



FIDELITY GUARANTEE POLICY

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

IN CONSIDERATION OF the first premium and subject to the terms and conditions contained herein or endorsed hereon which are to be deemed conditions precedent to any liability on the part of the Company so far as they relate to anything to be done or complied with by the Employer.

THE COMPANY AGREES to make good and reimburse to the Employer all such direct pecuniary loss not exceeding the amount guaranteed as the Employer shall sustain by all acts of theft or criminal misappropriation of moneys and securities committed by the Employed :

- (a) during the currency of this insurance and
- (b) during the uninterrupted continuance employment of the Employed and
- (c) in connection with his occupation and duties AND DISCOVERED during the currency of this insurance or within six months thereafter or within six months after the determination of such employment whichever event shall first happen

The particulars and declaration signed by or on behalf of the Employer together with any correspondence relative there to shall be incorporated herein and be the basis of this contract and of every renewal.

And the Company 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 shall be changed or remuneration of the Employed reduced without the sanction of the Company, or if the precautions and checks for securing accuracy of accounts shall not be duly observed

Notice in writing shall be given to the Company within seven days after any act of theft or misappropriation or 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 the Employed and no amount shall be payable under this policy in respect of any act committed after such knowledge shall have come to the Employer or his said representative.

Within three months after such notice the Employer shall deliver to the Company full details of his claim and shall furnish proof of the correctness of such claim.

The Company shall not be liable to pay more than one claim.

All books of accounts of the Employer or any Accountant's reports thereon shall be open to the inspection of the Company and the Employer shall give all information and assistance to enable to Company to sue for and obtain reimbursement by the Employed or by his estate of any moneys which the Company shall have paid or become liable to pay under this Policy

Any moneys the Employed in the hands of the Employer and any moneys which but for any act of theft or misappropriation would have been due to the Employed from the Employer shall be deducted from the amount otherwise payable under the policy.

The Employer 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 proportions that the amount of the loss borne by each bears to the total amount of

the loss

In the event of any act of theft or misappropriation committed by any one of the Employed the Employer shall if required by the Company but at the expense of the Company if a conviction be obtained take all steps to obtain the conviction of the said Employed and shall if required by the Company make every endeavor to recover the amount thereof and any expenses incurred in connection therewith from any Third Party against whom the Employer or the Company may be entitled to recover any loss consequent upon theft or misappropriation committed by the said Employed and shall give all assistance to enable the Company to obtain reimbursement from the said Employed or his Estate

This insurance is deemed to be renewed for the same period as agreed upon the first time and under the same terms unless the Employer has given notice by registered letter and at least 3 months before the expiry date of this insurance that the desires to discontinue the insurance.

Notice is only valid when sent by the Employer direct to the Head Office or one of the Branch Offices of the Company in Indonesia; notice sent by or through the intermediacy of or to anybody else is therefore not valid.

The Company may terminate the insurance at any time (also in insurance closed for several years) without detriment to the rights or claims of the Employer or the Company occurring before the date of such termination in accordance with the terms of this Policy provided that notice thereof was given by registered letter.

In This event the premium paid will be refunded to the Employer less a proportionate amount, which will be considered as payment of premium for the period during which this insurance was in force

Any sums payable hereunder shall be payable at the Head Office of the Company at Jakarta or at one of its Branch Offices in Indonesia.

If any difference shall at any time arise between the Company and the Employer or any Claimant under this policy as to the amount of any compensation or as to the fulfillment or non - fulfillment of any of the conditions herein set forth or as to any question matter or thing concerning or arising out of this policy, every such difference as and when the same arises shall be submitted to three Arbitrators whose award shall be final and binding.

The party desiring to submit a case to arbitration must give the other party notices in writing of this intention.

The three Arbitrators shall be appointed by both parties by mutual agreement.

If within four weeks from the date of such written notice the parties are unable to agree on the selection of the Arbitrators, either of the parties may request the Chairman or in his absence or inability to act, the acting Chairman of the Accident Underwriters Association in Indonesia to appoint the Arbitrators.

The Arbitrators are bound to pronounce on the issue before them in a just and equitable manner.

The Arbitrators shall determine the Rules of the Arbitration Procedure. In their final award the Arbitrators shall decide by which party or parties the costs of the Arbitration Proceedings,

including the disbursements and the fees of the Arbitrators and the fees and disbursements of the lawyers representing the parties, shall be wholly or partially borne.

The Arbitrators shall take the necessary measures in order that the original of the Award or Awards shall be filed at the Court of Competent Jurisdiction in Jakarta, in which city the Award (s) shall be made.

The powers to be granted to the Company shall disclaim liability 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 purpose be deemed to have been abandoned and shall not thereafter be recoverable hereunder.