

*The English version was translated from Vietnamese*

# **FIDELITY INDEMNITY INSURANCE WORDING**

*(The Vietnamese Original version was issued in accordance with the Decision  
No.: 02QĐ/BH-PAC-13 dated August 19, 2013 of Phu Hung Assurance Corporation)*

## INSURANCE PROVIDED

**Phu Hung Assurance Corporation** (hereafter called “Phu Hung”) agrees to indemnify the Insured in consideration of the premium having been paid against loss of money or goods belonging to them or for they are legally responsible arising solely and directly from a deliberate act or acts of fraud or dishonesty committed by any of the Employees (who shall be identified by name) with the clear intention of making and which result in improper financial gain for themselves or any other person or organisation and which

1. occur during the continuance of this Policy and during the uninterrupted service with the Insured and are
2. discovered
  - a) during the continuance of this Policy, or
  - b) within six months of
    - i) termination of the Policy, or
    - ii) the Employee ceasing to be covered by the Policy

whichever shall happen first

Salary fees commissions and other emoluments including salary increases and promotions shall not constitute improper personal financial gain.

## AUDITORS FEES

This Policy extends to include in addition to the Limit of Liability the cost of any special professional audit necessarily incurred with the written consent of Phu Hung solely to formulate the amount of loss.

## DEFINITIONS

1. **Employee** shall mean any person working for the Insured in connection with the Business who is remunerated for such work, wholly or mainly by salary or wages and who is listed by name or category under the heading Employees in the Schedule.
2. **Any One Claim** shall mean all acts of fraud or dishonesty committed by any one Employee or Employees acting in collusion during the continuance of this Policy.
3. **Amount of Guarantee** shall mean Phu Hung’s total liability for Any One Claim in respect of the Employees as described in the Schedule.
4. **Aggregate Limit of Guarantee** shall mean Phu Hung’s total liability for all claims in respect of all Employees as described in the Schedule.

## LIMIT OF LIABILITY

Phu Hung’s Limit of Liability shall not exceed in respect of

1. Any One Claim - the Amount of Guarantee
2. All Claims - the Aggregate Limit of Guarantee

as specified in the Schedule and shall not be accumulated or increased by reason of this Policy and any Policy issued in substitution continuing in force for any Subsequent Period beyond the Initial Period of Insurance.

## **EXCLUSIONS**

This Policy does not cover

- 1 **Consequential Loss** - loss of interest, loss of profit or any kind of consequential loss
- 2 **Unexplained Shortages** - any loss dependant solely upon an inventory computation or a profit and loss computation and unexplained shortages
- 3 **Territorial Limits** - any loss arising elsewhere than in the Territorial Limits as described in the Schedule.

## **CONDITIONS**

### **1. Identification**

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. Observance of Conditions**

The due observance and fulfilment of the terms provisions and conditions of this Policy by the Insured in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements in the proposal and relevant correspondence shall be conditions precedent to any liability of Phu Hung to make any payment under this Policy.

### **3. Change in Business and Procedures**

Unless prior written agreement is obtained from Phu Hung to any alteration Phu Hung shall not be liable to make any payment if there shall be

- (a) any change in the nature of the Business of the Insured
- (b) any changes in
  - (i) the precautions and checks for securing accuracy of the accounts
  - (ii) the procedures for obtaining reference from former employers

mentioned in the Proposal and relative correspondence

### **4. Claims - Action by Insured**

On the happening of any act of fraud or dishonesty committed by any of the Employees or any reasonable cause for suspicion thereof which may give rise to a claim under this Policy the Insured must

- (a) give notice to Phu Hung in writing within fourteen days
- (b) within three months after such notice deliver to Phu Hung at their own expense except as otherwise provided, full details of the claim and supply all such detailed proofs and particulars as may be reasonably required

No amount shall be payable under this Policy in respect of such Employee by reason of any act committed after such knowledge shall have come to the Insured.

### **5. Control of Claims**

In the event of a claim being made against Phu Hung under this Policy

- a) the Insured shall give Phu Hung any evidence it may reasonably require to be satisfied that the loss claimed for has actually arisen in accordance with the cover under this Policy
- b) all books of account of the Insured or any accountants' reports shall be open to the inspection of Phu Hung and the Insured shall give all information and assistance to enable Phu Hung to sue and obtain reimbursement of any moneys which Phu Hung shall have paid or become liable to pay under his Policy
- c) all money which but for fraud or dishonesty of the Employees would become payable to them by the Insured and any money recovered from the Employees by the Insured shall be deducted from the amount of the loss
- d) if any loss covered by this Policy exceeds the Amount of Guarantee or the Aggregate Limit of Guarantee the Insured shall be entitled to all recoveries to the extent of his uninsured loss excluding the actual costs of effecting the recovery.

**6. Other Insurances**

If at the time of any loss there be any other insurance effected by or on behalf of the Insured covering the same loss the liability of Phu Hung hereunder shall limited to its rateable proportion of any sums payable for such loss.

**7. Fraudulent Claims**

If a claim made by or on behalf of the Insured which is in any respect unfounded or fraudulent or intentionally exaggerated or if any false declaration or statement is made in support of it no claim shall be admissible.

**8. Adjustment**

If any part of the premium is calculated on estimates the Insured shall annually declare such details as Phu Hung may require and the premium shall be adjusted accordingly.

**9. Cancellation**

Phu Hung may cancel this Policy by sending seven days notice by registered letter to the Insured at his last known address and in such event the Insured shall be entitled to the return of a proportionate part of the premium corresponding to the unexpired Period of Insurance.

**10. Arbitration**

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted by Phu Hung) such difference shall be referred to any independent Arbitrator accepted to both the Insured and Phu Hung. Where any difference is by this Condition to be referred to Arbitration the making of an Award shall be a condition precedent of any right of action against Phu Hung.

**IMPORTANT NOTICE**

**We would remind that you must disclose to us, fully and faithfully, the facts you know or ought to know, otherwise you may not receive any benefit from your Policy.**