

Bankers Blanket Bond Insurance

This policy is intended for Banks and all other Financial Institution who are engaged in providing financial services. Policy indemnifies the "Assured" for direct monetary loss due to loss, damage, misplacement, destruction of insured property arising from perils insured subsequent to retroactive date and discovered during the policy period which is usually on yearly basis.

Scope of Cover

Usually the policy provides comprehensive coverage under six insuring clauses as listed below:

- Clause I (Infidelity of Employees) Covers loss of property due to dishonest or fraudulent act of one or more employees of insured resulting in improper financial gain.
- Clause II (On Premises) covers loss of insured or customers' property at insured's premises due to theft, burglary, damage, destruction or misplacement.
- Clause III (In Transit) covers loss or damage to property from any cause whilst in transit either in the custody of assured's employees or Security Company or its vehicle but excluding property in mail and subject to amounts recoverable from a Security Company under its own insurance.
- Clause IV (Forged Cheques etc) covers loss due to forgery or fraudulent alteration of any financial instrument and payment by assured in good faith on the above basis.
- Clause V (Counterfeit Currency) covers Insured's loss due to acceptance in good faith of any counterfeit or fraudulently altered currency or coins.
- Clause VI (Damage to Offices and Contents) covers loss or damage suffered to all contents owned by assured in his offices (excluding electronic equipment) due to theft, robbery, hold-up vandalism, malicious mischief etc).

Limit of indemnity - As per sums agreed by both parties according to nature, size and volume of business handled by the insured in all his offices and Branches. Usually specified amounts for each and every loss under the insuring clauses and sometimes in the aggregate or on an overall annual aggregate basis.

Premium rating - usually a lump sum rated on the basis of amounts and limits of indemnity agreed, deductibles, claims history of insured etc.

Some Exclusions

- Loss or damage due to War Risks etc.
- Loss not discovered during policy period.
- Acts or default of Directors.
- Shortage, cashier's error or omissions.

Subject otherwise to the terms, conditions and other exclusions of the policy.