



**Policy
Handbook
Fidelity
Guarantee
Insurance**



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WHEREAS the Insured carrying on the business stated in the Schedule has by a proposal which together with any supplementary declaration or statement shall be the basis of this contract and is deemed to be incorporated herein applied to the Insurer named in the Schedule (hereinafter called “the Company”) for the indemnity hereinafter contained and has paid or has agreed to pay the premium as consideration for such indemnity.

NOW THIS POLICY

WITNESSETH that subject to the terms contained herein or endorsed hereon the Company will indemnify the Insured

1. against any loss of money or goods the property of the Insured or which the Insured is legally responsible which the Insured shall directly sustain during the Period of Insurance caused by theft or fraud or dishonesty (hereinafter called the “Acts Insured Against”) committed during the Period of Insurance by an Employee or Employees in collusion (hereinafter called the “Insured Persons”) with

the clear intention of making and resulting in improper personal financial gain by the Employee(s) whilst in the employ of the Insured.

2. in respect of auditors fees incurred in a special audit required to substantiate the amount of any claim which is paid under this Policy.

1 Definitions

1. Fraud or Dishonesty

Any intentional act(s) whether committed alone or in cooperation with at the instigation of or in assistance of others that are penalized by law.

2. Money and Goods

The word 'Money' as used in the policy means, cash (notes and coins) cheques travelers cheques cross bankers drafts postal orders money orders current postage stamps credit card sales vouchers contents of franking machines.

'Goods' shall mean stock in trade and in the custody of the insured.

2 Provisions

Provided that

1. For the purpose of this Insurance the term “Employee” shall mean:
 - a) any person under a contract of employment or apprenticeship with the Insured;
 - b) any temporary employee including persons under Government Training Scheme;
 - c) any person declared to the Company to have hired by the Insured on short term basis to carry out specific tasks who are named or included in the classes set out in the Schedule.
2. Irrespective of the number of years the Policy (and any substituted or substitute policy) remains in force the liability of the Company under this Policy for all the Acts Insured Against committed by any or all Insured Person(s) during the subsistence of this Policy including any period for which a renewal premium has been paid to and accepted by the Company shall not exceed the Sum Insured per person nor exceed the aggregate Sum Insured.
3. Salaries fees commission and other similar earnings of an Employee will not be construed as improper financial gain.
4. In respect of auditor’s fees:
 - a) The written consent of the Company must be obtained before any such fees are incurred;
 - b) The Company shall not be liable for normal audit fees and costs incurred by the Insured’s own employees.

3 Exclusions

The Company shall not be liable for :

1. Unexplained shortages of money or goods which cannot be attributed to an employee or employees acting in collusion.
2. Losses occurring outside the territorial limits stated in the Schedule.
3. Losses discovered later than twelve months after the Insured person ceases to be employed or the termination of the Policy whichever occurs first.
4. Theft or fraud or dishonesty committed by an employee subsequent to discovery of actual or suspected theft or fraud or dishonesty by that employee.
5. Loss of interest or loss due to variation in the rates of exchange of the currency.
6. Penalties or fines.
7. Consequential loss or indirect loss of any kind.
8. Any loss resulting directly or indirectly from trading activities except to the extent such loss is covered by the policy.
9. Any loss expense or

liability if the dishonest act arise out of or in connection with the use, misuse, transmission or manipulation of computer data including software and media.

10. Any loss resulting from fraud or dishonest acts (wholly or partial) committed by directors and owners unless covered as an employee.
11. Any loss suffered by a third party to the insured.
12. Any loss arising out of the negligence of the insured.
13. Loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
 - a) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or

amounting to an uprising, military or usurped power;

- b) Confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority;
- c) Any act of terrorism.

For the purpose of this Exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/ or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This Exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting

from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (a), (b) and/or (c) above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

14. a) Any loss or destruction of or damage to property or consequential loss arising therefrom or any other loss cost or expense directly or indirectly caused by or consisting of or arising from or
- b) Any legal liability directly or indirectly caused by or contributed to by or arising from the inability or failure of any computer data processing equipment or media microchip integrated circuit or

similar device or any computer software whether the property of the Insured or not and whether occurring before during or after the year 2000

- i) Correctly to recognise any date as its true calendar date or
- ii) To capture save or retain and/ or correctly to manipulate interpret or process any data information command or instruction as a result of treating any date otherwise than as its true calendar date or
- iii) To capture save or retain and/ or correctly to manipulate interpret or process any data or information as a result of the operation of any command which has been programmed into any computer software which causes loss of data or

information or the inability to capture save retain or correctly to process such data or information on or after any date

But this does not exclude subsequent loss destruction or damage arising therefrom as insured and not otherwise excluded by the policy which itself results from any of the following named perils which are insured by the Cover under which the loss arises.

Named perils

Fire lightning explosion aircraft aerial devices or articles falling from them riot civil commotion strikers locked out workers persons taking part in labour disturbances malicious persons thieves robbers earthquake storm flood escape of water from any tank apparatus or pipe impact by a road vehicle or animal or subsidence

15. Losses arising, directly or indirectly from:
- a) The loss of, alteration of or damage to
- or

b) A reduction in the functionality, availability or operation of a computer system, hardware, programme, software, data, information repository, microchip, integrated circuit or similar device in computer equipment that results from the malicious or negligent transfer (electronic or otherwise) of a computer programme that contains any malicious and or damaging code, including but not limited to computer virus, worm, logic bomb, or Trojan horse and which can be identified as the cause of loss do not in and of themselves constitute a claim under this policy.

4 Claims Conditions

1. Fraudulent Claims

If any claim under this Policy be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any indemnity under this Policy or if any loss be occasioned by the wilful act or with the connivance of the Insured all rights under this Policy shall be forfeited.

2. Responsibilities of the Insured

On discovery by the Insured or the Insured's Representative of any act of fraud or dishonesty (whether it is intended to make a claim or not) the Insured shall:

a) Notice of Loss

- i) Immediately, but not later than 14 days of discovering the loss, give written notice to the Company of the extent of the loss as then known and the employee's last known address.
- ii) Forthwith take all measures to

prevent further loss.

b) Submission of Claim

- i) Within thirty days of the event unless a further time has been allowed in writing by the Company at his/her own expense produce for the Company full particulars of the claim together with details of any other insurance(s) covering the same loss.
- ii) At his own expense furnish all information and assistance (including if requested a statutory declaration of the truth of the claim) as the Company may reasonably require.

c) Claims Co-operation

At the request and expense of the Company do and concur in doing and permit to be done all such acts as may

be necessary or reasonably required by the Company for the purpose of:

- i) Defending any claim;
- ii) Enforcing any rights and remedies or;
- iii) Of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon its paying for or making good any loss under this Policy whether such acts shall be or become necessary before or after his/her indemnification by the Company.

3. Rights of the Company

a) Recoveries – Employee's Property

Any monies or other assets of the employee held by the Insured or any moneys which but for the acts of fraud or dishonesty of the

employee would have been due to the employee from the Insured shall be deducted from the amount of claim payable under this policy.

b) Subrogation

The Company shall be entitled if it so desires to take over and conduct in the Insured's name the defence or settlement of any claim or to prosecute in his name for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim.

Any subsequent recovery shall be shared in the proportion that the amount of the loss borne by the Company and the Insured bears to the total amount of the loss.

c) Discharge of liability

When any such loss has been made good and satisfied by

the Company this Policy shall so far as regards such Insured Person(s) wholly cease as to any further obligations of the Company.

4. Contribution – Other Insurances

If at the time any claim arises under this Policy there be any other insurance covering the same liability the Company shall not be liable to pay or contribute more than its rateable proportion of such claim and costs and expenses in connection therewith.

5. Arbitration

If any difference arises out of this Policy the Company shall immediately notify the Insured in writing of his right to refer the difference to arbitration. Such difference 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 for any claim hereunder and such claim shall not within twenty four 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.

5 General Conditions

1. Unity of Policy and Interpretation

This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such specific meaning wherever it may appear.

2. Privity of Contract

This Policy of insurance is a private and exclusive contract between the Insured and the Company. All benefits, rights and obligations under the terms hereof belong to or are owned by the Insured and the Company. The Company is under no obligation whatsoever to defend, settle, compromise or otherwise respond to any action or claim brought directly and solely against the Company in respect of any risk covered by this Policy by any person who is not a party to the said contract.

Nothing in this Condition or in the contract generally shall prevent the Company from exercising its rights of subrogation against

any person who is not a party to this contract.

3. Material Facts and Duty of Utmost Good Faith

The statements and answers in the Proposal and any supplementary declaration or statement and any material information provided to the Company by the Insured are true and complete. In the event of misrepresentation, misdescription or non-disclosure of such information, this Policy shall be voidable.

4. Cancellation

This Policy may be terminated at any time at the request of the Insured in writing in which case the Company will retain the customary short period rate for the time the Policy has been in force. This Policy may also be terminated at any time at the option of the Company, on thirty days notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a rateable proportion of the Premium for the unexpired term from the date of the cancellation.

5. Reasonable Care and Selection of Employees

The Insured shall take all reasonable care in the selection and employment of competent employees and shall take reasonable precautions to prevent any loss.

6. Alterations of Risk

The Policy shall be avoided if:

- a) The precautions and checks stated by the Insured in the Proposal and any supplementary declaration or statement made to and accepted by the Company are not operated and maintained.
- b) The nature of the Insured's business is changed.
- c) There be any change in the occupation of Insured Person(s) without the consent of the Company being signified by endorsement hereon.

7. Alterations to Policy

No alteration in the terms of this Policy will be held valid unless the same is signed or initialled by an authorised Official of the Company.

8. Reinstatement – Floater Policies

In the event of a claim being notified under this Policy the Insured may subject to the Company's agreement by paying the appropriate additional premium reinstate the original aggregate sum insured in respect of Insured Person(s) not the subject of the claim provided always that the amount by which the aggregate sum insured is reinstated shall only be available for claims in respect of Acts Insured Against discovered subsequent to the request for such reinstatement.

9. Premium Adjustment – Unnamed Policies

The premium charged under this policy is calculated on the estimated maximum number of Insured Person(s) to be employed in each class at any one time by the Insured as shown in the Schedule.

The Insured shall within one month of the expiry of each Period of Insurance advise the Company the maximum number of permanent and temporary Insured Person(s) engaged in

each class at any one time during such period and if the number shall differ from the number on which the premium has been paid as aforesaid the difference in premium shall be met by a further payment to the Company or by a refund by the Company as the case may be.

10. Additional Employee – Unnamed Policies

The indemnity granted under this Policy shall extend to include any additional insured person(s) of the Insured as from the date on which such Insured Person(s) enters the service of the Insured provided enquiries on such Insured Person(s) have been made in accordance with the Insured's proposal dated as stated in the schedule and any supplementary declaration or statement.

11. Commencement of Risk – Named Policies

The cover by this policy in respect of named employee(s) will incept after the commencement date(s) of risk stated in the Schedule.

12. Jurisdiction

This Policy applies only

to judgements delivered by or obtained from a Court of Competent Jurisdiction in a member country of the Gulf Cooperation Council.

13. Observance of Terms

The due observance and fulfillment of the Terms Limitations and Conditions of this Policy so far as they relate to anything to be done or complied with by the Insured shall be conditions precedent to any liability of the Company to make any payment under this Policy.

14. System of Control and Check

The Insured shall take all reasonable steps to ensure that any monies owing to them by a departing employee are settled prior to his/her departure.

The Insured shall ensure that all systems of control and check must be carried out by person senior to those responsible for handling cash/stock.

The Insured shall ensure that a minimum of an annual audit (external or internal) is carried out.



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AXA Insurance (Gulf) B.S.C. (c)

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Agent: Kanoo Group (Insurance Agent) L.L.C

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Oman: Commercial Registration No. 1112244.

Insurance registration No. 6 issued by the Capital Markets Authority.