

FIDELITY GUARANTEE INSURANCE POLICY

In this Policy the expressions shall bear the respective meanings attached to them in The Schedule.

The Insured (hereinafter called The Employer) of the Address and following the Business or Occupation stated employs or intends to employ the persons referred to as The Employed (each of which person is hereinafter called The Employee) and having made to SUN INSURANCE COMPANY LIMITED (The Company) a written Statement and Declaration which shall be the basis of this contract and deemed to be incorporated herein and having paid or agreed to pay the Premium then subject to the terms and conditions contained herein or endorsed hereon the Company agrees to reimburse to The Employer an amount not exceeding the Amount of the Guarantee for the loss of money or negotiable instruments or goods belonging to the employer or for which the employer is legally liable directly resulting from any act of fraud or dishonesty committed by the employee during the Period of Insurance and discovered not later than three months after the termination of the Policy or not later than six months after the termination of the Employment of such Employee whichever shall have happened first subject to satisfactory proof of such loss.

Provided that The Company shall not be liable under this Policy in respect of or in relating to any Employee :

1. For more than the amount of Guarantee notwithstanding that any act of fraud or dishonesty was committed by such Employee during more than one Period of Insurance
2. For any loss arising from any act of fraud or dishonesty committed more than twelve months prior to the date of receipt by The Company of notice of such loss except that in respect of loss arising from any act of fraud or dishonesty committed during the Period of Insurance and discovered after but within three months of the termination of this Policy or within six months of the termination of the employment of such Employee The Employer shall be entitled to claim for any such loss which arose within the period of twelve months immediately prior to the date of termination of this Policy or the date of termination of such employment whichever shall have happened first
3. For any loss arising from any act of fraud or dishonesty committed by such Employee subsequent to discovery by The Employee of any act of fraud or dishonesty on the part of such Employee

Provided always that the Insurance hereby made is and shall be subject to the terms, conditions and to the memoranda if any endorsed hereon or attached hereto in like manner as if the same were respectively repeated and incorporated herein and compliance by The Employer with such terms, conditions and memoranda and each of them shall be a condition precedent to the liability of The Company hereunder and to the right of the Employer to sue or recover hereunder except so far as they relate to anything which is not capable of being performed until after payment by The Company.

CONDITIONS

1. NOTICES

Every notice or communication to The Company shall be in writing and sent to the office of The Company at which this Policy is issued and notice or knowledge of anything relating to this Policy or any claim hereunder or with reference to the risk insured hereunder shall not be deemed to be notice to or within the knowledge of The Company unless so given.

Any agent or officer of The Company who may on behalf of The Employer write any statement which The Employer signs or authorises to be signed shall for the purposes thereof be deemed to be the agent of The Employer and not of The Company.

2. **EXCLUSIONS**

Unless the written consent of The Company shall have been previously obtained this Policy ceases to be in force :

- 2.1 If any check or precaution described in the within mentioned statement and declaration is not duly and faithfully performed or observed by The Employer or
- 2.2 If the method of conducting The Employer's business shall be so changed or varied as to make the actual facts differ in some material degree from those or any of them described in the within mentioned Statement and Declaration or
- 2.3 As regards any Employee the amount of whose remuneration shall be reduced other than by variation of an award or whose duties shall be so changed or varied as to make the actual fact differ in some material degree from those or any of them described in the within mentioned statement and declaration or
- 2.4 If the interest of The Employer herein shall pass from him except by will or operation of law in either of which cases notice and full particulars shall be submitted to and approved by The Company previous to the next following renewal

3. **MISREPRESENTATION**

This policy shall be void if the within mentioned statement and declaration of The Employer be untrue in any respect or if any material fact affecting the risk be incorrectly stated therein or omitted therefrom or if this Policy or any renewal thereof shall have been obtained through any misstatement, misrepresentation or suppression on the part of The Employer or if any claim made shall be fraudulent or exaggerated or if any false declaration or statement shall be made in support thereof.

4. **NOTIFICATION OF CLAIMS**

Upon the discovery of any circumstances giving rise or likely to give rise to a claim under this Policy the Employer shall :

- 4.1 Forthwith give notice thereof to The Company explaining fully all such circumstances
- 4.2 Within fourteen days from the date of such notice (unless The Company has in writing agreed to extend such period) deliver to The Company a detailed statement in writing of the loss sustained
- 4.3 At all reasonable times permit The Company or its agents to enquire into, investigate and examine the circumstances of the alleged loss by The Employer and the claim in respect thereof and The Employer shall at this own expense upon being required so to do by The Company or its agents produce all books voucher, correspondence, documents, receipts and all entries relating to the alleged loss in his possession or control and shall furnish copies of them and otherwise give all possible assistance as may be required by The Company so far as they relate to such claim or may in any way enable The Company or its agents to ascertain the correctness thereof or the liability of The Company under this Policy
- 4.4 If any when required by The Company (but at the expense of The Company if a conviction be obtained) use all diligence in prosecuting or assisting to prosecute any Employee convicted for any fraud or dishonesty in respect of which a claim shall have been made under this Policy

5. **CONTRIBUTION**

The Employer shall notify The Company of any other Policy Security or Guarantee held by him against loss also covered by this Policy and shall notify The Company of any limitation discharge or termination thereof and The Company shall only be liable to pay or contribute its rateable proportion of any loss after taking into account the value of any such other Policy Security or Guarantee

6. DEDUCTION FROM LOSS

In the event of any claim being made under this Policy The Employer shall to the extent allow by law retain all salary commission, moneys or assets the Property of any Employee in respect of whom a claim is made which may be in or come into The Employer's hands or under his control and shall apply the same towards making good the amount of any default due to acts insured against under this Policy. However, if the total loss to The Employer exceeds the amount recoverable under this Policy such retention shall be applied first to the uninsured portion of the loss

7. SUBROGATION

The Company shall have the right of subrogation in respect of all rights or remedies which The Employer may have against any Employee or any other party or parties and The Employer shall at the expense of The Company do and take and permit to be done and taken in his name all such acts, things and proceedings as The Company may consider necessary or require for the purpose of enforcing or exercising all or any such rights whether such acts things or proceedings shall be considered necessary or required before or after any loss has been paid or made good

8. CANCELLATION OF POLICY

This policy may be cancelled at any time :

- 8.1 By the Insured giving written notice to the Insurers when the Insurers shall refund 90% of the unearned premium subject to the Insurer's standard minimum premium being retained
- 8.2 By the Insurer notifying the Insured in writing of the date from which cancellation is to take effect in which event the Insurer shall refund the unearned premium

Notification is to be delivered personally or posted to the Insured at the address last notified to the Insurer. Proof of mailing shall be sufficient proof of cancellation.

9. NO WAIVER OF CONDITIONS

No provisions or requirement of this Policy requiring any matter or thing to be done or to be written or endorsed hereon shall be deemed waived by reason of any alleged notice or waiver which has not been expressly written or endorsed hereon nor shall The Company be deemed to have waived any provision or condition of this policy unless such provision or condition be expressly stated in writing to be waived by the Company upon the happening of any loss or alleged loss which may be or is claimed to be covered by this Policy. The Company may (at any time thereafter until the liability or non-liability of The Company is determined) without thereby admitting or incurring any liability exercise all or any of the rights powers and privileges conferred upon it by any of the provisions or conditions of this policy and nothing done by The Company in the exercise of any such right power or privilege shall be pleaded or operate by way of estoppel against The Company so as to prevent The Company subsequent to the exercise of any such right power or privilege from relying upon each and every provision and condition of the policy in resisting any claim wholly or in part.