

# FIDELITY GUARANTEE INSURANCE POLICY (RETAIL)

## Prospectus



Version no. PRO.FG. ver01.08.24

## Prospectus

The Policy can be availed by any employer having employees handling any goods and/or money. Cover will be granted to only those Employers having proper system for keeping records of all transactions

### What does the Policy cover

Magma HDI's Fidelity Guarantee Policy covers financial loss suffered by the Insured as a result of forgery, embezzlement, larceny or fraud/dishonesty or fraudulent conversion of money or money's worth or goods by the employees of the insured.

The Policy pays the actual financial loss sustained as a result of the dishonesty/fraudulent act of the employee. Amount payable under the policy is subject to adjustments against any salary, commission security deposit or any other money standing to the credit of the fraudulent employee

The loss is payable up to the limit specified for the employee. The Policy does not pay more than one claim in respect of liability/loss arising out of an individual employee's acts.

### **Types of Policies:**

1. Individual Policy: - To cover one named employee.
2. Collective Policy: - To cover a number of named employees upto an agreed amount against each.
3. Floater Policy :- To cover a number of unnamed employees, without specifying the name of the employees and the amount against each. Only the total amount guaranteed is stated and any loss upto that sum is covered whether resulting from default of one or more employees, collectively or severely.

**Territory :** Within India

### **Addon Benefits:**

Accountants costs:

If the claims is payable arising due to covered eventualities expenses towards fees payable to external auditors if they are reasonably and necessarily incurred to substantiate the claim will be reimbursed. The maximum amount payable under this item shall be limited to 5% of claim amount subject to a maximum of Rs 10,000/-

### **Exclusions:**

The policy does not cover any loss if

1. Arising out of suppression of fact affecting the risk at the time of effecting the policy.
2. There is any change in the circumstances or conditions of the said employment without the consent of the company.
3. More than one claim in respect of any one employee.

4. Loss due to non-observance or relaxation of system of checks and precautions.
5. Loss by an act committed subsequent to an earlier act of dishonesty/fraud and which had come to the notice of the insured / Insured's representative/supervisor.
6. Any loss sustained before the policy start date or more than 2 years before the date of first discovery, whichever may be later
7. Any loss arising outside the jurisdiction of India

#### **Basis of Settlement:**

1. If a loss is sustained as a result of the fraudulent or dishonest conduct of a named Employee and/or persons comprising a category of Employees and other employees, then the settlement shall be reduced in the same proportion as the number of named Employees and/or categories of Employees bears to the number of employees involved in causing the said loss.
2. If a loss is sustained as a result of the fraudulent or dishonest conduct of any employee(s) and the actual number of total employees or employees in relevant category, as the case may be, exceeds the number of employees noted in the schedule, then the settlement shall stand reduced in the same proportion as the number of Employees insured bears to the actual number of employees.

#### **Documents required for settlement of claims:**

1. Duly completed Claim form.
2. Copy of FIR
3. Estimate of loss / repairs
4. Invoice/ Bills/Receipts
5. FR
6. Any other details/documents called for a specific loss.

#### **Salvage :**

Salvage is the amount that is assessed which the damaged asset will fetch in the open market. This amount is deducted from the claim amount.

#### **Cancellation :**

This policy may be terminated by Insured at any time by giving Company notice in writing. If Insured cancels the policy, Company will

- a) Refund the proportionate premium for unexpired policy period, if the term of the policy is up to one year and there is no claim(s) made during the policy period.
- b) Refund the premium for the unexpired policy period, if the term of the policy is more than one year and the risk coverage for such policy years has not commenced.

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

**Grievance Redressal:**

In case, Insured remains dissatisfied with our response, we have a defined grievance handling procedure as below:

The Grievance Redressed Cell of the Company looks into complaints from policyholders. Insured may approach the person nominated as 'Grievance Redressed Officer' with the details of their grievance:

Please write to us at [customercare@magma-hdi.co.in](mailto:customercare@magma-hdi.co.in), or at the following address:

Customer Service Officer  
Magma HDI General Insurance Co Ltd  
Equinox Business Park  
Unit No. 18 & 2B, 2nd Floor, Tower 3, LBS Marg, Kurla (West), Mumbai-400070

An acknowledgement will be sent from the Grievance Redressed Cell within 3 days of receipt of any complaint. Every complaint will be registered, numbered, internally assigned, investigated and the Company's response notified within 15 days of receipt of complaint.

Grievance may also be logged at IRDAI Integrated Grievance Management system:  
<https://bimabharosa.irdai.gov.in>

Further, the Insured may approach the nearest Insurance Ombudsman for redressal of the grievance, if he / she remains dissatisfied with the resolution provided by The Company. You may approach the office of Insurance Ombudsman once the stipulated period of 30 days from date of filing the complaint is over. For updated status, please refer to websites [www.irdai.gov.in](http://www.irdai.gov.in) or <https://www.cioins.co.in/>

The details furnished above constitute only the major terms and conditions. For more details, please refer to our Policy document

\*\*\*\*\*