

KIDNAP/RANSOM & EXTORTION POLICY

As the global economies encounter the uncertainties of a dangerous world, employee kidnap and corporate extortion are a few of the harsh realities of today. Companies identify the need to be a part of the international market and have multinational exposures. They cannot foresee that the political situation can deteriorate almost overnight leaving their employees vulnerable to be targets of abduction and extortion. These risks may not feel like everyday exposures, but too often they are. And when they happen, one requires financial assistance to meet the extortion demands and the extensive costs associated with negotiation and recovery. We at HDFC ERGO with our uniquely designed policy with comprehensive coverages aim at minimizing the management disruption and stress that a company faces at this time of crisis.

The Policy is distinctive and designed to provide maximum financial security available and numerous benefits in the event a company suffers a kidnapping or other extortion loss.

COVERAGE

Kidnap/Ransom Coverage responds on kidnap or alleged kidnap. When the insured is seized or detained for the purpose of demanding a ransom.

Features that make the HDFC ERGO policy unique include:

Kidnap/Ransom Coverage: The amount surrendered as ransom by or on behalf of the Insured as the result of an actual or alleged kidnapping

Extortion Coverage: Extortion payment made by the Insured as the result of Threat made to kill, injure or abduct or to damage property or products.

Delivery Coverage: Ransom money or other conveyed property used to pay ransom or extortion demand is covered

Additional Expenses: Quick and safe return of a kidnap victim is a paramount. We extend coverage for additional expenses and legal costs accrued to gain the release of hostage. Those expenses may include fees of independent negotiators, interest on loans raised specifically to pay the ransom, insured person's salary, consequential personal financial loss, and reasonable medical expenses

Legal Liability Coverage: Protection in the event it is alleged that the Insured was negligent or incompetent in a hostage retrieval

Political Threat Coverage: Coverage for expenses when a person is wrongfully detained by anyone acting for a government or with the government's approval.

Optional Threat Response Expense Coverage: Payment for expenses incurred when the insured utilizes the additional services to investigate extortion threats when no monetary ransom demand has been made.

SECTION 41 OF INSURANCE ACT 1938 (PROHIBITION OF REBATES)

No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take 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 premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurers.

Any person making default in complying with the provision of this section shall be liable for a penalty which may extend to ₹10 Lakh.