

Ref: GAW: FB/INS/2/2019

Date: 05.03.2019

**Request For Proposal (RFP) - Renewal of Bankers Indemnity & Assets /Securities under Traditional Insurance Policies from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020.**

1. Sealed tenders are invited by CANARA BANK from all IRDAI approved General Insurance Companies for renewal of Bankers Indemnity and Asset/Security Insurance policies under Two Bid System. Canara Bank has appointed & authorized M/s Anand Rathi Insurance Brokers Ltd. as insurance broker for this purpose. The selection of the successful bidder shall be made through a bidding process (comprising of Technical Bid + Financial Bid - in Separate sealed covers).
2. Below are the policies due for renewal:
  - A. **Banker Indemnity Policy (Details in Technical Bid Format as per Annexure 1)**
  - B. **Assets Insurance policies: (Details in Technical Bid Format as per Annexure 1)**
    - B(1). Fire and Special Perils Policy for Assets
    - B(2). Burglary Policy
    - B(3). Electronic Equipment/All Risk Insurance Policy
    - B(4). Public Liability Insurance Policy
    - B(5). Marine Insurance Policy
3. Claim Details:

**The data will be shared with Insurance Companies during Pre Bid Meeting to be held on 14.03.2019.**

## 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 Canara 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 offer or invitation by Canara 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.

Canara 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. Canara 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.

3. Eligibility criteria for Insurance Companies are as follows:

1	Name of the work	BANKERS INDEMNITY INSURANCE POLICY ASSETS INSURANCE POLICY OF CANARA BANK FOR A PERIOD OF ONE YEAR FROM 01.04.2019 TO 31.03.2020.
2	Cost of application /tender documents. Tenders are also available at the banks website	FREE OF COST TENDER FORMS CAN BE DOWNLOADED FROM THE BANKS WEBSITE <a href="http://www.canarabank.com">www.canarabank.com</a>
3	Eligibility Criteria	<p>a. INSURANCE COMPANIES OF REPUTE BOTH IN PUBLIC &amp; PRIVATE SECTORS WHO POSSESS CLAIMS PAYMENT ABILITY A+ RATING FROM APPROVED RATING AGENCIES</p> <p>b. ONLY WELL ESTABLISHED &amp; REPUTED INSURANCE COMPANIES LICENSED BY IRDAI AND REGISTERED UNDER COMPANIES ACT 1956, WITH MORE THAN 5 YEARS ESTABLISHMENT AS ON 31.12.2018, ARE ELIGIBLE TO SUBMIT THE QUOTES/BIDS. INSURANCE COMPANY HAS TO SUBMIT COPIES OF THE LICENSE ISSUED BY IRDAI FROM INCEPTION SELF ATTESTED BY AUTHORIZED SIGNATORY OF THE BIDDERS INSURANCE COMPANIES.</p> <p>c. INSURANCE COMPANIES SHOULD HAVE SERVED AT LEAST 1 PSB(NATIONALIZED BANK) / SBI / PRIVATE SECTOR BANKS HAVING PAN INDIA BRANCH NETWORK OF MORE THAN 500 BRANCHES, COVERING BANKERS INDEMNITY AND OTHER ASSETS POLICIES DURING ANY OF THE LAST THREE FISCAL ie., 2016-17 &amp; 2017-18, 2018-19.</p> <p>d. THE INSURANCE COMPANY COVERING BANKERS INDEMNITY WITH ONE BANK AND ASSETS POLICY WITH ANOTHER BANK AS SPECIFIED AT PARA (c) ABOVE ARE ALSO ELIGIBLE. HOWEVER THE INSURANCE COMPANY COVERING ONLY EITHER BANKERS INDEMNITY OR ASSETS POLICY ARE NOT ELIGIBLE.</p>
4	Date and Time where tenders forms are available	FREELY AVAILABLE ON OUR BANKS WEBSITE <a href="http://www.canarabank.com">www.canarabank.com</a> FROM 05.03.2019
5	Time and last date of submission of Tender	Up to 2.30 PM on 25.03.2019

6	Place & Address for submission of tender	CANARA BANK F&B Section, GA Wing HO Annexe, 3 <sup>rd</sup> Floor, Dwarakanath Bhavan, 29, K R Road, Basavanagudi Bengaluru 560 004.
7	Date ,Time and place of Opening of tenders Contact person details:	1.PRE BID MEETING ON 14.03.2018 AT 3.00 PM 2.TECHNICAL BID WILL BE OPENED ON 25.03.2019 AT 2.30 P.M 3. PRICE BID - ON 25.03.2019 AT 3.30 PM Contact Person: 1. Sri. B M Rao, Deputy General Manager, G A Wing, HO Annex, Dwarakanath Bhavan, Basavangudi, Bengaluru -4 Phone: 080-26621847, Mob: 8008549651 2. Sri. Manjunath Pai B, Assistant General Manager, G A Wing, HO Annex, Dwarakanath Bhavan, Basavangudi, Bengaluru-4 Phone: 080-26620018, Mob: 7619604478
8	Insurance Brokers	M/s Anand Rathi Insurance Brokers Ltd. 10 <sup>th</sup> Floor Regent Chambers, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400 021.  Contact Person: Mr. Sanath Shetty, Vice President Mobile: 97430 00087 Email id: sanathshetty@rathi.com
9	Quantum of Earnest Money Deposit (EMD) Rs____ drawn in favour of ____ payable at ____ (to be payable along with tender bid)	NO EMD
10	Coverage of insurance	FROM 01-04-2019 TO 31.03.2020
11	Date of Commencement	FROM 01-04-2019

THE BANK RESERVES THE RIGHT TO CANCEL OR POSTPONE THE TENDERS AT ANY STAGE WITHOUT ASSIGNING ANY REASON.

#### 4. PRE- BID MEETING

Pre-bid meeting to address any queries that need clarification will be held as per below:

Date	Day	Time	Venue
14.03.2019	Thursday	3.00 pm	CANARA BANK F&B Division, GA Wing, HO Annex, 3 <sup>rd</sup> Floor, Dwarakanath Bhavan, K R Road, Basavanagudi, Bengaluru 560 004

Authorized representatives of interested bidders insurance companies may attend the meeting and submit their queries during the meeting in writing. The bank will consolidate all

the written queries submitted by the bidders and replies to their email or host in website. All the queries so raised and the replies thereto shall form part and parcel of this RFP. The bidder is expected to examine and understand all instructions, forms, terms and specifications and the assessment detailed in this RFP. Bids shall be deemed to have been submitted after careful study and examination of the contents of this RFP including the scope of the assignment with full understanding of its implications and requirements. The bids should be precise, complete in all respects and to be submitted in the prescribed format as per the requirement of this RFP only.

Failure to furnish all information documents required by this RFP or submission of a bid not responsive to this RFP in every respect will be at the applicant's risk and may result in rejection of the bid for which Canara Bank shall not be held liable under any circumstances.

## 5. TWO BID SYSTEM

Please note to submit filled Bid Forms (as per Annexure 1 for Technical bid & Annexure 2 for price bid), in separate sealed envelopes duly signed by an authorized signatory on all pages. The Authorized Signatory has to sign on all pages of printed bid documents, in token of having accepted all the terms and conditions, of Technical & Price bid.

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 Para 3 (a to d) above.

The preferred insurer will be the L1 bidder for **all the above policies in totality**. 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. Bid (both Technical & Financial) made strictly as per provisions of the RFP in separate sealed envelopes should be submitted latest by 2.00pm on 25.03.2019 to the representatives of CANARA BANK at the address mentioned below:

**CANARA BANK**  
F&B Section, GA Wing  
HO Annexe, 3<sup>rd</sup> Floor, Dwarakanath Bhavan,  
29, K R Road, Basavanagudi, Bengaluru - 560 004.

Only hard copies of the bid shall be submitted in the tender box which will be located at the said address.

8. First the Technical Bids will be opened in the presence of the Bidder's representative/s that who may choose to attend the bid opening as per following schedule:

Date	Day	Time	Venue
25.03.2019	Monday	2.30 pm	CANARA BANK F&B Division, GA Wing HO Annexe, 3 <sup>rd</sup> Floor, Dwarakanath Bhavan, 29, K R Road, Basavanagudi, Bengaluru 560 004

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

9. The selected insurance company should enter into an agreement for service standard (SLA).
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 envelope consisting of 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.
13. Canara Bank has appointed & authorized M/s Anand Rati Insurance Brokers Ltd as insurance broker for the purposes of this RFP. The onus of remunerating the Broker as per Industry 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.

**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 delivery.
- Extend the time for submission of proposal.

F&B Section, G A Wing, Dwarakanath Bhavan, HO Annex, Bengaluru-4

- Modify the RFP document, by an amendment that would be notified on the Bank's website.
- 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 and conditions stipulated in the RFP in Annexure IV.

## III. Understanding by Bidder Insurance Company

The bidder shall furnish the following Undertaking as a part of the proposal.

"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".

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.

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. Integrity Pact**

The bidders are required to execute "Integrity Pact" as specified in Annexure III, on requisite non judicial stamp paper, at the time of submission of the bid. The amount of stamp paper shall be as per the applicable law and based on the place of execution of documents.

#### **VII. Resolution of Disputes**

Canara Bank and the bidder shall make every effort 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, Canara 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. Both parties may agree upon a single arbitrator. If there is no consensus for a single arbitrator, then each party shall appoint one arbitrator and the two appointed arbitrators shall thereupon appoint a third arbitrator. The arbitration shall be concluded in English and a written order shall be prepared. The Arbitration and Reconciliation Act 1996 as amended by Act of 2015 shall apply to the arbitration proceedings and the venue & jurisdiction of the arbitration shall be Bengaluru.

#### **VIII. 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 Bengaluru.

DEPUTY GENERAL MANAGER  
(Sd/-)

From:

To:

F & B Section, GA Wing,  
Canara Bank, Head Office

Checklist/Annexure

Vendors to verify the checkpoints.

1	Authorization Letter Format (for attending bid opening)	
2	Rating from approved Rating Agencies	
3	Copy of original license issued by IRDAI and proof of renewal of license if any, with attestation for the last 5 years.	
4	Name of the PSB/SBI/Private Sector Banks. ( self declaration from Insurers)	
5	Bankers Indemnity policy covered - Yes/No If Yes, Name of the Bank / Banks	
6	Assets policy covered-Yes/No. If Yes, Name of the Banks:	
7	Integrity Pact Agreement in a Non-judicial Stamp Paper of Rs. 200, as per Annexure 3.	
8	Compliance Confirmation letter as per Annexure 4.	

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 / Undertaking is authenticated?	
3	Whether ensured that the Bid is prepared as per the instructions provided and place in separate envelops (Technical & Price Bids) and both in one single Big Envelope. The envelope super scribed "Request for proposal for renewal of Bankers Indemnity & Assets / Securities under Traditional policies" in response to RFP - GAW/FB/INS/2/2019 Dtd. 05/03/2019, The Name of the Bidder and Due date of the RFP is specified on the top of the envelope.	
4	Whether ensured Indexing of all Documents submitted with page numbers?	

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 1: Technical Bid Format**

**Request For Proposal (RFP) - Insurance Policies for CANARA BANK**  
**Period 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020**

**TECHNICAL BID for Traditional Insurance Policies of CANARA BANK  
(Bankers Indemnity & Assets Insurance)**

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

<b>Insured</b>	Canara Bank		
<b>Cover</b>	Bankers Indemnity Policy		
<b>Policy Period</b>	01.04.2019 to 31.03.2020		
<b>Incumbent Insurer</b>	New India Assurance Company.		
<b>Sr. No.</b>	<b>INSURING CLAUSES</b>	<b>Sum Insured (SI) (Rs.)</b>	<b>Policy Excess</b>
1	Basic Sum Insurance (A to H)	2 Crores	10% of claim amount under Sections (A to H) but not exceeding INR 25,000
2	Additional Sum Insurance for Sections		
A	On Premises	150 Crores	
B	In Transit	10 Crores	
C	Forgery & Alteration	Within Basic SI	
D	Employee Dishonesty	Addl.SI- 10 Crores	
E	Hypothecated goods	Within Basic SI	
F	Registered post Parcel/courier	Within Basic SI	
G	Appraisers	Addl. SI - 3 Crores AOA: 1 Crores	
H	Janata Agent / Collection agents or likes / Choti Bachat Yojana Agents/Business Correspondent / Business Facilitator/Affiliate/Associates	Within Basic SI	
I.	Securities	AOA: 1 Crores AOY: 10 Crores	INR 15,000 Each and Every Loss
J.	Damage to ATMs/CDMs/Cash Recycler Machines( Only for bank owned machines )	AOA: 6 Lakhs AOY: 3 Crores	INR 10,000 Each and Every Loss
K.	Counterfeit Currency	AOA: 25 Lakhs AOY: 25 Lakhs	INR 2,000 Each and Every Loss
L.	Infidelity of Bank Appointed Vendors/vendors/all outsourced service providers	AOA: 50 Lakhs AOY: 50 Lakhs	INR 15,000 Each and Every Loss

M.	Liability arising out of Opening of Bank A/c With forged documents	AOA: 25 Lakhs AOY: 50 Lakhs	5 % of each loss but not exceeding INR 10,000
N.	Loss of cash / items of deposit in ATM / CDM / Cash Recycler. (Only for bank owned machines )	AOA:60 Lakhs AOY:3 Crores	5% of each loss but not exceeding INR 10,000
O.	Negligence and Errors and Omissions	AOA: 50 Lakhs AOY: 50 Lakhs	INR 15,000 Each and Every Loss
P.	Loss of Keys	AOA: 1 Lakhs AOY: 10 Lakhs	Deductible for loss of key cover shall be INR 2,000 per event of loss
Q.	Loss by Erroneous Transfers	AOA: 25 Lakhs AOY: 50 Lakhs	INR 15,000 Each and Every Loss
R.	Stop Payment Liability	AOA: 50 Lakhs AOY: 50 Lakhs	INR 5,000 Each and Every Loss

**The Following Terms & Conditions would be also 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) Claims series clause – Time limit need to be extended up to 12 months.

For Loss due to terrorism risk for all the sections the excess would be 0.5% of the Sum Insured subject to a minimum of Rs.25,000/-

**6. 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/Corporate Office.
3. Circle Offices / Regional Offices
4. Branch Offices
5. Extension Counters
6. ATM Centers / Cash Deposit Kiosk / Bunch Note Acceptor /Cash Acceptor Kiosk/ (Offsite/Onsite)- Owned and /or Rented, E.D. P systems centres.
7. Training Centers
8. Residential Building/ Buildings/Flats/Guest Houses Etc.
9. Representative Offices
- 10.Mobile units (including ATM/CDM/CRM/CMSU)
- 11.Branches at GIFT city

**Asset Insurance Policies**

<b>Standard Fire and Special Perils Policy for all the assets of the Bank</b>	
<b>Description</b>	<b>Sum Insured INR</b>
<p><b>Properties to be Covered:</b> Bank's own building / buildings, all types of Civil work, renovation, alteration and contents of every description, Plant, Machinery, Accessories including Electrical / Electronic Installation, Lifts, DG sets, AC Equipments, IT-Assets installed / lying, Furniture, Fixture, Fittings, Office Equipments, Stationary and all other Contents as per latest Bank's balance sheet, from owned building as well as rented premises. Entry in Fixed Assets Register (computerized) as per Fixed Assets Management System (FAMS) will be taken as proof of existence of the item and no other proof in the form of Original Bill / Invoice, etc. will be asked for by the Insurance Company at the time of claim settlement</p>	
<p><b>Locations to be Covered:</b> All Offices/ Branches located in India including:</p> <ul style="list-style-type: none"> <li>• Corporate Office/ Local Head Offices/ Corporate Centre establishments</li> <li>• Zonal Offices / Circle Offices</li> <li>• Regional Offices</li> <li>• Branch Offices</li> <li>• Extension Counters</li> <li>• ATM Centers/ Cash Depositing Machines/ Cash accepting machine (CAM) Banking Kiosks, (onsite/ offsite)</li> <li>• Currency chest branches</li> <li>• Residential Buildings/Flats</li> <li>• Guest Houses, etc.</li> <li>• Training centers.</li> </ul>	
1. <b>Civil work, Building/Buildings/flats</b> including all types of civil work, plinth and foundation, compound wall, Renovation/alternations for owned Buildings / Flats.	2028,73,39,562.00
2. <b>Contents</b> of every description including Plant, Machinery, Accessories, Electrical/Electronic installation, Lifts, DG Sets, IT Assets, ATM Centers, FFF, Office Equipment and all other contents.	1112,95,17,672.00
<b>3. Office Stationery and other contents</b>	30,00,00,000.00
<b>Total Sum Insured</b>	<b>3171,68,57,234.00</b>
<b>Add Ons</b>	
Earthquake (Fire and Shock) + Tsunami	Required
Storm Tempest Flood Inundation	Required
Terrorism	Required
Architects, Surveyors, Consulting Engg. Fees	Upto tariff limits
Debris Removal (including foreign debris)	Upto tariff limits
Market Value Clause	Required
Local Authority Clause	Required

	Designation of Property Clause	Required
	72 Hours Clause	Required
	Goods Held in Trust/Care or Custody	Required
	Nominated Loss Adjusters	Required
	On account payments - 75%	Required
	Basement Exclusion Warranty Removal	Required
	Automatic Reinstatement of Sum Insured	Required
	Omission to Insured's additions/alternations	5% of Sum Insured
	Escalation Provision	5% of Sum Insured
	<b>Indemnity Bond:</b> Claim amount above Rs. 1,00,000/- to be settled without waiting for the Police final report subject to Indemnity Bond Settlement @ 75% of assessed claim amount. The difference, settled by either party once the final police report submitted.	Required
	<b>Waiver of survey:</b> Waiver of survey for all losses net of deductible up to Rs. 50,000/-, subject to submission of self-survey report form with supporting invoice/bills/documents/stock report/ledger.	Required
<b>Slip - Burglary Insurance Policy</b>		
	<b>Please note:</b>	
	<b>For the following - Basis of sum insured will be on First Loss Limit. Basis of Rs. 20.00 Crore</b>	
	<b>Locations to be Covered: Covering Contents on Pan India basis for all Banks Premises.</b> All Offices/ Branches located in India including: <ul style="list-style-type: none"> <li>• Corporate Office/ Local Head Offices/ Corporate Centre establishments</li> <li>• Zonal Offices/ Circle Offices</li> <li>• Regional Offices</li> <li>• Branch Offices</li> <li>• Extension Counters</li> <li>• ATM Centers/ Cash Depositing Machines/ Cash accepting machine (CAM) Banking Kiosks, (onsite/ offsite)</li> <li>• Currency chest branches</li> <li>• Residential Buildings/Flats</li> <li>• Guest Houses, etc.</li> <li>• Training centers.</li> </ul>	
	1. Stocks of Stationery, Printing/Printed Items and the like at various offices	
	2. ISC Parcels - held in trust/care custody at various bank branches & other locations	
	3. WIP at NEW branch/office for items that are not capitalized	
	Scope of Cover <ul style="list-style-type: none"> <li>• The loss or damage to the insured's property due to burglary</li> </ul>	
	FFF	
	Plant & Machinery	
	Others including Electrical /Electronic items	
	Stocks at plant including Raw Materials, Stocks in Process and Finished Goods	

Stock of stationery, printing/printed material at various locations	<b>20,00,00,000</b>
ISC Parcels	20,00,000
Branches, CO, HO and any other locations - Contents	60,000,00,000
Residential Quarters Locations – Contents	20,000,00,000
New Branches to be opened - WIP – Contents	50,00,000
<b>Total Sum Insured</b>	<b>820,70,00,000</b>
<b>Add Ons</b>	
Theft	Required
RSMD	Required
Goods held in trust clause	Required
Loss/ damage due to actual or attempted burglary/ robbery/, House Breaking, holdup, Dacotiy and attempted threat	Required
Only intimation to Police Authorities for claims upto Rs.5.00 lacs ( i.e, Waiver of FIR for <b>claims up to INR 3.00 lacs</b> ). <b>For claims above Rs.3.00 lacs, FIR is required.</b>	Required

**Slip -All Risk Policy/Electronic Equipment Policy for Electronic Items (including Portable Equipment)**

Description	Sum Insured INR
Equipment's including but not limited to Laptops, I-pads, Tablets, Mobiles, Servers, Projectors including accessories and other like items	20,00,00,000
<b>Total Sum Insured</b>	<b>20,00,00,000</b>
<b>Add Ons</b>	
Electrical and Mechanical Breakdown	Required
Standard Fire & Special Perils Policy Perils	Required
Terrorism	Required
Accidental damage	Required
Burglary	Required
Theft	Required
Basis of Settlement - Market Value Basis	Required
Earthquake	Required
Worldwide Cover	Required
Waiver of Serial Number's - Asset register to be referred in case of claims	Required
Waiver of AMC Warranty	Required
Waiver of FIR for <b>claims upto INR 75,000</b>	Required
Depreciation agreed at <b>10%</b> per annum	Required

**Slip - Transit Insurance Policy - Marine Insurance**

Description	Sum Insured INR
Coverage - Anywhere in INDIA to Anywhere in INDIA	
Interest Insured - All kinds of Bank Assets being shifted between branches/offices will get covered including second hand/used bank assets	
Mode of transit - including but not limited to rail, road, sea, air, registered post parcel, courier, hand carried	
Packing – Standard	
Limit Per Sending	50 Lakhs
Limit Per Location	50 Lakhs

	Basis of valuation - As per transit document + 10%	
	Sum insured	<b>2 Crores</b>
	Extensions	
	Termination of Transit Clause (Terrorism)	
	Inland Transit ( Rail or Road ) Clause- A	
	Institute Radioactive Contamination, chemical, biological, bio-chemical and electromagnetic weapons exclusion Clause - 10.11.03	
	Institute Replacement clause	
	Institute Strike Clause	
	Limitation of Liability Clause	
	Concealed Damage Clause for 30 days	
	Loading Unloading Risk Covered	
	Waiver of Pre - Dispatch Survey/Inspection	
<b>Slip - Public Liability</b>		
	Limit AOA	1 Crore
	Limit AOY	1 Crore
	Turnover	To be provided
	<b>Add Ons</b>	
	Defence cost included in Limit of Liability	
	AOG Perils Extension	
	Food & Beverages Extension	
	Lift Liability Extension	
<b>Policy Type</b>		<b>Deductible</b>
	Standard Fire and Special Perils	As per tariff - Location wise.
	Burglary Insurance Policy	5% of claim amount subject to a minimum of INR 1,000
	All Risk/Electronic Equipment/Portable Electronic Equipment Policy	5% of claim amount subject to a minimum of INR 2,500
	Transit	Flat INR 1,000
	Public Liability	NIL



NAME OF THE INSURER: \_\_\_\_\_

**We hereby confirm our acceptance to all the requirements and specifications as detailed above**

**Important:**

- Duly sign and put seal/stamp on all pages attached with this Technical Bid document.
- Ensure that the Wordings have been understood by you 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 2: Financial Bid Format**

**Request for Proposal (RFP) - Insurance Policies for CANARA BANK**  
**Period 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020**

**Pro-forma for submitting FINANCIAL BID**

**FINANCIAL BID for Traditional Insurance Policies of CANARA BANK  
 (Bankers Indemnity & Assets Insurance)**

NAME OF THE INSURED: CANARA BANK

NAME OF THE INSURER: \_\_\_\_\_

RFP - Option FINAL	
Premium on	Amount (INR) excluding GST
<b>A. Banker Indemnity Policy (Details as per Technical Bid)</b>	
B 1. Fire and Special Perils Policy for Assets (Details as per Technical Bid)	
B 2. Burglary Policy	
B 3. Electronic Equipment/All Risk Insurance Policy	
B 4. Public Liability Insurance Policy	
B 5. Marine Insurance Policy	
<b>Premium (INR) excluding GST - TOTAL (A+B1+B2+B3+B4+B5)</b>	

Signature of the authorized person & Seal:

Name of the Authorized Signatory:

Address:

**Date:**

**Place:**

## 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 in 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 thereto.

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 any 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.
1. "**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.
2. "**Certificate of Deposit**" means a written acknowledgement by a bank of a deposit of funds with 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.

3. "**Cheque**" means a Bill of Exchange, drawn on a bank directing it to pay the sum specified on demand.
4. "**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.

5. "**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
6. "**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, and
  - 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 authorised 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's 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.

7. "**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.
8. "**Insurer**" means the General Insurance Company viz Insurance Co Ltd.
9. "**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
10. "**Letter of Credit**" means an engagement in writing by a bank, made at the request of a customer, that the issuer will honour drafts or other demands for payment upon compliance with the conditions specified in such Letter of Credit.
11. "**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.
12. "**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.
13. "**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.
14. "**Property**" means the following tangible items: paper currency, foreign exchange, treasury notes, coins, bullion, pledged gold, gold on consignment, jewelery, 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, travellers 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, Payorders, 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/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 &/or Interest Warrants &/or Refund Orders issued by the Bank against its own shares &/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/ATMs, 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.

15. **“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 ATMs, Mobile Offices, Cash collection centres, Currency management 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.

16. **"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.
17. **"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.
18. **Securities, Documents or Similar Written Instruments** shall be deemed to mean:
- original (including original counterparts) negotiable or non-negotiable agreements 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 agreements with any necessary endorsement or assignment; or
  - original corporate, partnership or personal guarantees; or
  - a Certificated Security or a Statement of Uncertificated Security; or
  - an Instruction; or
  - 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 agreements in writing, having value which value is, in the ordinary course of business, transferable by delivery of such agreements with any necessary endorsement or assignment; or

- Share certificates, bearer stock, certificates of stock, warrants or rights to subscribe, allotment letters, bonds, debentures or coupons issued by limited companies or corporations,
- Bonds similar in form to corporate bonds issued by partnerships, which bonds are secured by mortgages, deeds of trust or collateral trust agreements,
- 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
- Deeds of trust, mortgages upon real property and upon interests in real property and assignments of such mortgages,
- Promissory Notes except:
  - 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

- (iii) 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.
19. **“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 cardholder 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 centre authorizing the processing of debit and credit entries to the cardholders accounts. This definition also includes cash deposit machines
20. **“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.
21. **“Financial Organization”** means:
- Any bank, credit institution, financial institution, undertaking for collective investment in securities, investment firm, asset management company, building society, friendly society or similar organisation;
  - Recognized investment exchange, recognized clearing house, designated investment exchange or designated clearing house, overseas investment exchange, overseas clearing house;
  - 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
  - Any Custodian.
22. **“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.
23. **“Loss”** or **“Losses”** or **“Lost”** means:
- 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).
  - 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).
24. **“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 pretences, 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 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.
- c. Notwithstanding anything said to the contrary in the policy , it is agreed that this policy indemnifies the cost of restoration of electronics records of securities or assets which are represented by the book entries in electronic form in an ordinary course of business as a depository participants
- d. 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.

- e. The assureds' 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, tested 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.

**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. JANATA AGENTS/CHHOTI BACHAT YOJANA AGENTS/COLLECTION AGENTS OR LIKE /BUSINESS CORRESPONDENT/BUSINESS AFFILIATE/FACILATORS/ASSOCIATES:**

By reason of:

Loss by Infidelity or Criminal Acts on part of the Janata Agents / Chhoti Bachat Yojana Agent/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. SECURITIES

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 thereupon 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 agreements in writing, having value which value is, in the ordinary course of business, transferable by delivery of such agreements 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

F&B Section, G A Wing, Dwarakanath Bhavan, HO Annex, Bengaluru-4

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.

"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 15,000 each and every loss.

**J. Damage to ATMs/CDMs/Cash Recycler Machines( Only for bank owned machines )**

By Reason of

Any Physical Damage arises to ATM/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.

The excess applicable for this section will be INR 10,000 each and every loss.

#### **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.

The excess applicable for this section will be INR 2,000 each and every loss

#### **L. INFIDELITY OF THE BANK APPOINTED VENDORS/ 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.

The excess applicable for this section will be INR 15,000 each and every loss

#### **M. LIABILITIES ON OPENING OF BANK ACCOUNTS BY SUBMISSION OF FORGED DOCUMENTS:**

By reason of:

Loss resulting directly from Forgery or fraudulent documents and/ or alteration of documents, on, or in any residence proof, Pan card or any other documents used for opening 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.

The excess applicable for this section will be 5% of each loss but not exceeding INR 10,000/-

#### **N. LOSS OF CASH &/OR ITEMS FOR DEPOSIT FROM ATM/CASH RECEPTORS AND ATM/ CASH ACCEPTORS RELATED FRAUD :**

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 / Cash Recyclers owned by the Insured.

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

By reason of the unauthorized taking of cash or money is being stolen by any means from Automated Teller Machine / Cash Deposit Kiosk / Bunch Note Acceptor / Cash Recyclers.

The excess applicable for this section will be 5% of each loss subject to maximum of INR 10,000

**O. NEGLIGENCE AND ERRORS AND OMISSIONS**

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 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

The excess applicable for this section will be INR 15,000 each and every loss

**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.

Notwithstanding the deductible stated elsewhere in the policy, the deductible for loss of keys cover shall be Rs. 2000 per event of loss.

**Q.LOSS BY ERRONEOUS TRANSFER**

By reason of

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



F&B Section, G A Wing, Dwarakanath Bhavan, HO Annex, Bengaluru-4

condition precedent to coverage hereunder that the Insured shall try every reasonable course of action to secure recovery of such funds.

The excess applicable for this section will be INR 15,000 each and every loss

## **R.STOP PAYMENT LIABILITY**

By reason of

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 excess applicable for this section will be INR 5,000 each and every loss.

## **EXCEPTIONS**

The Company shall not be liable in respect of

a) Any **Loss** or damage occasioned by or through or in consequence whether directly or indirectly of any of the following occurrences:

i) 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 seige

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 radioactivity 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 OF COVER: 3 years from date of loss**

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 India. Service of process in any such legal proceedings shall be made upon the person (s) named in the schedule who are duly authorised 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
  - ii. 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
  - iii. 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
  - iv. 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
  - ii.** 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
  - iii.** 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 his 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 referable 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 hereunder, 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 thereby 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 thereunder.

#### **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

##### **A.**

- 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, housebreaking, 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 the 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 01-04-2019 to 31-03-2020.

### **The Policy covers**

1. Cash in all ATM's (inclusive of Off Site ATM's) shall be treated as Cash on Premises. There shall be no requirement of Guards / CCTV / Alarm System at the ATMs centres / 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, ATMs (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 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 &/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 jewellery and related valuables should be based on market value on the dates of loss
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

F&B Section, G A Wing, Dwarakanath Bhavan, HO Annex, Bengaluru-4

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 Final Police report is awaited (in all cases including fraud cases.)
14. No additional term, condition or any such stipulation, not specified in the quote would not be entertained later.

**FOR AND ON BEHALF OF  
Insurance Company**

**AUTHORISED SIGNATORY  
Place: Bengaluru**

**Date:**

### Annexure 3

#### PRE CONTRACT INTEGRITY PACT

##### 1. GENERAL

1.1. This pre-bid contract Agreement (herein after called the Integrity Pact) is made on \_\_\_\_ day of the month 20\_\_\_\_, between, the Canara Bank, a body corporate constituted under Banking Companies (Acquisition and transfer of undertakings), Act 1970 having its Head office at 112, J.C. Road, Bengaluru 560 002, with branches spread over India and abroad (hereinafter referred to as BUYER which expression shall include its successors and assigns) acting through Shri. \_\_\_\_\_, (Designation of the officer) representing \_\_\_\_\_, of the BUYER, of the FIRST PART

AND

M/s. \_\_\_\_\_ represented by Shri. \_\_\_\_\_ Chief Executive Officer/Authorized Signatory (hereinafter called the "BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER", which expression shall mean and include, unless the context otherwise requires, his successors and permitted assigns), of the SECOND PART

1.2. WHEREAS the BUYER proposes to procure (Name of the Stores/Equipment/Item) /engage the services and the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER is willing to offer/has offered the stores/services and

1.3. WHEREAS the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER is a private company/ public company/Government undertaking/ partnership/ LLP/registered export agency/service provider, duly constituted in accordance with the relevant law governing its formation/incorporation/constitution and the BUYER is a body corporate constituted under Banking Companies (Acquisition and transfer of undertakings), Act 1970.

1.4. WHEREAS the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER has clearly understood that the signing of this agreement is an essential pre-requisite for participation in the bidding process in respect of Stores/Equipment/Items/Services proposed to be procured by the BUYER and also understood that this agreement would be effective from the stage of invitation of bids till the complete execution of the agreement and beyond as provided in clause 13 and the breach of this agreement detected or found at any stage of the procurement process shall result into rejection of the bid and cancellation of contract rendering BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER liable for damages and replacement costs incurred by the BUYER.

2. NOW, THEREFORE, the BUYER and the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER agree to enter into this pre-contract integrity agreement, hereinafter referred to as Integrity Pact, which shall form part and parcel of RFP as also the contract agreement if contracted with BIDDER, in the event that the BIDDER turns out to be successful bidder, and it is intended through this agreement to avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the Contract to be entered into with a view to:-

2.1. Enabling the BUYER to obtain the desired Stores/Equipment/Work/Service/Materials at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortionary impact of corruption on public procurement, and

2.2. Enabling BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER/SERVICE PROVIDER to refrain from bribing or indulging in any corrupt practices in order to secure the contract, by providing assurance to them that the BUYER shall not be influenced in any way by the bribery or corrupt practices emanating from or resorted to by their competitors and that all procurements shall be free from any blemish or stain of corruption and the BUYER stays committed to prevent corruption, in any form, by its officials by following transparent procedures.

The parties hereto hereby agree to enter into this integrity Pact and agree as follows:

##### COMMITMENTS OF THE BUYER

The BUYER commits itself to the following:-

3.1. The BUYER represents that all officials of the BUYER, connected whether directly or indirectly with the procurement process are duty bound by rules and regulations governing their service terms and conditions not to demand, take promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER either for themselves or for any

person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.

3.2. The BUYER will, during the pre-contract stage, treat all BIDDERS/SELLERS/CONTRACTORS/SERVICE PROVIDERS alike, and will provide to all BIDDERS/SELLERS/CONTRACTORS/SERVICE PROVIDERS the same information and will not provide any such information to any particular BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER which could afford an advantage to that particular BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER in comparison to the other BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDERS.

3.3. The BUYER shall report to the appropriate Government Regulators/Authorities any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach, as and when the same is considered necessary to comply with the law in force in this regard.

In case any such preceding misconduct on the part of such official(s) is reported by the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER to the BUYER with the full and verifiable facts and the same is prima facie found to be correct by the BUYER, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the BUYER and such a person shall be debarred from further dealings related to the contract process. In such a case, while an enquiry is being conducted by the BUYER, the proceedings under the contract would not be stalled.

#### 4. COMMITMENTS OF BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDERS

The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following:-

4.1. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the BUYER, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.

4.2. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage, or inducement to any official of the BUYER or otherwise for procuring the Contract or for forbearing to do or for having done any act in relation to the obtaining or execution of the contract or any other contract with the BUYER or for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the BUYER.

4.3. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER further confirms and declares to the BUYER that the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER is the original Manufacturer/Integrator/Authorized government sponsored export entity of the stores/Authorised Service Provider having necessary authorizations, intellectual property rights and approvals from the intellectual property right owners of such materials/services and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the BUYER or any of its functionaries, whether officially or unofficially to the award of the contract to the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.

4.4. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payment he has made, is committed to or intends to make to officials of the BUYER or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.

4.5. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.

4.6. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities emanating from other competitors or from anyone else.

4.7. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER shall not use improperly, for purpose of competition or personal gain, or pass on to others, any information provided by the BUYER as part of the business relationship, regarding plans, technical proposal and business details, including information contained in any electronic data carrier. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER also undertakes to exercise due and adequate care lest any such information is divulged.

4.8. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.

4.9. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER shall not instigate or cause to instigate any third person to commit any of the acts mentioned above.

#### 5. PREVIOUS TRANSGRESSION

5.1 The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Bank, Public Sector Enterprise/Undertaking in India or any Government Department in India that could justify BIDDER's exclusion from the tender process.

5.2. If the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER makes incorrect statement on this subject, BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER can be disqualified from the tender/bid process or the contract, if already awarded, can be terminated for such reason.

#### 6. EARNEST MONEY (SECURITY DEPOSIT)

6.1. Every BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER while submitting commercial bid, shall deposit an amount as specified in RFP/Tender Documents as Earnest Money/Security, Deposit, with the BUYER through any of the instruments as detailed in the tender documents.

6.2. The Earnest Money/Security Deposit shall be *valid for a period till* the complete conclusion of the contractual obligations or for such period as mentioned in RFP/Contract, including warranty period, whichever is later to the complete satisfaction of BUYER.

6.3. In the case of successful BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER, a clause would also be incorporated in the Article pertaining to Performance Bond in the Purchase Contract that the provisions of Sanctions for violation shall be applicable for forfeiture of Performance Bond in case of a decision by the BUYER to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

6.4. No interest shall be payable by the BUYER to the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER on Earnest Money/Security Deposit for the period of its currency.

#### 7. SANCTIONS FOR VIOLATIONS

7.1. Any breach of the provisions herein contained by the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER shall entitle the BUYER to take all or any one of the following actions, wherever required:-

(i) To immediately call off the pre contract negotiations without assigning any reason or giving any compensation to the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER. However, the proceedings with the other BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER(s) would continue.

(ii) To forfeit fully or partially the Earnest Money Deposit (in pre-contract stage) and/or Security Deposit/Performance Bond (after the contract is signed), as decided by the BUYER and the BUYER shall not be required to assign any reason therefore.

(iii) To immediately cancel the contract, if already signed, without giving any compensation to the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER.

(iv) To recover all sums already paid by the BUYER, and in case of the Indian BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER with interest thereon at 2% higher than the prevailing Prime Lending Rate of (Name of the Bank/Financial Institution)

while in case of a BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER from a country other than India with Interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the BIDDER/SELLER /CONTRACTOR from the BUYER in connection with any other contract such outstanding payment could also be utilized to recover the aforesaid sum and interest. The BUYER shall also be entitled to recover the replacement costs from BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER.

(v) To encash the advance bank guarantee and performance bond/warranty bond, if furnished by the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER, in order to recover the payments, already made by the BUYER, along with interest.

(vi) To cancel all or any other contracts with the BIDDER /SELLER/CONTRACTOR/SERVICE PROVIDER and the BIDDER/SELLER /CONTRACTOR/SERVICE PROVIDER shall be liable to pay compensation for any loss or damage to the BUYER resulting from such cancellation/rescission and the

BUYER shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER.

(vii) To debar the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER from participating in future bidding processes of the BUYER for a minimum period of five years, which may be further extended at the discretion of the BUYER.

(viii) To recover all sums paid in violation of this Pact by BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER(s) to any middlemen or agent or broker with a view to securing the contract.

(ix) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the BUYER with the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER, the same shall not be opened.

(x) Forfeiture of The Performance Bond in case of a decision by the BUYER to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

(xi) The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the BUYER, and if he does so, the BUYER shall be entitled forthwith to rescind the contract and all other contracts with the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER. The BIDDER/SELLER/CONTRACTOR shall be liable to pay compensation for any loss or damage to the BUYER resulting from such rescission and the BUYER shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER.

7.2. The BUYER will be entitled to take all or any of the actions mentioned at para 7.1 (i) to (xi) of this Pact, also in the event of commission by the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER or anyone employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER), of an offence as defined in Chapter IX of the Indian Penal code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.

7.3. The decision of the BUYER to the effect that a breach of the provisions of this pact has been committed by the BIDDER/SELLER/CONTRACTOR shall be final and conclusive on the BIDDER/SELLER/CONTRACTOR. However, the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER can approach the Independent External Monitor(s) appointed for the purposes of this Pact.

#### 8. FALL CLAUSE

8.1. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER undertakes that it has not supplied/is not supplying similar product/systems or subsystems/services at a price lower than that offered in the present bid to any other Bank or PSU or Government Department or to any other organization/entity whether or not constituted under any law and if it is found at any stage that similar product/systems or sub systems/services was supplied by the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER to any other Bank or PSU or Government Department or to any other organization/entity whether or not constituted under any law, at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the difference in the cost would be refunded by the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER to the BUYER, if the contract has already been concluded.

#### 9. INDEPENDENT EXTERNAL MONITORS

9.1. The BUYER has appointed two Independent External Monitors (hereinafter referred to as Monitors) for this Pact in accordance with the recommendations and guidelines issued by Central Vigilance Commission.

9.2. The task of the Monitors shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.

9.3. The Monitors shall not be subject to instructions by the representatives of the parties and perform their functions neutrally and independently.

9.4. Both the parties accept that the Monitors have the right to access all the documents relating to the project/procurement, including minutes of meetings. The Monitors shall on receipt of any complaint arising out of tendering process jointly examine such complaint, look into the records while conducting the investigation and submit their joint recommendations and views to the Management and Chief Executive of the BUYER. The MONITORS may also send their report directly to the CVO and the commission, in case of suspicion of serious irregularities.

9.5. As soon as any event or incident of violation of this Pact is noticed by Monitors, or Monitors have reason to believe, a violation of this Pact, they will so inform the Management of the BUYER.

9.6. The BIDDER(s) accepts that the Monitors have the right to access without restriction to all Project/Procurement documentation of the BUYER including that provided by the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER. The BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER will also grant the Monitors, upon their request and demonstration of a valid interest, unrestricted and



F&B Section, G A Wing, Dwarakanath Bhavan, HO Annex, Bengaluru-4

unconditional access to his documentation pertaining to the project for which the RFP/Tender is being /has been submitted by BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER. The same is applicable to Subcontractors. The Monitors shall be under contractual obligation to treat the information and documents of the BIDDER/Subcontractors ( ) with confidentiality.

9.7. The BUYER will provide to the Monitors sufficient information about all meetings among the parties related to the Project provided such meetings could have an Impact on the contractual relations between the parties. The parties may offer to the Monitors the option to participate in such meetings.

9.8. The Monitors will submit a written report to the BUYER at the earliest from the date of reference or intimation to him by the BUYER/BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER and submit proposals for correcting problematic situations.

**10. FACILITATION OF INVESTIGATION**

In case of any allegation of violation of any provisions of this Pact or payment of commission, the BUYER or its agencies shall be entitled to examine all the documents including the Books of Accounts of the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER and the BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER shall provide necessary information of the relevant documents and shall extend all possible help for the purpose of such examination,

**11. LAW AND PLACE OF JURISDICTION**

This Pact is subject to Indian Law and the place of jurisdiction is Bengaluru.

**12. OTHER LEGAL ACTIONS**

The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the any other law in force relating to any civil or criminal proceedings.

**13. VALIDITY**

13.1. The validity of this Integrity Pact shall be from the date of its signing and extend up to 5 years or such longer period as mentioned in RFP/Contract or the complete execution of the contract to the satisfaction of the BUYER whichever is later. In case BIDDER/SELLER/CONTRACTOR/SERVICE PROVIDER is unsuccessful, this Integrity Pact shall expire after six months from the date of the signing of the contract.

13.2. If one or several provisions of this Pact turn out to be invalid; the remainder of this Pact shall remain valid. In such case, the parties will strive to come to an agreement to their original intentions.

14. The parties hereby sign this Integrity Pact at ..... on.....

BUYER  
Name of the Officer  
Designation  
Name of Wing  
Canara Bank

BIDDER  
CHIEF EXECUTIVE OFFICER/AUTHORISED SIGNATORY

Witness

1)

2)

Witness

1)

2)

**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 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.

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 Canara 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 Canara Bank will not defray any expenses incurred by us in proposal.

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

Dated this ..... day of ..... 2019

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(In the capacity of)

Duly authorized to sign Proposal for and on behalf of \_\_\_\_\_