

## PRIVATE EQUITY AND VENTURE CAPITAL INSURANCE

### Prospectus

#### Introduction

Private Equity and Venture Capital Insurance is a specialized insurance policy designed to protect private equity firms and venture capital firms and their partners from various risks they face as investors and developers of emerging companies. It essentially mitigates potential losses and safeguards their reputations and investment returns. The Insurance Clauses available are as follow:

1. Asset and Investment Manager Directors & Officers and Professional Liability
2. Fund Directors & Officers and Professional Liability
3. Outside Entity Executive Liability
4. Crime

#### Extension of covers

The policy also includes following extensions, which are only covered if they are specifically selected by the insured in the operative section (Section 3) of the Schedule. These extensions are subject to all the terms, conditions, exclusions and limitations of the Policy.

#### **Extensions applicable to all Insurance Clauses**

1. Extended Reporting Period
2. Loss Mitigation
3. Emergency Costs

#### **Extensions applicable to Insurance Clauses 1, 2 and 3**

4. Investigation Costs
5. Civil and Administrative Fines and Penalties
6. Heirs, Estates, Legal Representatives and Domestic Partners

#### **Extensions applicable to Directors and Officers Liability and Outside Entity Executive Liability**

7. Assets and Liberty Protection Cover
8. Non-Executive Director Additional Protection
9. Pre-Claim Event
10. Extradition
11. Personal Reputation Restoration
12. Taxes and Social Security Contributions
13. Health and Safety
14. Environmental Claim
15. Cyber Incident
16. Individual Insured Person Extended Reporting Period Election
17. Retired Directors and Officers Extended Reporting Period

**Extensions applicable to Insurance Clause Professional Liability**

- 18. Loss of Documents and Data
- 19. Defamation
- 20. Vicarious Liability
- 21. Correction Costs

**Extensions applicable to Outside Entity Executive Liability**

- 22. Runoff cover for Outside Entity Executives

**Extensions applicable to Insurance Clause 4 (Crime)**

- 23. Fraudulent Impersonation
- 24. Care, Custody and Control
- 25. Interest
- 26. Verification and Reconstitution Costs
- 27. Extortion
- 28. Identity Theft
- 29. Costs, fees and expenses

**Who can take this insurance?**

- . Any Private Equity Firms and / or Venture Capital Firms.

**What the Policy does not cover?**

This policy does not cover liability in connection with below:

**Exclusions applicable to all Sections**

- a) Prior and Pending Knowledge, Claims or Notifications and Prior Discovery

**Exclusions applicable to Directors and Officers Liability, Professional Liability and Outside Entity Executive Liability**

- a) Conduct
- b) Bodily Injury and Property Damage
- c) Money Laundering or Related Financial Crime

**Exclusions applicable to Directors and Officers Liability and Outside Entity Executive Liability**

- a) Company / Outside Entity vs. Insured

**Exclusions applicable to Professional Liability**

- b) Assumed Liability, Guarantee, Warranty
- d) Market abuse

- e) Fees, Commissions, or Other Compensation
- f) Insolvency
- g) Insured vs. Insured
- h) Intellectual Property
- i) Business Risk
- j) Diminution in Value
- k) Investment Banking
- l) USA Specific Exclusions

#### **Exclusions applicable to Professional Liability Sections and Crime Sections**

- a) Uncontrollable Events

#### **Exclusions applicable to Crime Sections**

- a) Consequential Loss
- b) Credit Risk
- c) Bills of Lading and similar Documents
- d) Cyber Event
- e) Impersonation Fraud
- f) Subsequent Wrongful Dishonest Act
- g) Intellectual Property Rights and Trade secrets
- h) Kidnap and Ransom
- i) Source Documentation
- j) Preparation of Physical documents
- k) Statements of Condition

For complete list of exclusions, please refer the policy wordings

#### **What is the Sum Insured?**

In Private Equity and Venture Capital Insurance, the sum insured is referred to as Limit of Liability. Limit of Liability is the maximum amount in the aggregate which we will pay for all claims under the policy during the Period of Insurance. The Limit of Liability is to be decided by the Insured based upon their own and industry experience.

#### **TERRITORIAL LIMITS**

The territory limits will follow the policy schedule, policy form as extended.

#### **What to Do in Event of a Claim?**

- Call Zurich Kotak General Insurance Company (India) Limited Call Centre on Toll Free No: 1800-266-4545 OR
- Send Letter via Post / Courier along with details of the loss - as far as practicable OR
- Email us at [care@zurichkotak.com](mailto:care@zurichkotak.com)
- Zurich Kotak General Insurance Company (India) Limited will depute an IRDAI licensed surveyor to attend to the loss, if required.

- Please provide necessary assistance to surveyor or company officials for finalization of loss.
- Please furnish required documents and any clarifications that may be sought.

### Grievance

For resolution of any query or grievance, You may contact the Our respective branch office or may call toll free number 1800 266 4545 or may write an e- mail at [care@zurichkotak.com](mailto:care@zurichkotak.com).

In case the You are not satisfied with the response, You may contact Our Grievance Officer at [grievanceofficer@zurichkotak.com](mailto:grievanceofficer@zurichkotak.com). In case if You are not satisfied with the solution the Grievance Officer has provided, You can write to [seniorgrievanceofficer@zurichkotak.com](mailto:seniorgrievanceofficer@zurichkotak.com) / [chiefgrievanceofficer@zurichkotak.com](mailto:chiefgrievanceofficer@zurichkotak.com).

However, if the resolution provided by Us is not satisfactory You may approach Insurance Regulatory and Development Authority of India (IRDAI) through the Bima Bharosa Portal: <https://bimabharosa.irdai.gov.in>.

You may also approach Insurance Ombudsman, subject to vested jurisdiction, for the redressal of grievance. The details of the Insurance Ombudsman/ complete Grievance Redressal Process is also available at Our website: [www.zurichkotak.com](http://www.zurichkotak.com)

The updated details of Insurance Ombudsman offices are also available on the website of Council for Insurance Ombudsmen [www.cioins.co.in/Ombudsman](http://www.cioins.co.in/Ombudsman).

### Duty of Disclosure:

This Policy is issued in reliance upon the truth and completeness of the declarations, agreements, representations and warranties made in the written Proposal. Such declarations, agreements, representations and warranties are the basis of this Policy and are incorporated into and constituting a part of this Policy.

### Note:

For detailed Coverage, Exclusions, Conditions etc., it is recommended to go through the Specimen copy of the Policy Wording which can be collected from any of our branch or downloaded from company web site.

### STATUTORY WARNING - PROHIBITION OF REBATES (Under Section 41 of Insurance Act 1938)

1. 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 or continuing a Policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the Insurer.
2. Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

**LIST OF EXTENSIONS / ENDORSEMENTS**

Sl No	Name of the Add-on Cover	UIN
1.	Extended Reporting Period	IRDAN152CPLB0779V01202526/A0780V01202526
2.	Loss Mitigation	IRDAN152CPLB0779V01202526/A0781V01202526
3.	Emergency Costs	IRDAN152CPLB0779V01202526/A0782V01202526
4.	Investigation Costs	IRDAN152CPLB0779V01202526/A0783V01202526
5.	Heirs, Estates, Legal Representatives and Domestic Partners	IRDAN152CPLB0779V01202526/A0784V01202526
6.	Civil and Administrative Fines and Penalties	IRDAN152CPLB0779V01202526/A0785V01202526
7.	Asset and Liberty Protection Cover	IRDAN152CPLB0779V01202526/A0786V01202526
8.	Non-Executive Director Additional Protection	IRDAN152CPLB0779V01202526/A0787V01202526
9.	Pre Claim Event	IRDAN152CPLB0779V01202526/A0788V01202526
10.	Extradition	IRDAN152CPLB0779V01202526/A0789V01202526
11.	Personal Reputation Restoration	IRDAN152CPLB0779V01202526/A0790V01202526
12.	Taxes and Social Security Contributions	IRDAN152CPLB0779V01202526/A0791V01202526
13.	Health and Safety	IRDAN152CPLB0779V01202526/A0792V01202526
14.	Environmental Claim	IRDAN152CPLB0779V01202526/A0793V01202526
15.	Cyber Event	IRDAN152CPLB0779V01202526/A0794V01202526
16.	Individual Insured Person Extended Reporting Period Election	IRDAN152CPLB0779V01202526/A0795V01202526
17.	Retired Directors and Officers Extended Reporting Period	IRDAN152CPLB0779V01202526/A0796V01202526
18.	Loss of Documents and Data	IRDAN152CPLB0779V01202526/A0797V01202526
19.	Defamation	IRDAN152CPLB0779V01202526/A0798V01202526
20.	Vicarious Liability	IRDAN152CPLB0779V01202526/A0799V01202526
21.	Correction Costs	IRDAN152CPLB0779V01202526/A0800V01202526
22.	Runoff cover for Outside Entity Executives	IRDAN152CPLB0779V01202526/A0801V01202526
23.	Fraudulent Impersonation	IRDAN152CPLB0779V01202526/A0802V01202526
24.	Care, Custody and Control	IRDAN152CPLB0779V01202526/A0803V01202526
25.	Interest	IRDAN152CPLB0779V01202526/A0804V01202526
26.	Verification and Reconstitution Costs	IRDAN152CPLB0779V01202526/A0805V01202526
27.	Extortion	IRDAN152CPLB0779V01202526/A0806V01202526
28.	Identity Theft	IRDAN152CPLB0779V01202526/A0807V01202526
29.	Costs, fees and expenses	IRDAN152CPLB0779V01202526/A0808V01202526
30.	AIFMD Endorsement	IRDAN152CPLB0779V01202526/A0809V01202526

31.	Breach Costs Extension	IRDAN152CPLB0779V01202526/A0810V01202526
32.	Entity Cover For Securities Claims Made Against the Asset or Investment Manager (D&O Side C) – AIMI Wording	IRDAN152CPLB0779V01202526/A0811V01202526
33.	Entity Cover For Securities Claims Made Against the Asset or Investment Manager (D&O Side C) – AIMI PEVC Wording	IRDAN152CPLB0779V01202526/A0812V01202526
34.	Extortion Threat Definition Amended (Including Ransomware)	IRDAN152CPLB0779V01202526/A0813V01202526
35.	Insurance Clause(S) Not Operable	IRDAN152CPLB0779V01202526/A0814V01202526
36.	Professional Services Exclusion (Absolute) – AIMI Wording	IRDAN152CPLB0779V01202526/A0815V01202526
37.	Professional Services Exclusion (Absolute) – AIMI PEVC Wording	IRDAN152CPLB0779V01202526/A0816V01202526
38.	Professional Services Exclusion (Including Carve Back) – AIMI Wording	IRDAN152CPLB0779V01202526/A0817V01202526
39.	Professional Services Exclusion (Including Carve Back) – AIMI PEVC Wording	IRDAN152CPLB0779V01202526/A0818V01202526