or trade sanction law or regulations of the UN and/or the EU/EEA and/or any other applicable national economic or trade sanction law or regulations.

6.9 Scope and Governing Law

Where legally permissible and subject to all terms and conditions of this policy, this policy shall apply to

UIN: BAL-LI-P14-34-V01-14-15

any *Claim* made against any *Insured* anywhere in the world. Any interpretation of this policy relating to its construction, validity or operation shall be made exclusively in accordance with the laws stated in Item 17 of the Schedule in accordance with the English text as it appears in this policy.

6.10 Subrogation

An *Insured* shall take all steps necessary or such steps as are required by the *Insurer* before or after any payment by the *Insurer* under this policy to preserve the rights and remedies which an *Insured* may have to recover the *Loss*. If any payment is to be made under this policy in respect of a *Claim*, the *Insurer* shall be subrogated to all rights of recovery of an *Insured* whether or not payment has in fact been made and whether or not an *Insured* has been fully compensated for its actual *Loss*. The *Insurer* shall be entitled to pursue and enforce such rights in the name of an *Insured*, who, both before and after payment under this policy, shall provide the *Insurer* with all reasonable assistance and co-operation in doing so, including the execution of any necessary instruments and papers. An *Insured* shall do nothing to prejudice the *Insurer's* rights under this subrogation clause.

The *Insurer* agrees not to exercise any such rights of recovery against any *Employee* unless the *Claim* is brought about or contributed to by the dishonest, fraudulent, intentional criminal or malicious act or omission of the *Employee*. In its sole discretion, the *Insurer* may, in writing, waive any of its rights set forth in this Subrogation Clause.

Any amounts recovered in accordance with this clause shall be applied in the following order:

- (i) to compensate the *Insurer* and an *Insured* for the costs incurred in making the recovery (such payment to be allocated between the *Insurer* and an *Insured* in the same proportions as they have borne the costs thereof); and
- (ii) to the *Insurer* up to the amount of the *Loss* paid by the *Insurer*; and
- (iii) to an *Insured* in respect of any uninsured element of the *Claim* (including the *Retention* under this policy).

6.11 Currency

All premiums, limits, deductibles, *Loss* and other amounts under this policy are expressed and payable in the currency stated in Item 18 of the Schedule. If judgment is rendered, settlement is denominated, or any element of *Loss* under this policy is stated, in a currency other than the scheduled one, then payment under this policy shall be made at the mid rate of exchange published in Bloomberg.com web site on the date the claim is made, or if it is no longer current, a currency conversion web site selected by the *Insurer*.

6.12 Cancellation

This policy may be cancelled by or on behalf of the *Insurer* by giving the *Policyholder* at least 15 days written notice and in such event the *Insurer* shall refund to the *Insured* a pro-rata premium for the unexpired *Policy Period*. For the avoidance of doubt, the *Insurer* shall remain liable for any *Claim* which was made prior to the date upon which this insurance is cancelled.

This policy may be cancelled by the *Policyholder* at any time by giving at least 7 days written notice to the

Insurer. The *Insurer* will refund premium according to the *Insurer's* Short Period Rates set out below:

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

No refund of premium shall be due if the *Insured* has made a *Claim* under this policy.

7. Limit and Retention

7.1 Limit of Liability

The total amount payable by the *Insurer* under this policy for all *Claims*, *Professional inquiries* and other coverage provided under this policy in the aggregate per *Policy Period* shall not exceed the *Limit of Liability*. Sub-limits of liability, Extensions and *Defence Costs* are part of the *Limit of Liability* amount and are not payable in addition to the *Limit of Liability*. The inclusion of more than one *Insured* under this policy does not operate to increase the total amount payable by the *Insurer* under this policy.

The *Limit of Liability* is the total sum payable by the *Insurer*. Any sum paid by the *Insurer* under this policy shall erode the *Limit of Liability*. In no conditions shall the liability of the *Insurer* exceed the *Limit of Liability*.

7.2 Other Insurance / Indemnification

Unless otherwise required by law, cover under this policy is provided only as excess over any self-insurance or other valid and applicable insurance, unless such other insurance is written only as specific excess insurance over the *Limit of Liability*. This policy shall not cover *Defence Costs* of any *Claim* where another insurance policy imposes upon another *insurer* a duty to defend such *Claim*.

7.3 Retention

The *Insurer* shall be liable only for *Loss*, or cover under the Mitigation clause, which exceeds the

UIN: BAL-LI-P14-34-V01-14-15

Retention. It is to be borne by an *Insured* and shall remain uninsured. The *Retention* is not part of the *Limit of Liability*. A single *Retention* shall apply per *Claim*. It is a condition precedent to any liability of *Insurers* under this policy that the applicable *Retention* is borne by the *Insured*.

8. Policy Administration

8.1 Administration

The *Policyholder* shall act on behalf of each and every *Insured* with respect to:

- (i) negotiating the terms and conditions of and binding cover; and
- (ii) the exercise of all rights of *Insured's* under this policy; and
- (iii) all notices; and
- (iv) premiums; and
- (v) endorsements to this policy; and
- (vi) the appointment of a member of the *Legal Panel* to defend a *Claim*; and
- (vii) dispute resolution; and
- (viii) the receipt of all amounts payable to an *Insured* by the *Insurer* under this policy.

9. Resolving Issues

If the *Insured* is dissatisfied with the service received from the *Insurer*, then the following procedure may be followed for resolving issues.

The *Insured* shall include the policy number in any communication with the *Insurer* as this will help the *Insurer* to deal with the issues more efficiently. If the *Insured* is not having the policy number, the Branch Office of the Insurer can be contacted.

First Step

Initially, the *Insured* shall contact the Branch Manager/ Regional Manager of the local office which has issued the *Policy*. The address and telephone number will be available in the *policy*.

Second Step

Naturally, it is hoped the issue can be resolved to the satisfaction of the *Insured* at the earlier stage itself. But if the *Insured* feels dissatisfied with the suggested resolution of the issue after contacting the local office, an e-mail can be sent to:

Customer Care Cell

Bajaj Allianz General Insurance Co. Ltd.

GE Plaza, Airport Road, Yerawada

Pune 411 006

E-mail: customercare@bajajallianz.co.in

If you are still not satisfied, you can approach the Insurance Ombudsman in the respective area for resolving the issue. The contact details of the Ombudsman offices are mentioned below:

Office of the Ombudsman	Contact Details	Areas of Jurisdiction
AHMEDABAD	Insurance Ombudsman, Office of the Insurance Ombudsman, 2nd Floor, Ambica House, Nr. C.U. Shah College, Ashram Road, AHMEDABAD-380 014. Tel.:- 079-27546840 Fax : 079-27546142 Email ins.omb@rediffmail.com	Gujarat , UT of Dadra & Nagar Haveli, Daman and Diu
BHOPAL	Insurance Ombudsman, Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel, Near New Market, BHOPAL(M.P.)-462 023. Tel.:- 0755-2569201 Fax : 0755-2769203 Email bimalokpalbhopal@airtelmail.in	Madhya Pradesh & Chhattisgarh
BHUBANESHWAR	Insurance Ombudsman, Office of the Insurance Ombudsman, 62, Forest Park, BHUBANESHWAR-751 009. Tel.:- 0674-2596455 Fax : 0674-2596429 Email ioobbsr@dataone.in	Orissa
CHANDIGARH	Insurance Ombudsman, Office of the Insurance Ombudsman, S.C.O. No.101-103, 2nd Floor, Batra Building. Sector 17-D, CHANDIGARH-160 017. Tel.:- 0172-2706468 Fax : 0172-2708274 Email ombchd@yahoo.co.in	Punjab , Haryana, Himachal Pradesh, Jammu & Kashmir , UT of Chandigarh
CHENNAI	Insurance Ombudsman, Office of the Insurance Ombudsman, Fathima Akhtar Court, 4th Floor, 453 (old 312), Anna Salai, Teynampet, CHENNAI-600 018. Tel.:- 044-24333668 /5284 Fax : 044-24333664 Email : chennaiinsuranceombudsman@gmail.com	Tamil Nadu, UT–Pondicherry Town and Karaikal (which are part of UT of Pondicherry)
NEW DELHI	Shri Surendra Pal Singh Insurance Ombudsman, Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Bldg., Asaf Ali Road, NEW DELHI-110 002. Tel.:- 011-23239633 Fax : 011-23230858	Delhi & Rajasthan

	Email iobdelraj@rediffmail.com	
GUWAHATI	Shri D.C. Choudhury, Insurance Ombudsman, Office of the Insurance Ombudsman, "Jeevan Nivesh", 5th Floor, Near Panbazar Overbridge, S.S. Road, GUWAHATI-781 001 (ASSAM). Tel:- 0361-2132204/5 Fax : 0361-2732937 Email ombudsmanghy@rediffmail.com	Assam , Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura
HYDERABAD	Insurance Ombudsman, Office of the Insurance Ombudsman, 6-2-46, 1st Floor, Moin Court, A.C. Guards, Lakdi-Ka-Pool, HYDERABAD-500 004. Tel : 040-65504123 Fax: 040-23376599 Email insombudhyd@gmail.com	Andhra Pradesh, Karnataka and UT of Yanam – a part of the UT of Pondicherry
KOCHI	Insurance Ombudsman, Office of the Insurance Ombudsman, 2nd Floor, CC 27/2603, Pulinat Bldg., Opp. Cochin Shipyard, M.G. Road, ERNAKULAM-682 015. Tel : 0484-2358759 Fax : 0484-2359336 Email iokochi@asianetindia.com	Kerala , UT of (a) Lakshadweep , (b) Mahe – a part of UT of Pondicherry
KOLKATA	Ms. Manika Datta Insurance Ombudsman, Office of the Insurance Ombudsman, 4th Floor, Hindusthan Bldg. Annexe, 4, C.R.Avenue, Kolkatta – 700 072. Tel: 033 22124346/(40) Fax: 033 22124341 Email:iombsbpa@bsnl.in	West Bengal , Bihar , Jharkhand and UT of Andeman & Nicobar Islands , Sikkim
LUCKNOW	Insurance Ombudsman, Office of the Insurance Ombudsman, Jeevan Bhawan, Phase-2, 6th Floor, Nawal Kishore Road, Hazaratganj, LUCKNOW-226 001. Tel : 0522 -2231331 Fax : 0522-2231310 Email insombudsman@rediffmail.com	Uttar Pradesh and Uttaranchal
MUMBAI	Insurance Ombudsman, Office of the Insurance Ombudsman, S.V. Road, Santacruz(W), MUMBAI-400 054. Tel : 022-26106928 Fax : 022-26106052	Maharashtra , Goa

	Email ombudsmanmumbai@gmail.com	
--	---------------------------------	--

Note: Address and contact number of Governing Body of Insurance Council

Secretary General - Governing Body of Insurance Council

Jeevan Seva Annexe, 3rd Floor, S.V. Road, Santacruz (W), Mumbai - 400 054

Tel No: 022-2610 6889, 26106245, Fax No. : 022-26106949, 2610 6052, E-mail ID: inscoun@vsnl.net
