

BANKERS BLANKET INSURANCE POLICY

IN CONSIDERATION of the premium stated in Item 3 of the Schedule paid to the METROPOLITAN INSURANCE COMPANY LIMITED (hereinafter referred to as the Company) by the Assured stated in Item 1 of the Schedule, the Company hereby undertakes to pay and make good to the said Assured all such losses as the said Assured, wherever located may during the period of this Policy stated in item 2 of the Schedule sustain or discover that they have sustained, in the manner hereinafter mentioned, subject always to the terms, exclusions, conditions and limitations hereof (that is to say):-

INSURING CLAUSE 1

INFIDELITY OF EMPLOYEES

By reason of loss resulting directly from one or more dishonest or fraudulent act of an Employee, committed anywhere and whether committed alone or in collusion with others, including loss of Property resulting from such acts as an Employee, which Property is held by the Assured for any purpose or in any capacity and whether so held gratuitously or not and whether or not the Assured is liable therefor.

Dishonest or fraudulent acts as used in this Insuring Clause shall mean only dishonest or fraudulent acts committed by such Employee with the manifest intent:

- a. to cause the Assured to sustain such loss: and
- b. to obtain financial benefit for the Employee, or for any other person or organisation intended by the Employee to receive such benefit other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment.

INSURING CLAUSE 2 PREMISES

By reason of any Property being lost through theft or larceny (whether common law or statutory), or through burglary, robbery, false pretences, hold-up, or mysterious unexplainable disappearance, or being damaged, destroyed or misplaced, howsoever or by whomsoever caused, whilst such Property is (or is supposed to be) in or upon any premises wherever situated, except while in the mail or with a carrier for hire, other than a Professional Security Carrier for the purpose of transportation.

By reason of the loss of any of the items of Property referred to in General Definition 4 in the possession of any customer of the Assured, or of any representative of such customer, whether or not the Assured are legally liable for the loss thereof.

- (a) from any cause whatsoever while such Property is within any of the offices of the Assured.

- (b) through robbery or hold-up while such customer or representative is transacting business with the Assured at an outside window or other similar facility provided by the Assured for that purpose or while such customer or representative during banking hours is in or on any building, driveway, parking lot or similar facility maintained by the Assured for the convenience of such customers or representatives using motor vehicles, provided their presence in or on such premises is for the purpose of transacting banking business with the Assured, subject always to the provisions of General Condition 3 and excluding, in any event loss caused by such customer or representative of such customer.

**INSURING CLAUSE 3
TRANSIT**

By reason of any Property being lost, damaged destroyed, stolen, mislaid, misplaced, mis- appropriated, or made away with, or having mysteriously disappeared, whether by the negligence or fraud of the Employees of the Assured, or otherwise while in transit anywhere in the custody of any person or persons acting as messenger, except while in the mail or with a carrier for hire, other than a Professional Security Carrier, for the purpose of transportation.

**INSURING CLAUSE 4
FORGED CHEQUES**

By reason of:

- (a) the forgery or alteration of, on or in any cheques, drafts, acceptances, withdrawal orders or receipts for the withdrawal of funds or Property, certificates of deposit, letters of credit, money orders or orders upon public treasuries, or
- (b) the payment by the Assured of forged or altered promissory notes or of promissory notes bearing forged endorsements, (said word "payment" does not include the purchase, discount, loan or advance of or on promissory notes).

It is agreed that an endorsement upon a cheque or draft of a fictitious name or an endorsement upon a cheque or draft, procured in a face to face transaction, of the name of anyone impersonated, shall be deemed to be forged endorsement and it is further agreed that signatures mechanically reproduced on any background or with other identifying symbols, including the colour thereof, shall be treated the same as handwritten signatures.

- (c) The Assured acting or relying upon telegraphic,

cable, telex or teletype instructions or advices purporting to be sent by a customer, broker, or a banking or financial institution which have not been sent by such customer, broker, or a banking or financial institution.

**INSURING CLAUSE 5
FORGED SECURITIES**

By reason of:

- (1) the Assured having, in good faith and in the course of business, whether for their own account or for the account of others, in any representative, fiduciary, agency or any other capacity, either gratuitously or otherwise, purchased or otherwise acquired, accepted or received, or sold or delivered, or given any value, extended any credit to assumed any liability, on the faith of, or otherwise acted upon any securities, documents or other written instruments which prove to have been
 - (a) counterfeited, or forged as to the signature of any maker, drawer, issuer, endorser assignor, lessee, transfer agent or registrar, acceptor, surety or guarantor or as to the signature of any person signing in any other capacity, or
 - (b) raised or otherwise altered or lost or stolen.

- (2) the Assured having, in good faith and in the course of business, guaranteed in writing or witnessed any signatures, whether for valuable consideration or not and whether or not such guaranteeing or witnessing is ultra vires the Assured, upon any transfers assignments, bills of sale, power of attorney, guarantees, endorsements or other documents upon or in connection with any securities, obligations or other written instruments:

Securities, documents or other written instruments as used in this Insuring Clause shall be deemed to mean

- (a) original (including original counter-parts) negotiable or non-negotiable agreements in writing, other than as set forth in (b) and (c) below, having value which value is, in the ordinary course of business, transferable by delivery of such agreements with any necessary endorsement or assignment:

- (b) a carbon copy of a bill of lading provided that the

signature on such carbon copy of such bill of lading is an original signature or is a carbon copy impression of a signature, or

- (c) original corporate, partnership or personal guarantees.

Actual physical possession of such securities, documents or other written instruments by the Assured, its correspondent bank or other authorised representatives is a condition precedent to the Assured's having relied on the faith of, or otherwise acted upon, such securities, documents or other written instruments.

The word "Counterfeited" as used in this Insuring Clause shall be deemed to mean an imitation which is intended to deceive and to be taken for an original.

Mechanically reproduced facsimile signature are treated the same as handwritten signatures.

**INSURING CLAUSE 6
COUNTERFEIT CURRENCY**

By reason of receipt by the Assured, in good faith of any counterfeited or altered paper currency or coins.

**INSURING CLAUSE 7
DAMAGE TO OFFICE
AND CONTENTS**

By reason of:

- (a) loss of or damage to all furnishings, fixtures, equipment, stationery, supplies or safes and vaults within any office of the Assured, caused by burglary, robbery,

hold-up, theft or larceny, or any attempt thereat, or by vandalism or malicious mischief, or

- (b) loss through damage to any such office caused by burglary, robbery, hold-up, theft or larceny, or any attempt thereat, or to the interior of any such office by vandalism or malicious mischief.

provided, that the Assured is the owner of such offices, furnishings, fixtures, equipment, stationery, supplies or safes and vaults or is liable for such loss or damage, always excepting, however, all loss or damage through fire.

INSURING CLAUSE 8

LOSS OF SUBSCRIPTION RIGHTS

By reason of any loss of subscription conversion, redemption or deposit privileges through the misplacement or loss of Property:-

- (a) in or upon any premises wherever situated and,
- (b) while in transit anywhere in the custody of any person or persons acting as messenger, except while in the mail or with a carrier for hire, other than a Professional Security Carrier, for the purpose of transportation, and that the amount of such loss shall be the value of the said privileges immediately preceding the expiration thereof or, in the event of difference, as ascertained by arbitration or agreement.

INSURING CLAUSE 9

COLLECTION RISK: By reason of any property being lost, damaged destroyed stolen, mislaid, misplaced, misappropriated, or made away with or having mysteriously disappeared whether by the negligence or fraud of the employee of the Assured, or otherwise while in transit after collection from a customer's premises to the bank and in the custody of any person acting as messenger.

CONDITIONS PRECEDENT TO LIABILITY

It is a Condition precedent to any liability under this Policy:-

- (a) that the Assured undertake to conduct an internal audit and examination at their head office, all branches and/or agencies at least once in each period of twelve months;
- (b) that the Assured shall maintain and operate a rule book, or books, or written instructions covering all aspects of the Assured's business, which clearly defines the duties of each Employee each of whom must have their attention drawn to the same and to their duty of compliance therewith;
- (c) that the duties of each Employee are arranged so that no one Employee is permitted to control any transaction from commencement to completion.

GENERAL DEFINITIONS

1. 'Assured' means the Assured named and stated in the Schedule of this Policy and any Subsidiary Companies which are listed in the Proposal Form, and any partnership composed of Employees of the Assured.

2. 'Premises' means the Head Office and any Branches and/or Agencies from which the Assured carry on the business and shall extend to include any premises, caravans, mobile or otherwise, used temporarily by the Assured for this purpose.
3. "Employee" and "Employees" as used in this Policy shall be deemed to mean respectively one or more of the Assured's Officers, clerks, servants and guest students and others, whilst employed by, or whilst on secondment to, the Assured and Attorneys who are retained by the Assured and the employees of such Attorneys, while such Attorneys or the employees of such Attorneys are performing legal services for the Assured.
4. 'Property' means cash (i.e. currency, coins and bank notes) bullion, precious metals of all kinds and in whatsoever form and articles made therefrom, gems (including uncut gem stones), precious and semi-precious stones, certificates of stock, bonds, coupons and all other types of securities, bills of lading, warehouse receipts, cheques, bills of exchange, acceptances, drafts, treasuries, stamps, insurance policies, titles deeds, certificates of title and all other negotiable and non-negotiable instruments or contracts representing money or other property (real or personal) or interests therein, and other valuable papers, including books of accounts and other records used by the Assured in the conduct of their business, in which the Assured has an interest, or which are held by the Assured for any purpose or in any capacity and whether so held gratuitously or otherwise and whether legally liable therefor or not.
5. 'Cheque' means a bill of exchange, drawn on a bank, payable on demand.
6. 'Bill of exchange' means an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a fixed or determinable future time a sum certain in money to or to the order of a specified person, or to bearer.
7. 'Acceptance' means a bill of exchange upon which is signified by the drawee his assent to the order of the drawer.
8. 'Draft' means a draft payable on demand drawn by or on behalf of a bank upon itself whether payable at the Head Office or other office of the Assured.
9. 'Certificate of Deposit' means a written acknowledgement by a bank of a deposit with promise to pay to depositor, to his order, or to some other person or to his order.
10. 'Letter of Credit' means an engagement by a bank made at the request of a customer that the issuer will honour drafts or other demands for payment upon compliance with the condition specified in the credit.

11. 'Withdrawal Receipt' means a written instrument acknowledging receipt of funds from a savings account maintained with the Assured by a depositor.
12. 'Promissory Note' means an unconditional promise in writing made by one person to another signed by the maker, engaging to pay, on demand or at a fixed or determinable future time, a sum certain in money to or to the order of a specified person or to bearer.

Whenever any of the above terms (1 to 12 inclusive) appear in this Policy, the words as 'defined' shall be deemed to be incorporated in the text immediately following each of the said terms.

The 'Conditions Precedent to Liability', the General Exclusions' and the 'General Conditions' are applicable to the entire Policy; any 'Special Exclusions' and 'Special Conditions' appearing in the Policy are in addition thereto.

GENERAL EXCLUSIONS

This Policy does not cover:-

- (A) Loss not discovered during the period of this Policy but with the understanding that in the event of termination or non-renewal the Assured shall have three (3) calendar months following the termination or expiration of this Policy during which to discover loss sustained.
- (B) Loss resulting wholly or partially from the wrongful act or default of any director or directors of the Assured, other than those who are salaried, pensioned or elected officers or Employees of the Assured, except when performing acts coming within the scope of the usual duties of an Employee of the Assured, or while acting as a member of any committee duly elected or appointed by resolution of the board of Directors to perform specific, as distinguished from general directorial acts on behalf of the Assured.
- (C) Loss or damage, if any act or event, out of or in the course of which such loss or damage arises, constitutes or in part of or is committed or happens, whether directly or indirectly, by reason of or in connection with war, invasion, act of foreign enemy, hostilities or warlike operations (whether war has been declared or not), civil war, rebellion, insurrection, military or usurped power martial law, or the act of any lawful constituted authority and in any claim and in any action, suit or other proceeding to enforce a claim for loss or damage under this Policy the burden of proving that the loss or damage does not fall within this exclusion shall be upon the Assured.
- (D) Loss or damage arising directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination however such nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
- (E) Loss sustained, either directly or indirectly, by means of forgery or alteration of on or in any instrument except when covered under Insuring Clause No. 1, No. 4, No. 5 or No. 6 of this Policy.

(F) Loss sustained, either directly or indirectly through the forgery or alteration of in or on any travellers' cheques, accounts receivable or assignments thereof, except when covered by Insuring Clause No. 1 of this Policy.

(G) Loss resulting from the complete or partial non payment of or default upon:-

- (i) any loan or transaction in the nature of, or amounting to, a loan made by or obtained from the Assured or
- (ii) any note, account, agreement or other evidence of debt assigned or sold to, or discounted or otherwise acquired by, the Assured whether procured in good faith or through trick, artifice, fraud or false pretences unless such loss is covered by Insuring Clause No. 1, No. 4 or No. 5 of this Policy or
- (iii) for loss resulting from payment made or withdrawals from any depositor's account by reason of uncollected items of deposit having been credited by the Assured to such account unless such loss is covered by Insuring Clause No. 1 or No. 4 of this Policy.

(H) Shortage in any teller's cash due to error, regardless of the amount of such shortage; and any shortage in any teller's cash which is not in excess of the normal shortage in the teller's cash in the office where such shortage shall occur shall be assumed to be due to error.

(I) Loss, except when covered by Insuring Clause No. 1 of this Policy, of unsold traveller's cheque placed in the custody of the Assured with authority to sell unless the Assured is legally liable for such loss and such cheques are later paid or honoured by the issuer thereof.

(J) Loss of Property or loss of privileges through the misplacement or loss of Property as set forth in Insuring Clause No. 2, No. 3 or No. 8 while the Property is in the custody of any Professional Security Carrier, unless such loss shall be in excess of the amount recovered or received by the Assured under;

- (i) the Assured's contract with said Professional Security Carrier.
- (ii) insurance carried by said Professional Security Carrier for the benefit of users of its services, and
- (iii) all other insurance and indemnity in force in whatsoever form carried by or for the benefit of users of said Professional Security Carriers service, and then this Policy shall cover only such excess.

(K) Loss of Property contained in customer's safe deposit boxes while such boxes are lodged in the safe deposit vaults of the Assured except when covered by Insuring Clause No. 1 of this Policy.

(L) Any loss through the surrender of Property away from Premises of the Assured as a result of a threat

- a. to do bodily harm to a Director or Employee of the Assured or to any other person, except loss of Property in transit in the custody of any Employee PROVIDED THAT, when such

transit was initiated, there was no knowledge by the Assured of any such threat, or

- b. to do damage to the premises or to any property whatsoever (including Property) of the Assured or of any other person.

(M) Any loss resulting from credit or charge cards, whether such cards were issued, or purported to have been issued, by the Assured or anyone other than the Assured, unless the Assured is legally liable therefor or unless covered by Insuring Clause NO. 1 of this Policy.

GENERAL CONDITIONS

1. Merger or Change in Ownership or Control of the Business

- a. This Policy shall immediately cease to afford any cover of any kind in the event of the liquidation (voluntary or compulsory) of the Assured, or the appointment of a Receiver or Manager, or the entering into of any Scheme of Arrangement or composition with creditors.

- b. The Assured shall immediately advise the Company of

- i) any consolidation or merger with another business or any purchase or sale of assets or shares occasioning any change in ownership or control, whether financial or otherwise, of the business

or

- ii) control or the Assured being taken over by any Government or by officials appointed by any Government or local Authority.

As a condition of continuation of the Policy the Assured shall promptly provide the Company with such further information as the Company shall require and then the Assured shall pay such additional premium as the Company may require consequent upon such change.

However, failure to report such transactions within THIRTY (30) DAYS of the date of such transaction shall be an election by the Assured to terminate this Policy as of the commencement of the Thirty-day period. Reporting of the transaction shall not have been accomplished by the Assured unless acknowledge in writing by the Company.

2. CANCELLATION

This Policy (and the Policy Period stated in the Schedule) shall terminate with or without the tender of unearned premium.

- (i) Immediately in the event of the

- a) Company refusing to continue cover following change in ownership or control of the business as set forth in General Conditions 1 above

or

- b) Assured failing to report any consolidation, merger or change in ownership or

control of the business or of the Assured as set forth in General Condition 1 above within the time required under General Condition 1 above.

- (ii) Immediately as to any Employee of the Assured, as soon as the Assured shall learn of any dishonest or fraudulent act covered hereunder on the part of such Employee, but without prejudice to any claim for loss of Property then in transit in the custody of such Employee.
- (iii) Upon receipt by the Company of a written request from the Assured to terminate this Policy.
- (iv) Thirty days after receipt by the Assured of notice in writing from the Company of their decision to terminate this Policy. Such notice shall be deemed to be duly received in the course of post if sent by prepaid registered post addressed to the Head Office of the Assured.

The Company shall refund any unearned premium computed at short rate of the annual premium if terminated by the Assured or pro rata of the annual premium if terminated by the Company or cancelled as provided in sub-paragraphs (i) and (iv) aforesaid.

3. OTHER INSURANCE

This Policy does not cover any loss which at the time when such loss is discovered is insured by or would but for the existence of this Policy, be insured by any other existing Policy or policies except in respect of any excess (not exceeding the Limits of this Policy) beyond the amount which would have been payable under such other Policy or Policies including any deductible applicable thereunder had this Policy not been effective.

4. LIMIT OF LIABILITY

- (a) Payment of loss under this Policy shall not reduce the Liability of the Company for other losses covered by this Policy (except in respect of those Insuring Clauses which limit the Company's total liability for all losses during the Policy Period to the annual aggregate) PROVIDED ALWAYS (irrespective of the total amount of loss or losses or series of losses and subject always to the Policy Limits) as follows:-
 - (i) That the total liability of the Company on account of any loss or losses or series of losses caused by acts or omissions of any person whether one of the Employees of the Assured or not, or acts or omissions in which such person is concerned or implicated (and treating all such losses up to discovery as one event) shall not exceed the Limit of Indemnity of the applicable Insuring Clause stated in the Schedule and
 - ii) that if, and only if, there be directly or indirectly no such acts or omissions, the total liability of the Company on account of any loss or losses or series of losses arising out of the same event shall not exceed the Limit of Indemnity of the applicable Insuring Clause stated in the Schedule and
 - iii) that should more than one Insuring Clause apply, the total liability of the

Company shall not exceed the Limit of Indemnity under one of the applicable Insuring Clauses stated in the Schedule and in no event shall each Limit of Indemnity under separate Insuring Clauses be aggregated.

(b) **Non Cumulative Liability**

Regardless of the number of years this Policy has been in force or may continue to be in force and of the premiums paid or payable in respect thereof the liability of the Company shall not be cumulative in amount from year to year or from period to period and in no case shall exceed the Limit stated in the Schedule.

(c) **Deductible**

The Company shall be liable only in excess of the deductible of the applicable Insuring Clause stated in item 7 of the Schedule. In the event that more than one Insuring Clause shall be applicable then the largest deductible relating to the applicable Insuring Clauses shall apply.

The deductible shall apply to the Ultimate Net Loss sustained by the Assured.

(d) 'Ultimate Net Loss' shall mean the actual net loss to the Assured after making proper deduction for all recoveries and salvages (but deduction shall not be made for the amount of the deductible which may be recoverable on specific insurance) and shall exclude all expenses for salaries Employees of the Assured incurred in the investigation or adjustment of claims, actions or proceedings unless specially agreed by the Company but nothing in this Policy shall be construed to mean that a claim is not recoverable hereunder until the Ultimate Net Loss has been ascertained.

5. NOTIFICATION

It is agreed that written notices of the discovery of any loss shall be given within a reasonable time by the Assured to the Company

6. LEGAL FEES AND CONDUCT OF LEGAL ACTION

The Company shall indemnify the Assured for all such reasonable legal fees, cost and expenses incurred and paid by the Assured in the defence of any demand, claim, suit, or legal proceeding with respect to which the Assured establishes that the act or acts which were committed would entitle the Assured to recovery under this Policy if any loss resulted therefrom. Such indemnity shall be in addition to the Limits specified in item 6 of the Schedule of this Policy.

The Company shall be entitled at any time to take over and conduct in the name of the Assured the defence of any such demand, claim, suit or legal proceeding made against the Assured, it being understood, however, that the Assured shall not be required to contest any legal proceedings unless a Counsel (to be mutually agreed upon by the Assured and the Company) shall advise that such proceedings should be contested.

It is understood, however, that if such loss claim or damage does not exceed any applicable deductible the Company is not liable for such legal fees, costs and expenses. However, if such loss, claim or damage should exceed the deductible, then the Company is liable for the proportion

of such legal fees, costs and expenses that the amount of such loss, claim or damage recoverable under this Policy bears to the sum of such amount and the amount of the deductible.

It is further understood that the Company shall not indemnify the Assured for fees, costs or other expenses (whether such fees, costs or other expenses (be for legal, accounting or other services) incurred by the Assured in establishing the existence of or amount of loss covered by the Policy.

7. EXCLUSIVE POLICY BENEFIT

It is agreed that the insurance granted herein shall be for the exclusive benefit only of the Assured named herein, and that in no event shall anyone other than the said Assured have any right of action under this Policy.

8. BASIS OF VALUATION

(a) Valuation of Securities and Foreign Currencies

The value of any securities or foreign funds or currencies for the loss of which a claim shall be made, shall be determined by their closing market value on the last business day prior to the date of discovery of the loss or in the event of the discovery of the loss after the close of the market, by their closing market value on the day of discovery of the loss.

If there is no market price or value for the same on the day as stated in the preceding paragraph then the value shall be as agreed between the Assured and the Company or in default thereof by arbitration, if, however, such securities or foreign funds or currencies shall be replaced by the Assured with the approval of the Company the value shall be the actual cost of replacement.

(b) Books of Accounts and Records

In the case of loss of or damage to property consisting of books of accounts or other records used by the Assured in the conduct of their business, the Company shall be liable under this Policy only if such books or records are actually reproduced and then for not more than the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data which shall have been furnished by the Assured in order to reproduce such books and other records.

9. SUBROGATION

It is agreed that the Company upon payment of any loss hereunder shall become subrogated to all rights and remedies of the Assured in respect of such loss.

10. SALVAGE AND RECOVERY

In the case of recovery on account of any loss covered under this Policy the amount recovered, after deducting the actual cost of obtaining or making such recovery but excluding the Assured's own labour and/or establishment costs, shall be applied in the following order:-

- (i) to reimburse the Assured in full for the part, if any, of such loss which exceeds the amount of coverage provided by this Policy (disregarding the amount of any excess or deductible applicable).
- (ii) the balance, if any, or the entire net recovery if no part of such loss exceeds the amount of coverage provided by this Policy, to reduction of that part of such loss covered by this Policy, or if payment thereof shall have been made, to the reimbursement of the Company.
- (iii) finally, to that part of such loss sustained by the Assured by reason of any excess or deductible clause as specified in the Schedule and/or to that part of such loss covered by any Policy(ies) of Insurance of which this Policy is excess.

11. FRAUD

If the Assured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall be void and all claims hereunder shall be forfeited; but no statement made on behalf of the Assured, whether contained in the proposal form or otherwise, shall be deemed to be a warranty of anything except that it is true to the best of the knowledge and belief of the person making the statement.

JURISDICTION

This Policy shall be governed by the law of the Country stated in item 5 of the Schedule whose Courts shall have jurisdiction in any dispute arising hereunder.

ENDORSEMENTS

(A) PROFESSIONAL INDEMNITY

Notwithstanding anything herein contained to the contrary, it is understood that subject to the following conditions this Policy is extended to indemnify the Assured for liability at law against any claim or claims for breach of professional duty which may be made against them during the period of the Policy by reason of any negligent act, error or omission, or libel or slander whenever or wherever the same was or may have been committed or alleged to have been committed, on the part of the Assured or any person now or heretofore employed by the Assured, in the conduct of any business conducted by or on behalf of the Assured in their professional capacity.

Special Conditions (applicable

to this Endorsement (A) only) (a) The Assured shall not admit liability for or settle any claim or incur any costs or expenses in connection therewith without the consent of the Company which shall be entitled to take over and conduct in the name of the Assured the defence or settlement of any claim.

(b) There shall be no liability hereunder in respect of any claim for which the Assured are entitled to any indemnity under Insuring Clause No. 1 to No. 7 inclusive of this Policy or under any other insurance.

(c) The Assured shall as a condition precedent to their right to be indemnified under this Policy give immediate notice in writing to the Company.

(a) of any claim made against them, or

(b) of the receipt of notice from any person of an intention to hold them responsible for the result of any breach of professional duty.

and shall in either case, upon request, give to the Company such information as the Company may reasonably require.

(d) If during the period of this Policy the Assured shall become aware of any circumstance, incident or occurrence which may subsequently give rise to a claim being made against them for breach of professional duty by reason of any negligent act, error, or omission and shall during the subsistence hereof give written notice to the Company of such circumstance, incident or occurrence, then any such claim which may subsequently be made against the Assured arising out of that negligent act, error or omission shall for the purposes of this Policy be deemed to have been made during the period hereof.

(e) Any difference as to the amount recoverable under this Policy shall be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators one to be appointed by each of the parties in writing or in the case of disagreement, of an umpire appointed by the arbitrators in writing before entering upon the reference. The costs of the reference and of the award shall be in the discretion of the Arbitrator, Arbitrator, or Umpire making the award whose award shall be conditions precedent to any liability of the underwriters or any rights of action against the Company in respect of any claim. If the Company shall disclaim liability to the Assured or to the Assured's legal personal representative for any claim

hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to Arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

(f) **Waiver of Subrogation against Employees**

It is hereby agreed that, if any payment is made under this Policy in respect of a claim and the Company is thereupon subrogated to all the Assured's rights of recovery in relation hereto, the Company shall not exercise any such rights against any Employee of the Assured.

**Special Exclusions
(applicable to this
Professional Indemnity
extension only)**

The Professional Indemnity extension shall not indemnify the Assured in respect of any claim against them:

- (a) brought about or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of the Assured or any person at any time employed by the Assured.
- (b) any legal liability arising out of any bodily injury, death, sickness or disease or loss of or damage to property of any third party
- (c) any claim by any Parent or Subsidiary Company of the Assured or by any Company or entity in which the Assured or Directors or Officers of the Assured have an executive or controlling interest
- (d) for loss and/or damage arising out of the insolvency of the Assured
- (e) arising from events occurring prior to the Retroactive Date set forth in Item 2 of the Schedule.

**EXTENSION
LOSS OF DOCUMENTS**

It is further understood and agreed that if during the period of the Policy the Assured shall discover that any Documents (as hereinafter defined) the property of or entrusted to the Assured which now or hereafter are or are by them supposed or believed to be in their hands or in the hands of any other party or parties to or with whom such Documents have been entrusted, lodged or deposited by the Assured in the ordinary course of business have been destroyed or damaged or lost or mislaid and after diligent search cannot be found this Policy shall indemnify the Assured for:

- (a) any liabilities of whatsoever nature which they may incur in consequence of such documents having been so destroyed, damaged lost or mislaid, and/or
- (b) all costs, charges and expenses of whatsoever nature incurred by the Assured in replacing and/or restoring such Documents.

PROVIDED ALWAYS THAT:-

1. The amount of any claim for cost and expenses as above shall be supported by bills and/or accounts which shall be subject to approval by some competent person to be nominated by the Company with the approval of the Assured.
2. No liability shall attach hereto for any loss brought about or contributed to by the dishonesty of any of the Assured's directors, officers or employees.
3. On payment of any loss hereunder the Assured shall subrogate to the Company their right of procedure against any other person or persons for recovery thereof.

"DOCUMENTS" shall mean deeds, wills agreements maps, plans, records, written or printed books, letters, certificates, or written or printed documents and/or forms of any nature whatsoever (excluding however any bearer bonds or coupons, banks or currency notes or other negotiable papers).

(A) REGISTERED MAIL

Notwithstanding anything contained in Insuring Clause No. 2, No. 3 and No. 8 of this Policy to the contrary it is hereby understood and agreed that cover is extended to include sendings by registered mail.

(B) CUSTOMER SAFE DEPOSIT BOX LIABILITY

Notwithstanding anything contained in General Exclusion (K) to the contrary it is understood and agreed that this Policy is extended to indemnify the Assured to the extent of their liability

at law for all claims, damages and demands, including any costs and expenses incurred in connection therewith arising from all such loss sustained or discovered to have been sustained during the period of this Policy by reason of damage, destruction or loss by any cause, theft or disappearance of any customers or depositors property or property entrusted by others to such customers or depositors contained in safe deposit boxes lodged in the safe deposit vaults or elsewhere within premises occupied by the Assured.