

FIDELITY GUARANTEE POLICY

WHEREAS the Employer carrying on the Business described in Schedule A of this Policy has in his service the several persons referred to in Schedule B of this Policy (hereinafter called the Employees) and has applied to the Insurers for a guarantee against loss as hereinafter mentioned.

AND WHEREAS the Employer has paid or agreed to pay to the Insurers the Premium as consideration for such guarantee during the Period of Insurance.

Now it is hereby agreed that subject to the terms conditions and limitations contained herein or endorsed or otherwise expressed hereon the Insurers that he has sustained the loss hereinafter mentioned make good and reimburse to the Employer to the extent hereinafter stated all such direct pecuniary loss which the Employer shall sustain by any act of infidelity of any one or more of the Employees. The charges for obtaining such proof shall not be recoverable under this policy except as specified in condition 4.

Provided that so far as regards loss caused by any one of the Employees such act shall have been committed.

- (a) after the Date of Commencement of Risk applicable to such Employee and referred to in the first column of schedule B and
- (b) during the uninterrupted continuance of the employment of such Employee and during the Period of Insurance and
- (c) in connection with the Duties of such Employee as described in the third column of Schedule B

and shall have been discovered during the Period of Insurance or within six calendar months after.

- (i) the expiry of the Period of Insurance or
- (ii) the date of termination of the services of such Employee whichever event shall first happen.

Provided also that the liability of the Insurers under this Policy is limited to the Total Amount Guaranteed and in respect of any one of the Employees to the Amount of Guarantee set out against the name of such Employee in Column 4 of Schedule B.

CONDITIONS

- Basis of Contract: 1. (A) This Policy with Schedules A and B shall be read together as one contract any word or expression to which a specific meaning has been attached in any part of this Policy or the said Schedules shall bear such specific meaning wherever it may appear.
- (B) The Insurers shall not be liable to make any payment hereunder if the nature of the Business of the Employer or the duties or conditions of service of any Employee in respect of whom a claim is made shall have been changed.

Notification of Loss 2. Notice in writing shall be given to the Insurers within seven days after any act of infidelity committed by any Employee or of any reasonable cause for suspicion thereof or of any improper conduct shall have come to the knowledge of the Employer or of any representative of the Employer to whom is entrusted the duty of superintendence over such Employee and no amount shall be payable under this Policy in respect of any act committed by such Employee after such knowledge shall have come to the Employer of his said representative within three calendar months after such notice the Employer shall deliver to the Insurers full details of the claim and shall furnish proof of the correctness of such claim verified if the Insurers so required by statutory declaration.

The Insurers shall not be liable to pay more than one claim in respect of any Employee. All books of accounts of the Employer and any accountant's reports thereon shall be open to the inspection of the Insurers and the Employer shall give all information and assistance to enable the Insurers to sue for and obtain reimbursement by any Employee or by his estate of any moneys which the Insurers shall have paid or become liable to pay under this policy.

- Salvage: 3. In the event of a claim any moneys of the Employee concerned in the hands of the Employer and any moneys which but for any act of infidelity committed by such Employee would have been due to such Employee from the Employer shall be deducted from the amount otherwise payable under this Policy. In the event of the Employer sustaining a loss, which exceeds the indemnity, provided by this Policy then the Employer and the Insurers shall share any other recovery (excluding insurance and reinsurance and any counter security taken by the Insurers) made by either on account of any loss in the proportions that the amount of the loss borne by each bears to the total amount of the loss.

Prosecution: 4. The Employer shall if and when required by the Insurers (but at the expense of the Insurers if a conviction be obtained) forthwith prosecute any Employee by whom any act of infidelity as aforesaid shall have been committed in consequence of which a claim shall have been made under this Policy. The Employer shall further assign to the Insurers all claims and rights of action competent to his and shall give such authority as may be necessary to enable the Insurers to take action in the name of the Employer for recovery of the loss so sustained and shall give all such information and assistance as may be reasonable required by the insurers for the purpose of maintaining such action.

Arbitration. 5. All difference arising out of 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 in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or, in case the Arbitrators do not agree, of an Umpire appointed in writing by the Arbitrators before entering upon the reference.

The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award shall be a condition precedent to any right of action against the Company. If the Company shall disclaim liability to the Insured 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 provision herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.