

In particular please note the Participant's Duties (General Condition 1)

FIDELITY GUARANTEE TAKAFUL CERTIFICATE

This Certificate the Schedule and any Memoranda/Warranties/Clauses thereon shall be considered one document and any word or expression to which a specific meaning has been attached in any of them shall bear such meaning throughout

The Insured and the Company agree

- 1 The Proposal shall be incorporated in and be the basis of the contract
- 2 The Participant will pay the Contribution
- 3 The company will provide the Coverage subject to the terms of this Certificate
- 4 The following shall be conditions precedent to any liability of the Company
 - a) observance of the terms of this Certificate relating to anything to be done or complied with by the Participant
 - b) the truth of the Proposal

Coverage

The Company will indemnify the Participant

- 1 against loss of money or goods belonging to or held in trust by the Participant caused directly by any Fraudulent or Dishonest Act committed during any Period of Takaful by any Employee in connection with his employment by the Participant in the Business after the Commencement Date applicable to the Employee and discovered not later than twelve months (known as Discovery Period) after the termination of
 - a) the takaful in respect of such employee or
 - b) this Certificatewhichever occurs first
- 2 for auditor's fees incurred with the Company's written consent solely to substantiate the amount of any claims made under 1 above

Extension – Interlocking Cover

If this Certificate immediately supersedes a Fidelity takaful effected by the Participant (the Superseded Takaful) the Company will indemnify the Participant in respect of any fraudulent or Dishonest Act discovered during the continuation of this Certificate but committed during the continuation of the Superseded Coverage if the loss arising is not recoverable thereunder solely because the period allowed for discovery has expired Provided that

- 1 such Superseded Takaful had been continuously in force from the time the Fraudulent or Dishonest Act was committed until the inception of this Certificate
- 2 the loss would have been covered by this Certificate had it been in force at the time of the loss
- 3 the Company shall not be liable in respect of any Fraudulent or Dishonest Act committed more than three years prior to the discovery thereof
- 4 the liability of the Company shall not exceed whichever is the lesser of
 - a) the amount recoverable under the Superseded Takaful or
 - b) the Limit of the Indemnity applicable under this Certificate

Limit of Indemnity

The total amount payable by the Company

- a) during the continuation of this Certificate (irrespective of how many times the Certificate has been renewed) and any replacement Fidelity Takaful issued by the Company to the Participant shall not exceed in respect of any one Employee the Specific Limit of Indemnity applying to such Employee at the time the earliest Fraudulent or Dishonest Act was committed by such person

- b) shall not exceed in respect of any one Period of Takaful the Aggregate Limit of Indemnity for all Fraudulent or Dishonest Acts committed during such period

For the purposes of interpreting paragraphs a) and b) above any act committed prior to the inception of this Certificate but indemnifiable under the terms of the Interlocking Cover shall be regarded as having been committed during the first at Period of Takaful

In addition the Company will pay up to the Auditors Fees Limit in respect of auditors fees incurred arising out of any one claim

Exceptions

The Company shall not be liable for loss

- 1 in respect of any improper financial gain obtained by any Employee in the form of salaries fees commission or other benefits earned in the normal course of employment
- 2 of interest or consequential loss of any kind

Excess

The Participant shall be liable for the first amount of loss shown in the Schedule as the Excess in respect of any One Claim.

Interpretations

For the purposes of this Certificate

- 1 Proposal shall mean any signed proposal form and declaration and any additional information in connection with this takaful supplied by or on behalf of the participant in addition thereto or in substitution therefore
- 2 Employee shall mean any person normally resident within the Geographical Limits who the Participant has the right at all times to govern control and direct in the performance of his work in the Business of the Participant and who is described in the Schedule by name category of Employee or position
- 3 Fraudulent or Dishonest Act shall mean any act of fraud or dishonesty committed by any Employee with the clear intent of obtaining an improper financial gain for themselves or for any other person or organisation intended by the Employee to receive such gain
- 4 One claim shall mean all claims or series of claims consequent on or attributable to one source or original cause

Claims Conditions

- 1 Claims Procedure

On discovery of any act default or circumstance which may give rise to a claim the Participant shall

- a) forthwith give written notice to the Company
- b) immediately take all steps to prevent further loss
- c) supply at the request of and free of any expense to time Company all such proof information and other evidence relating to the claim as the Company may require

- 2 Loss Reduction and Recovery

The Participant shall whether the Company's liability hereunder shall have been ascertained or not give all reasonable assistance to enable the Company to obtain by legal proceedings or otherwise the reimbursement of any loss by the Employee or by the Employee's estate or recovery of the loss from any other source

The following shall be deducted from any amount otherwise payable as indemnity under this Certificate

- a) any money of the Employee in the hands of the Participant
- b) any money which but for the Employee's dishonesty would have been due to the Employee from the Participant

The Participant and the Company shall share any other recovery (excluding insurance and reinsurance and any counter security taken by the Company) made by either on account of any loss in the proportion that the amount of the loss borne by each bears to the total amount of the loss

- 3 Other insurances/takaful

If at the time any claim arises under this Certificate there be any other insurance/takaful covering the same loss the Company shall not pay more than its ratable proportion of such claim.

4. Arbitration

If any difference shall arise as to the amount to be paid under this Certificate (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions in force in the territory in which the Certificate is issued Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Company

5 Forfeiture

If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Participant or anyone acting on the Participant's behalf to obtain benefit under this Certificate all benefit hereunder shall be forfeited.

General Conditions

1 The Participant's Duties

The Participant shall

- a) at all times comply with the System of Check declared in the Proposal and with any subsequent change to the System of Check which has been advised to and accepted in writing by the Company
- b) advise the Company immediately of
 - i) any material change in the nature of the Participant's Business
 - ii) any change to the System of Check declared in the Proposal

In the absence of such advice and written acceptance by the Company of the change the Company shall not be liable for any subsequent loss which otherwise would have been indemnifiable under the Certificate

- c) not continue to entrust an Employee with money or goods after having knowledge of any material fact tending to cast doubt on the honesty of such Employee
- d) take references in respect of each Employee in accordance with the Participant's criteria declared in the Proposal or as otherwise agreed in writing by the Company
- e) If any part of the Contribution or Renewal Contribution is based on estimates furnished by the Participant, the Participant shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record The Insured shall within one month after the expiry of each Period of Takaful furnish such information as the Company may require The Contribution or Renewal Contribution shall thereupon be adjusted and the difference paid by or allowed to the Contribution.
- f) This Takaful may be terminated at any time at the request of the Participant, in which case the Company will refund the balance of the General Risk Investment Account (GRIA) for the unexpired period of cover, plus surplus, if any, less related expenses. This Takaful may also be terminated at the option of the Company by sending fourteen (14) days' notice by registered letter to the Participant at his last known address, in which case the Company shall be liable to repay on the same basis as described earlier.

Note: A handling fee of RM10.00 will be charged in the event of cancellation made by the participant.

- g) If at the end of the Period of Takaful stated in the Schedule there is a net surplus in the Company's General Risk Investment Account (GRIA) Fund, the net surplus shall be shared between the Participant and the Ta'awuni Account Pool (TAP) in the proportion as provided for in the Proposal Form and declaration therein provided always that the Participant has not incurred any claim and/or not received any benefits under this Certificate whilst it is in force.
- h) This Certificate and the Proposal all endorsements hereon including the schedules hereto shall be construed in accordance with the laws of Malaysia.

In the event that there is a conflict between a term in the Proposal and a term in the Certificate herein, the provision in the Certificate shall prevail in so far as it relates to the matters set fourth in the Certificate.

The following clauses/memoranda are not included in the policy unless specified in the schedule.

AUDITORS/ACCOUNTANT AND LEGAL FEES CLAUSE

It is hereby declared and agreed that this Certificate is extended to indemnify the Participant against the payment of fees for Professional Auditor and Accountant services and legal charges incurred by the Participant with the consent and/or at the request of the Company for the purpose of investigation and proving a claim made against the Company within the terms of this Certificate.

It is further declared and agreed that the liability of the Company in respect of such fees and charges shall be limited to the sum of RM 3,000.00 in respect of any one claim subject to the Company's total liability shall not exceed RM 6,000.00 in any one Period of Takaful.

Subject otherwise to the terms and conditions of this Certificate.

LOSS NOTIFICATION CLAUSE

Notwithstanding anything contained herein to the contrary it is agreed that this takaful will not be prejudiced by any inadvertent delays errors or omission in notifying the Company any circumstances or event giving rise or likely to give rise to a claim under this Certificate

Provided that

- a) the loss/damage must be fully substantiated
- b) the Company's liability shall not be increased by such delays errors or omission
- c) the burden of proving that a loss has occurred shall be upon the participant
- d) the Company's right to recover (in the name of the Participant or otherwise) from any responsible party for the loss shall not have been prejudiced
- e) in no circumstances shall the Company be liable for any loss or damage not notified to them within six (6) calendar months after the event giving rise to a claim.

Subject otherwise to the terms and conditions of this Certificate.

AUTOMATIC ADDITIONS & DELETIONS MEMORANDUM

It is hereby declared and agreed that new employees are automatically included in this coverage with effect from the date on which the employees shall commence employment with the participant. Deletion of employees shall be similarly effected from the date of termination of their employment.

Provided always that company's liability shall not exceed the Specific Limit of Indemnity for the category as specified in the schedule. The Participant shall declared to the Company the number of employees are to be added on or deleted from the Certificate at the expiry of the Period of Takaful and contribution shall be adjusted accordingly.

Subject otherwise to the terms and conditions of this Certificate.

COINSURANCE AND/OR COTAKAFUL CLAUSE

It is hereby declared and agreed notwithstanding anything contained in the within certificate, or on any endorsement hereon to the contrary that any reference to "the Company" shall be deemed to mean the following Companies each of which agrees for its individual proportion set against its name subject to the terms, exceptions and conditions herein or attached hereto or endorsed hereon, that if during the period of takaful stated in the Schedule the Participant shall sustain loss or damage in the circumstance s provided for by this Certificate indemnity the participant in the manner herein described:

<u>Company</u>	As specified in the Schedule	<u>Proportion</u>
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It is further declared and agreed notwithstanding anything contained to the contrary that the lead co-insurer, is authorised to sign the Certificate/ Endorsement/Renewal Receipt.

For all intents and purposes this policy shall have effect as though each of the above-mentioned insurance companies had issued a separate policy for its individual proportion of the sum covered.

Subject otherwise to the terms and conditions of this Certificate.

This policy is subject to the following warranty

1 CONTRIBUTION WARRANTY (30 days)

It is a fundamental and absolute Special Conditions of this contract of takaful that the contribution due must be paid and received by the Company within thirty (30) days from the inception date of this certificate.

If this condition is not complied with, then this contract is automatically cancelled and the Company shall be entitled to the pro rata contribution for the period they have been on risk.

Where the contribution payable pursuant to this warranty is received by an authorised agent of the Company, the payment shall be deemed to be received by the Company for the purposes of this warranty and the onus of proving that the contribution payable was received by a person, including a takaful agent, who was not authorised to receive such contribution shall lie on the Company.

Subject otherwise to the terms and conditions of this Certificate.

IMPORTANT NOTICE

The Certificate holder can seek redress against unfair market practices by the Company; in writing, to the following service bureaus :

1) Mediator,
insurance Mediation Bureau
4th Floor, Wisma Harwant
106, Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Tel : 03-26939623 / 26939419
Fax : 03-26936816

OR

2) Customer Services Bureau
Bank Negara Malaysia
Peti Surat 10922
Jalan Dato' Onn
50480 Kuala Lumpur

Tel: 03-26988044
Fax : 03-26912990

stating clearly the complaints, name of insurance/takaful company, insurance/takaful Certificate number and to forward copies of the correspondence between the Certificate holder and the Insurer/takaful operator (if any).