



The Oriental Insurance
Company Limited.



**M.C.D.O. 4, Magnet House, 3rd Floor, N.M. Marg, Ballard Estate, Mumbai 400 001.Tel. 22661062/00792/1433/1559/1569 Fax. 22694298, _
Web site. orientalinsurance.nic.in**

Dated 12th SEP, 2013

M/s.....

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Dear Sir/Madam,

Re: CSE Stockbrokers Indemnity Insurance Policy

We are one of the pioneers in insuring the niche segment of Stock Brokers Indemnity Policy. We have been underwriting the Stock Brokers Indemnity Policy for more than a decade and have the requisite technical expertise to take care of this specialized segment. We are thankful for the request for quote floated to us thereby giving us the opportunity to serve you.

Under this policy:

1. We offer 5% NO CLAIM DISCOUNT for each claim-free year upto a maximum of 25%.
2. We also offer LOYALTY DISCOUNT upto 15% on claim-free renewal.
3. Dedicated single window Service center for speedy settlement of claim.
4. Instant availability of soft copy of policy by e-mail on completion of underwriting by our office. (invariably mention your e-mail address and hand phone number)
5. Email alert for claims registration, appointment of surveyor, payment of claim

We are pleased to quote, on the proposal referred by you, as per premium terms and conditions delineated hereunder along with coverage details in the policy booklet. The salient features of the new Stockbrokers Insurance Policy are succinctly highlighted hereunder for your ready reference :

1. We are pleased to inform you that Proprietary Trades are inbuilt in the policy itself. The terms and

conditions for this section will remain the same as in the expiring policy. The cover is for punching errors of rate only. The Indemnity limit available for the proprietary trade will be Rs.3,00,000/ or 10% of the indemnity limit whichever is higher, with minimum excess of Rs.50,000/- or any higher excess if applicable in case of multiple claims and voluntary excess, if opted

2.Complusory excess of 5% of claim amount, subject to minimum of Rs.25,000/-.

3.Various slabs of Voluntary Excesses with discount in the premium.

4.Adequate protection to Branch Offices/Intermediaries and Franchisees. These are to be covered on **all or none** basis. The AOY limits are specified in the annexure.

5.Derivative trading and settlement (including F&O) are covered.

6.ADD ON Covers of Currency Derivative, Book Building & Omission to cover a Branch and intermediaries are designed and kept **optional**. Details are given in the Annexure attached.

7.No Claim Discount @ 5% each claim-free year subject to a maximum of 25% and Loyalty discount upto 15% for renewals.

8.Cover without Error and Omission section.

9.100% S.I limit to listed specified offices at additional premium.

10.Trade Cancellation request – not mandatory with sufficient circumstantial evidence.

11.All other conditions as per policy booklet.

- Certain specialised additional cover like Algo Trading and DMA can be considered by the Insurer at their discretion.
- **The proposal form is enclosed herewith. You are requested to submit this duly completed along with the signed cheque on any Mumbai bank favoring The Oriental Insurance Co. Ltd. They should reach us on or before expiring the policy at the below given address. Members outside Mumbai are requested to remit the premium by demand draft or at par payable cheque.**

Thanking you and assuring you of our best services always, we remain,

Yours faithfully,

Manager In Charge

For further clarification do feel free to contact us :

Ms. Laiju Marar – Asst. Manager Email : laiju.marar@orientalinsurance.co.in

Ms. Swapnil Jaiswal – Adminisrative Officer – swapnil.jaiswal@orientalinsurance.co.in

Mr. Shelly Dheer– Manager In Charge email : shellydheer@orientalinsurance.co.in

The Oriental Insurance Co. Ltd.

Mumbai City Divisional Office No.4

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N.M. Marg, Ballard Estate,

Mumbai – 400 001

Phone: 22661062/226600792/22661559 /22641716/22661433

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ANNEXURE – I (PREMIUM TABLE)

Basic Indemnity limit	Net Premum	Service Tax (12.36%)	Total Payable
Rs.5 lacs	37752	4666	42418
Rs.10 lacs	61293	7576	68869
Rs.15 lacs	76615	9470	86085
Rs.25 lacs	88830	10979	99809
Rs.50 lacs	142590	17624	160214
Rs.100 lacs	231975	28672	260647
Rs.150 lacs	327746	40509	368255
Rs.200 lacs	421387	52083	473470
Rs.250lacs	494672	61141	555813
Rs.300 lacs	565922	69948	635870
Rs.350 lacs	631064	78000	709064
Rs.400 lacs	660674	81659	742333
Rs.450 lacs	717024	88624	805648
Rs.500 lacs	771433	95349	866782
Rs.750 lacs	1049765	129751	1179516
Rs.1000 lacs	1363683	168551	1532234

Cover available without Error & Omission Sections at 50% of the above rates.
COMPLUSORY EXCESS : 5% of claim amount, subject to minimum Rs.25,000/- for each and every claim

VOLUNTARY EXCESS :

The insured has the option of choosing the following voluntary excess which would be applicable over and above the compulsory excess of Rs,25,000/-.

Excess	Discount in the premium
5% of the claim amount minimum Rs.1 lac	2.5%
5% of the claim amount minimum Rs.5 lacs	5%
5% of the claim amount minimum Rs.10 lacs	7.5%
5% of the claim amount minimum Rs.20 lacs	10%
5% of the claim amount minimum Rs.30 lacs	12.5%
5% of the claim amount minimum Rs.50 lacs	15%
5% of the claim amount minimum Rs.75 lacs	17.5%
5% of the claim amount minimum Rs.100 lacs	20%

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PREMIUM FOR BRANCHES :

Branches are to be covered on '**all or none basis**'.

Premium for this Add-on Covers is to be charged as per the table given below

NO OF BRANCHES	PREMIUM	MINIMUM SUM INSURED
1 to 10 branches	5% of the premium	Any Sum Insured
11 to 25 branches	10% of the premium	Rs.50 lacs
26 to 50 branches	15% of the premium	Rs.1 Crore
51 to 75 branches	20% of the premium	Rs.2 Crore
76 to 100 branches	30% of the premium	Rs.3 Crore
101 to 200 branches	45% of the premium	Rs.4 Crores
201 to 350 branches	70% of the premium	Rs.5 Crores.
351 to 500 branches	80% of the premium	Rs.7.5 Crores
501 & above	100% of the premium	Rs.10 Crore

AOY Limit per branch would be 25% of the Indemnity limit chosen.

PREMIUM FOR INTERMEDIARIES : Rs.1000/- per intermediary

(Cover on ALL OR NONE basis – if undeclared, cover void)

To be declared at inception – Addition to be informed, as & when, added for issuance of endorsement

AOY Limit per intermediary would be 10% of the Indemnity limit chosen.

ADD ONS : OPTIONAL

<i>i</i>	Currency Derivative	10% of the prem- AOY Limit 25% of SI sub to maximum of Rs.50 lacs.
<i>ii</i>	Book building	15% of prem. - AOY limit 25% of Sum Insured
<i>iii</i>	Ommission to cover Branches total number remaining within the same slab of branches	10% of premium

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The above premium will be further loaded as per the table for those brokers who have intimated claims during 2012-2013 (paid + outstanding).

Claim upto 5% of Indemnity limit	35.00%
Claim upto 10% of Indemnity limit	45.00%
Claim upto 20% of Indemnity limit	75.00%
Claim upto 25% of Indemnity limit	100.00%
Claim upto 50% of Indemnity limit	125.00%
Claim upto 75% of Indemnity limit	150.00%
Claim above 75% of Indemnity limit	200.00%

Annexure - II

SALIENT FEATURES OF STOCK BROKERS INDEMNITY INSURANCE FOR MEMBERS OF CALCUTTA STOCK EXCHANGE OF INDIA LIMITED, MUMBAI

The expiring policy covers the following risk:

1. Infidelity of employees
2. Loss of securities
3. Deceived as to the indemnity of any person during physical delivery.
4. Computer related crime.
5. Legal fees/cost in defense of any damage
6. Errors and omissions inclusive of legal liability to the third party.
7. Final receiving member broker cover all trade after retroactive date.
8. Inward transit of securities transacted through CSE to the premises of trading member collection through a full time employee or through a contract courier agency.
9. Dematerialization securities and settlement
10. Derivative trading and settlement. (Including F&O segment)
11. Internet based trading and settlement
12. Power of attorney (POA) for DP accounts of client for NSE transaction.
13. Time bound claim settlement
14. Trade for trade for all the clients.
15. Cover for intermediaries.

ADD ON COVERS IN THE CURRENT POLICY :

- 16. Proprietary Trade (E & O) only for punching in rate made in-built**
- 17. Cover for branches at extra premium.**
- 18. Book Building made optional**
- 19. Currency Derivative**
- 20. Omission to cover a Branch**

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BASIS FOR VALUATION :

To avoid complications at the time of claim settlement, we are inserting this clause :

“Valuation of the document at the **weighted average market price** of the stock exchange on the day of the discovery, or the loss sustained as a result of auction shares by CSE or the real loss suffered whichever is less”

Important: The above are only representative details of the policy. However full details and other terms would be in the policy document.

CSE Stock Brokers' Indemnity Insurance

Premium Calculation Worksheet

POLICY PERIOD 2013-14

Detail		Sum Insured Rs.	Rate / Slab	Net Premium
1.(a)	Basic Cover – CSE Premium			
1.(b)	Less : 50% of Basic Prem. For without error and omission cover			
2.	Net Basic Premium			
3.	Add : 5% for each Trading / operating office to be covered, other than Branch (s).	No.	% of Basic Prem.	
4.	Branches (All or None Basis)	No.	% of Basic Prem.	
5.	Add-on 1 Intermediaries (All or None Basis)	No.	Rs.1000 per intermediary	
6.	Add-on 2 IPO Book Building		15% of Basic Prem.	
7.	Add-on 3 Currency Derivatives		10% of Basic Prem.	
8.	Add-on 4 Omission to insure Branch additions/alterations (within band)		10% of Basic prem.	
9.	Loyalty Discount		% on Basic prem.	
10.	No Claim Discount (5% each year subject to max.of 25%)		% on Basic prem.	
11.	Claim Loading		% of Basic prem.	
			Sub Total	
			S.Tax @ 12.36%	
			Total Payable	

THE ORIENTAL INSURANCE COMPANY LTD.

M.C.D.O. 4, Magnet House, 3rd Floor, N.M. Marg, Ballard Estate, Mumbai 400 001.

Tel. 2266 1062 /1433/1559/1569 Fax. 2269 4298, email: laiju.marar@orientalinsurance.co.in

CSE Stock Brokers' Indemnity Insurance

Proposal Form

POLICY PERIOD 2013-2014

1.	Name of the Trading Member	
2.	Name of the C.E.O.	
3.	Postal Address	
4.	No. of Offices where 100% S.I required besides the address in column no.3 above (please give addresses in a separate sheet)	
5.	Telephone No. and Fax No.	
6.	Contact person Name Direct Telephone/Mobile No. E-mail I.D. No.	
7.(a)	SEBI Registration No.	
7.(b)	CSE Code	
8.	(a) Policy period required	
	(b) Sum. Insured. Required	Rs.
	(c) Voluntary Excess Opted	Rs.
9.	No. of Branches	No. (Address List is to be attached)
10.	No. Of Intermediaries	No. of Sub Brokers :) Indemnity. Limit No. of Franchisees :) No. of Authorized Persons :) 10% of I.L. Total No. :) chosen A detailed List of all Sub Brokers/Franchisees/Authorized Persons Along with their address /User ID is required to be attached.
11.	Previous Year Policy No. and Name of the Insurance Co.	The Oriental Insurance Co. Ltd. / Others
12.	No. of claims lodged in 2012-13	
13.	Details of any other Insurance policy covering the same risk	
14.	Are you Opting for Add-On Cover of 1. Book Building 2. Currency Derivative 3. Omission to cover a Branch	Yes / No Yes/No Yes/No

I/We hereby declare that the statements made/information furnished by me/us in the Proposal cum Questionnaire Form are true to the best of my/our knowledge and belief and I/We agree that this declaration shall form the basis of the Insurance Contract between me/us and The Oriental Insurance Co. Ltd. All further additions & alterations in the Risk proposed will be informed to the Insurance Co. immediately.

Date :

Place :

SIGNATURE OF TRADING MEMBER

(with Seal/Stamp)