

Signature Management Plus Liability Insurance - Prospectus

The roles of directors and officers have become more challenging in view of the increasingly demanding responsibilities, litigation pressure and regulatory requirements. Directors and officers carry personal responsibility and liability for their acts and omissions. Directors and Officers can be sued 'personally' by any stakeholder for a decision taken by them on behalf of the Company in their capacity as Director or Officer of the Company. Directors and officers today are facing heavier responsibilities and more stringent regulatory requirements. They need assurance of cover to protect them against the financial burden of litigation, damage to their reputation and loss of personal assets. Cover for legal costs and expenses is important as litigation involving company directors and officers is often complex and expensive. It is imperative that they have access to specialized and quality legal representation to safeguard their interests in the most effective way.

Signature Management Liability Insurance Policy offers protection to the Directors and officers who hold a position of trust and are responsible towards the company, their shareholders, the employees, and the public at large. They are responsible for the liability for their wrongful act and omissions, and the decisions they make for the company. The policy provides the solutions that will help the directors and officers to deal with the challenges of business and it will protect the company and their directors and officers from the risk of litigation which can be triggered from investors or regulators who can hold them liable for the financial losses and breaches of law.

WHO IS PROTECTED?

- Directors and Officers employed by the organization
- Directors and Officers of subsidiary companies
- Non-executive or independent directors
- Employee of the company who is the risk manager
- Employee of the company who is acting in a managerial or supervisory capacity for the company
- Employee of the company other than a director or officer, acting as a lawyer on behalf of the company for:
- Any employment or security claim
- All other claims only if such claim is continuously made against a director
- Company Secretaries
- Spouse, Legal Heirs & Representatives of directors and officers

Directors & Officers stated above means –

- a Director or Officer of an Organisation;
 - a member of a committee established by or approved by the board of directors of the Organisation whether under statute or otherwise (provided that such Organisation grants indemnification to such person);
- a trustee of any superannuation, pension, provident fund, profit sharing, health and welfare or employee benefit plan or trust established or maintained for the purpose of providing pensions, annuities or any form of benefits to employees of an Organisation; an employee of an Organisation but only:
 - (i) with respect to an Employment Claim;
 - (ii) to the extent that such employee is acting in any managerial or supervisory capacity;
 - (iii) when such employee is involved in a Investigation (whether or not a Director or Officer is also involved);
 - (iv) where such employee holds an Outside Directorship; or
 - (v) for as long as such employee is the subject of a Claim along with any Director or Officer.
- a trustee of any superannuation, pension, provident fund, profit sharing, health and welfare or employee benefit plan or trust established or maintained for the purpose of providing pensions, annuities or any form of benefits to employees of an Organisation;

Insured Person shall not include an External Administrator.

SCOPE OF COVER / INSURING CLAUSE:

This policy provides coverage for the personal liability of Directors and Officers arising due to wrongful acts in their managerial capacity. The policy provides protection for claims brought against directors, officers and employees for actual or alleged breach of duty, neglect, misstatements or errors in their managerial capacity.

Broadly, the scope of cover entails:

- Directors and Officers Liability Coverage
- Company Reimbursement Coverage
- Securities Claims Coverage
- Legal Representation Expenses – Directors and Officers
- Legal Representation Expenses – Company Reimbursement

EXTENSIONS - The policy also extends to cover -

- Advancement of Costs & Expenses
- Outside Directorship Liability
- Civil Fines and Penalties
- Occupational Health & Safety, Corporate Manslaughter
- Dedicated Additional Limit of Liability for Directors & Officers
- Bilateral Extended Reporting Period
- Retired Directors & Officers liability
- Emergency Costs & Expenses
- Spouses, Heirs & Representatives
- Continuity of Cover
- Crisis Expenses
- Prosecution and Reputation Protection Costs
- Insured Person's Tax Liability

KEY EXCLUSIONS –

- Prior Notice
- Pending or Prior
- U.S.A. Insured v. Insured
- Bodily Injury and Property Damage
- Dishonesty (Applicable to Insuring Clause 1.A, 1.B, 1.D and 1.E Only)
- Contractual Liability (Applicable to Insuring Clause 1.C i.e related Security Claims Coverage Only)
- Dishonesty of Organisation (Applicable to Insuring Clause 1.C i.e related Security Claims Coverage Only)

BENEFITS OF BEING INSURED UNDER THIS POLICY

Looking at various levels of risks involved, it makes sense for all type of Organizations to purchase this Insurance as the Policy protects Directors and Officers against liability for their wrongful act or omission committed in their capacity as company directors or officers, including but not limited to:

- Negligence
- Breach of trust
- Wrongful misrepresentation
- Breach of fiduciary duty or breach of warranty of authority
- Unlawful default including
- compensatory damages awarded against the company directors and officers
- out-of-court settlements
- defense costs and expenses, and
- costs of appointing legal expertise.

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RENEWAL

The Company shall be under no obligation to renew the policy on expiry of the period for which premium has been paid. The Company reserves the right to offer revised rates, terms and conditions at renewal based on claim experience and a fresh assessment of the risk. This policy may be renewed only by mutual consent and subject to payment in advance of the total premium at the rate in force at the time of renewal. The Company, however, shall not be bound to give notice that the policy is due for renewal or to accept any renewal premium. Unless renewed as herein provided, this policy shall automatically terminate at the expiry of the period for which premium has already been paid.

TERMINATION OF POLICY-

The Insured can cancel the policy at any time during the policy term, by informing the Company.

The Company can cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to the Insured.

The Company shall refund proportion premium for unexpired policy period subject to no claim(s) made during the policy period.

CLAIMS PROCEDURE:

In the event of loss of an insured event the company must be informed immediately

Our contact details are as follows:

1. Relationship officer / channel partner
2. Branch Office
3. Call Centre - 021-6234 6234 / 022-6234 6234
4. E-mail at care@hdfcergo.com

Our contact details are as follows:

HDFC ERGO General Insurance Co. Ltd.
Corporate Claims Department
6th Floor, Leela Business Park,
Andheri Kurla Road, Andheri (E), Mumbai – 400059
Call Centre - 021-6234 6234 / 022-6234 6234

During Intimation of claim, Insured has to provide relevant information which includes Policy details, policy period and Loss details (viz. Loss Location, Contact Details, Details of Loss / Accident, Details of claimants, Rough estimates of Loss).

In general, primarily, the following basic documentations are required for taking the claim forward:

- The Claimant is required pursuant to the policy conditions to furnish to insurers its affirmative proof of loss with full particulars within the time limit specified in the policy from the date of discovery.
- Detailed description of the acts in chronological order which has resulted in the loss (details of the quantum of loss to be mentioned and the basis at which it is arrived) giving rise to a claim.
- First Information Report /charge sheet filed by the police wherever required.
- Internal Investigation report, if any, from the Insured giving an Insight into the act with Criminal intent allegedly performed by an Employee resulting in a Third Party Loss.
- Any other documents which would be construed as material information to the case.
- Insured should not admit liability; enter into any compromise without insurers' prior written consent.
- Copy of other Insurance covering the same risk

OUR CLAIMS PROCESS:

- An acknowledgement with respect to the claim intimation is given to the insured, once we are in receipt of any claim intimation from the insured, a list of preliminary documents is requested from the Insured.

- In case of surveyor appointment, the same will be appointed within 72 hrs from the date of intimation and the details of the appointment is conveyed to the Insured
- Within 48 hrs of appointment, the surveyor will start the survey and will request the list of preliminary documents within 7 days of appointment from the insured
- Final survey report will be provided by the surveyor within 90 days of appointment except where special circumstance exist in respect of a claim due to its special complicated nature or due to difficulties associated with replacement/reinstatement, the surveyor will seek an extension from Insurers for submission of report
- In case of settlement, offer of claim settlement will be made to the Insured within 30 days of receipt of the last document
- In case of settlement, Claim will be settled by the Insurer within 30 days from the receipt of last, relevant & necessary document from the Insured.
- In case of rejection, the same will be conveyed to the Insured within 30 days from the receipt of the final report and/or documents
- Based on the information submitted in the claim intimation letter / claim form, if required, we may procure more information from the insured depending on the facts mentioned therein up to the satisfaction of the Company.
- Apart from surveyor, an investigator and/or forensic investigator can be appointed and Legal counsel opinions can be sought, if required.

The documents required for processing of claims are:

- Copy of letter of claim and/or letter of demand (e.g., letter from claimant making the allegations and/or claim), if any;
 - Copy of all court documents to date (if any), including:-
 - a) Writ of Summons
 - b) Statement of Claim
 - c) Counter-claim
 - d) Defenses
 - e) Replies
 - f) Affidavits (including all attachments thereto);
 - Copy of all relevant contract(s) and/or agreement(s) between the parties, if any
 - Copy of all relevant correspondence between the parties, if any (e.g., emails, internal memo(s), letter(s), minute(s) or record(s) of meeting(s));
 - Copy of any internal or external, survey, investigation or test reports and all other relevant reports;
- And
- Copies of all relevant internal communications, including a log on all internal verbal communications whether prior or subsequent to the occurrence of the wrongful act giving rise to the claim.
 - Discharge voucher of the Insured accepting full and final settlement
 - KYC documents are compulsory

THIS PROSPECTUS

This prospectus gives information only. This is not an insurance contract. Each insurance cover is subject to terms and conditions, which You can read in the Signature Management Plus Liability Insurance document. You must read the policy document to know the insurance cover fully. You can get a copy of the Signature Management Plus Liability Insurance from Our branch or from Our website: www.hdfcergo.com. For any legal interpretation, policy document will hold.

GRIEVANCE REDRESSAL PROCEDURE

If You have any grievance about any matter relating to the policy, or Our decision on any matter, or Our decision about Your claim, You can pursue Your grievance with Our Grievance Redressal Officer.

If you have a grievance that you wish us to redress, you may contact us with the details of your grievance through:

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- **Call Centre** - 120 6234 6234 / 022-6234 6234
- **Emails** – grievance@hdfcergo.com
- **Contact Details for Senior Citizens:** 022 6242 6226
- **Email ID:** seniorcitizen@hdfcergo.com
- Designated Grievance Officer in each branch.
- **Company Website** – www.hdfcergo.com
- **Courier** - Any of our Branch office or corporate office

You may also approach the Complaint & Grievance (C&G) Redressal Cell at any of our branches with the details of your grievance during our working hours from Monday to Friday.

If you are not satisfied with our redressal of your grievance through one of the above methods, you may contact our Head of Customer Service at:

**The Complaint & Grievance Redressal Cell,
HDFC ERGO General Insurance Company Limited.
D-301, 3rd Floor, Eastern Business District (Magnet Mall),
LBS Marg, Bhandup (West),
Mumbai – 400078, Maharashtra**

In case you are not satisfied with the response / resolution given / offered by the C&G cell, then you can write to the Chief Grievance Officer of the Company at the following address:

**To the Chief Grievance Officer
HDFC ERGO General Insurance Company Limited
D-301, 3rd Floor, Eastern Business District (Magnet Mall),
LBS Marg, Bhandup (West),
Mumbai - 400078, Maharashtra
e-mail: cgo@hdfcergo.com**

Grievance may also be lodged at IRDAI Integrated Grievance Management System- <https://bimabharosa.irdai.gov.in>

You may also approach the nearest Insurance Ombudsman for resolution, if your grievance is not redressed by the Company. The contact details of Ombudsman offices are below if your grievance pertains to:

- Insurance claim that has been rejected or dispute of a claim on legal construction of the policy
- Delay in settlement of claim
- Dispute with regard to premium
- Non-receipt of your insurance document

You may also refer Our website www.hdfcergo.com <https://www.hdfcergo.com/customer-voice/grievances> for detailed grievance redressal procedure.

ABOUT OUR COMPANY

Name of the company – HDFC ERGO General Insurance Company Limited (IRDAI Reg No 146)

Registered & Corporate Office: 1st Floor, HDFC House, 165-166 Backbay Reclamation, H. T. Parekh Marg, Churchgate, Mumbai – 400 020.

Website – www.hdfcergo.com

Contact number – 022 - 62346234

Email – care@hdfcergo.com

INSURANCE ACT 1938 SECTION 41- PROHIBITION OF REBATES

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

ANY PERSON MAKING DEFAULT IN COMPLYING WITH THE PROVISIONS OF THIS SECTION SHALL BE PUNISHABLE WITH FINE WHICH MAY EXTEND TO TEN LAKHS RUPEES.

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