

## Mutual Fund Asset Protection - Prospectus

### INTRODUCTION

Huge investments, the constant battle to deliver investor value, the massive growth in the number of investors, the growing need for accountability... it's all at stake in the Mutual Funds industry.

HDFC ERGO's Mutual Fund Asset Protection Professional indemnity Policy has been made keeping in mind the protection needed in the Mutual Funds industry. We provide financial stability, sound underwriting, broad coverage and responsive service to Mutual Fund across the nation.

### ELIGIBILITY CRITERIA

The product can be offered to:

1. The Mutual Fund
2. The Corporate Trustee
3. The Investment Management Company

### WHAT IS COVERED

**A. MUTUAL FUND INDEMNIFICATION COVERAGE** -The Company shall pay on behalf of the Insured Mutual Fund, Loss which the Insured Mutual Fund becomes obligated to pay as a result of indemnification provided to an Insured Trustee or an Insured Investment Manager pursuant to the Investment Management Agreement, common law or statutory law, on account of any Claim first made against the Insured Trustee or the Insured Investment Manager during the Policy Period or, if exercised, during the Extended Reporting Period, for a Wrongful Act in the performance of Professional Services, including the failure to perform Professional Services but only if such Claim is reported to the Company in writing in the manner and within the time provided in Section IV of this Policy.

**B. TRUSTEES PROFESSIONAL INDEMNITY COVERAGE**- The Company shall pay on behalf of the Insured Trustee, Loss which the Insured Trustee becomes legally obligated to pay on account of any Claim first made against the Insured Trustee during the Policy Period or, if exercised, during the Extended Reporting Period, for a Wrongful Act in the performance of Professional Services, including the failure to perform Professional Services but only if such Claim is reported to the Company in writing in the manner and within the time provided in Section IV of this Policy.

**C. INVESTMENT MANAGERS PROFESSIONAL INDEMNITY COVERAGE**- The Company shall pay on behalf of the Insured Investment Manager, Loss which the Insured Investment Manager becomes legally obligated to pay on account of any Claim first made against the Insured Investment Manager during the Policy Period or, if exercised, during the Extended Reporting Period, for a Wrongful Act in the performance of Professional Services, including the failure to perform Professional Services but only if such Claim is reported to the Company in writing in the manner and within the time provided in Section IV of this Policy.

**D. INSURED INVESTMENT MANAGER OR INSURED TRUSTEE DIRECTORS' AND OFFICERS' LIABILITY AND COMPANY REIMBURSEMENT COVERAGE**-

1. The Company shall pay on behalf of each Insured Person, Loss for which the Insured Person is not indemnified by the Insured Trustee or Insured Investment Manager and which the Insured Person becomes legally obligated to pay on account of any Claim first made against such Insured Person, individually or otherwise, during the Policy Period, or, if exercised, during the Extended Reporting Period, for a Wrongful Act but only if such Claim is reported to the Company in writing in the manner and within the time provided in Section IV of this Policy.
2. The Company shall pay on behalf of the Insured Trustee or Insured Investment Manager, Loss for which the Insured Trustee, Insured Investment Manager or Insured Mutual Fund grants indemnification to each Insured Person, as permitted or required by law, which the Insured Person becomes legally obligated to pay on account of any Claim first made against such Insured Person, individually or otherwise, during the

Policy Period or, if exercised, the Extended Reporting Period, for a Wrongful Act, but only if such Claim is reported to the Company in writing in the manner and within the time provided in Section IV of this Policy.

### WHAT IS NOT COVERED

The Company shall not be liable for Loss on account of any Claim:

1. based upon, arising from, or in consequence of any circumstance if written notice of such circumstance has been given under any policy of which this Policy is a renewal or replacement or which it may succeed in time;
2. based upon, arising from or in consequence of any Demand, suit or other proceeding pending against, or order, decree or judgment entered for or against any Insured on or prior to the Pending or Prior Date set forth in the Item 6 of the Schedule, or the same or substantially the same fact underlying or alleged therein;
3. brought or maintained by or on behalf of any of Insured or an Affiliated Person, except and to the extent that such Claim is: a. a Claim brought or maintained by an Insured Person for contribution or indemnity, if the Claim directly results from another Claim covered under this Policy; or b. a Claim brought or maintained by an Insured Trustee for and on behalf of unit holders of an Insured Mutual Fund where, in the opinion of independent counsel selected by and at the expense of such Insured Trustee, (subject to the Company's prior consent, such consent not to be unreasonably withheld) the failure to make such Claim would result in a breach of duty of such Insured Trustee; c. a Claim brought or maintained by an Insured Person for the actual or alleged wrongful employment termination of the Insured Person; d. a Claim that is a derivative action brought or maintained on behalf of an Insured Trustee or Insured Investment Manager by one or more persons who are not Insured Persons and who bring and maintain the Claim without the solicitation, assistance or participation of any Insured Person; e. a Claim that is caused to be brought against the Insured Trustee or the Insured Investment Manager pursuant to Chapter VI of the Indian Companies Act, 1956, as amended.
4. for bodily injury, emotional distress, mental anguish, sickness, disease or death of any person, or for damage to or destruction of any tangible property including loss of use thereof;
5. based upon, arising from or in consequence of: a. any actual, alleged or threatened exposure to, or generation, storage, transportation, discharge, emission, release, escape, seepage, migration, dispersal, treatment, removal or disposal of any Pollutants; or b. any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise Pollutants; or i) any action taken in contemplation or anticipation of any such regulation, order, direction or request; or ii) any voluntary decision to do so; including but not limited to any Claim for financial loss to any Insured, its security holders or its creditors based upon, arising from or in consequence of any matters described in a. and b. of this exclusion;
6. based upon, arising from or in consequence of the liability of a party, other than an Insured, assumed by an Insured pursuant to a contract, including without limitation any contract formed electronically pursuant to the Indian Information Technology Act 2000, as amended, or otherwise, except liability for Loss that the Insured would have had in the absence of such contract;
7. based upon, arising from or in consequence of any breach of contract, if a judgment or other final adjudication adverse to such Insured establishes any intentional breach of such contract;
8. for an actual, or alleged violation of the responsibilities, obligations or duties imposed by the U.S Employee Retirement Income Act of 1974, the Indian Employees Provident Fund and Miscellaneous Provisions Act, 1952, the Indian Employees State Insurance Act, 1948, the Indian Payment of Bonus Act, 1965, the Indian Payment of Gratuity Act, 1972, the Indian Maternity Benefits Act, 1961 and the Indian Factories Act, 1961, all as amended, or similar provisions of any country, state, territory or local law anywhere in the world, as respects any pension, profit sharing, health and welfare or other

## Mutual Fund Asset Protection - Prospectus

employee benefit plan or trust established or maintained for the purpose of providing benefits to employees of the Insured Trustee or Insured Investment Manager;

9. based upon, arising from or in consequence of any actions of any person acting as a Dealer for the Insured Mutual Fund;
10. based upon, arising from or in consequence of a Claim brought or maintained by any security holder of any Insured Trustee or Insured Investment Manager or any Affiliated Person thereof in their capacity as such;
11. based upon, arising from, relating to, in consequence of, or in any way involving: a. the underwriting, securitising, syndicating, promoting, or market-making of any debt or equity security or other evidence of indebtedness, or any loan or other extension of credit, or any other investment banking activity; b. the rendering of advice or recommendations regarding any actual, attempted or threatened merger, acquisition, divestiture, tender offer, proxy contest, leveraged buy-out, going private transaction, insolvency proceeding, re-organisation, capital restructuring, recapitalisation, spin-offs, primary or secondary offerings of debt or equity securities or other evidence of indebtedness, dissolution or sale of all or substantially all of the assets or stock of a business entity or any effort to raise or furnish capital or financing for any enterprise or entity. However, this Exclusion 11.b. shall not apply to the rendering of advice or recommendations regarding any securities or property owned by or on behalf of an Insured Mutual Fund; c. the rendering of a fair valuation report or a fairness opinion regarding the valuation of any assets or business entity not held by or on behalf of the Insured Mutual Fund; or d. any acquisition or sale of securities by the Insured Investment Manager or Insured Trustee for their own account; or any disclosure requirements in connection with any of the foregoing;
12. based upon, arising from, or in consequence of the insolvency, conservatorship, receivership, windingup, bankruptcy or liquidation of any bank or banking firm, investment company, investment banker or any broker or dealer in securities or commodities, or other such organisations of a similar nature, or the failure to pay or suspension of payment by such entities.
13. for defamation, wrongful entry, eviction, false arrest, false imprisonment, malicious prosecution, assault or battery;
14. based upon, arising from, or in consequence of: (a) the committing in fact of any deliberately fraudulent act or omission or any willful violation of any statute or regulation by an Insured Trustee or Insured Investment Manager or by Insured Person; or (b) an Insured having gained in fact any profit, remuneration or advantage to which such Insured was not legally entitled; as evidenced by (A) any written statement or written document by an Insured or (B) any judgment or ruling in any judicial, administrative or alternative dispute resolution proceeding.

### CANCELLATION

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.

### CLAIM INTIMATION

In order to make a Claim or to provide notice of circumstances, the Insured shall, as a condition precedent to exercising any right under this Policy, provide written notice of a Claim or circumstances to the Company. This written notice shall include:

1. a description of the Claim or circumstances;
2. the nature of any alleged Wrongful Acts;
3. the nature of the alleged or potential damage;
4. the names of all actual or potential claimants;

5. the names of all actual or potential defendants; and
6. the manner in which such Insured first became aware of the Claim or circumstances.

### CLAIM PROCEDURE

In addition to and in support of the written notice of Claim or circumstances, the Insureds shall provide to the Company any and all documents relevant to such Claim or circumstances, including but not limited to internal or external records of any kind, correspondence, legal documents or other documents as the Company may deem necessary for the handling of the Claim. The Insureds shall further extend to the Company such cooperation as the Company may reasonably require in the handling of the Claim. Such complete written notice and supporting documentation shall form the basis of the Company's assessment of the Claim.

Notices to the Company under this Policy shall be given in writing addressed as:

- (a) for notice of a Claim or circumstances which could give rise to a Claim:  
**Claims Department Manager**  
**HDFC ERGO General Insurance Company Limited,**  
**6th Floor, Leela Business Park, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059.**  
**Contact us - 022 6158 2020/ 022 6234 6234**
- (b) for all other notices:  
**Department of Financial Institutions Manager**  
**HDFC ERGO General Insurance Company Limited**  
**6th Floor, Leela Business Park, Andheri-Kurla Road,**  
**Andheri-East Mumbai 400 059 India**

Such notice shall be effective on the date of receipt by the Company at such address.

### 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 **Mutual Fund Asset Protection** document. You must read the policy document to know the insurance cover fully. You can get a copy of the **Mutual Fund Asset Protection** from Our branch or from Our website: [www.hdfcergo.com](http://www.hdfcergo.com). For any legal interpretation, policy document will hold.

### GRIEVANCES

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 Company's 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:

- Contact us - 022 6158 2020/ 022 6234 6234
- Emails – [grievance@hdfcergo.com](mailto:grievance@hdfcergo.com)
- Contact Details for Senior Citizens: 022 6242 6226
- Email ID- [seniorcitizen@hdfcergo.com](mailto:seniorcitizen@hdfcergo.com)
- Designated Grievance Officer in each branch.
- Company Website – [www.hdfcergo.com](http://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**

## **Mutual Fund Asset Protection - Prospectus**

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](mailto: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](http://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-** 6th Floor, Leela Business Park, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059.

**Website** – [www.hdfcergo.com](http://www.hdfcergo.com)

Contact us - 022 6158 2020/ 022 6234 6234

**Email** – [care@hdfcergo.com](mailto: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.