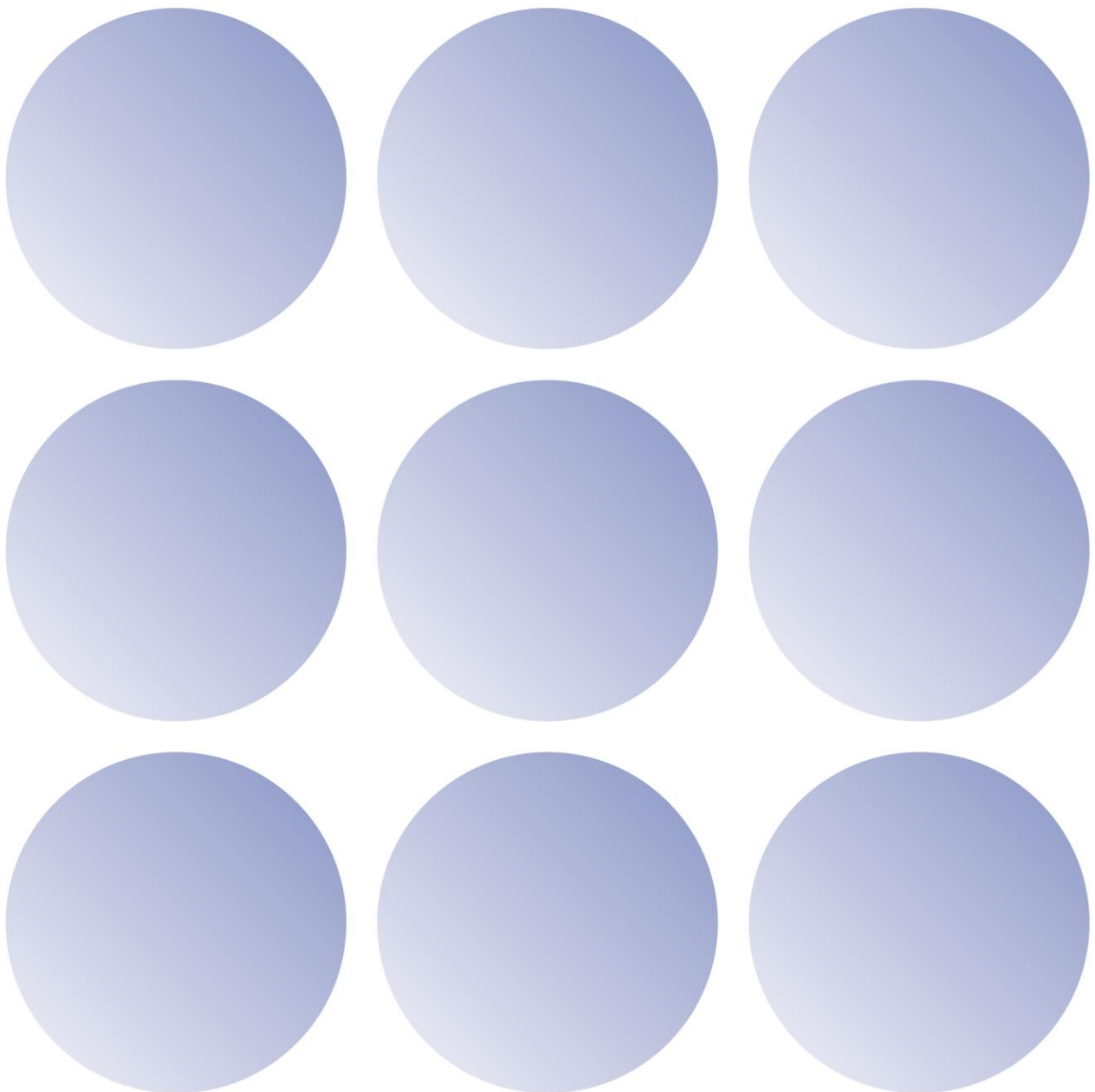


COMMERCIAL CRIME INSURANCE



COMMERCIAL CRIME INSURANCE POLICY

IN CONSIDERATION OF THE PAYMENT OF THE PREMIUM AND SUBJECT TO ALL THE TERMS, CONDITIONS AND LIMITATIONS OF THIS POLICY THE **INSURER** AGREES WITH THE **POLICYHOLDER** THAT:

SECTION 1 – COVER

The **Insurer** will indemnify the **Policyholder** for the **Financial Interest** of the **Policyholder** for a **Loss** occurring in any **Group Company** resulting directly from any **Criminal Act** which is first **Discovered** during the **Period of Insurance** or any **Extended Reporting Period** (if applicable) and notified to the **Insurer** in accordance with Section 6.1 of this Policy.

SECTION 2 – EXTENSIONS TO COVER

SUBJECT TO ALL THE TERMS, CONDITIONS AND LIMITATIONS OF THIS POLICY, COVER IS EXTENDED AS FOLLOWS:

2.1 EXTENDED REPORTING PERIOD

If this Policy upon termination is neither renewed nor replaced by any other policy covering the same or a similar risk, the **Policyholder** shall have the right to a single **Extended Reporting Period** as stated in Item 9 of the Schedule and subject to payment of the additional premium stated in Item 9 of the Schedule with respect to any **Loss Discovered** during such **Extended Reporting Period** and notified to the **Insurer** in accordance with Section 6.1 of this Policy, but only with respect to **Criminal Acts** committed prior to the expiry date of the **Period of Insurance**. This **Extended Reporting Period** shall not apply in the event of cancellation of this Policy due to the non-payment of the premium.

The right to the single **Extended Reporting Period** shall terminate unless written notice is given to the **Insurer** by the **Policyholder** within thirty (30) days of the effective date of the non-renewal of this Policy. Once the **Extended Reporting Period** has been elected by the **Policyholder**, the entire premium for the **Extended Reporting Period** shall be deemed earned at its commencement.

2.2 NEW SUBSIDIARY COMPANIES

2.2.1 Any entity (other than a **Financial Institution**), whether created or acquired, that becomes a **Subsidiary Company** during the **Period of Insurance** of this Policy shall be included as a **Group Company** under this Policy, at no additional premium, with respect to **Losses** for **Criminal Acts** committed after the date such entity became a **Subsidiary Company** and while such entity remains a **Subsidiary Company**, subject to the following:

- (i) The **Subsidiary Company** has gross annual turnover and number of employees which are less than 25% of the gross annual turnover and number of **Employees** of the **Group Companies** at the inception date of this Policy; and
- (ii) The **Subsidiary Company** has not, in the preceding 3 years, suffered **Loss** of a type covered by this Policy (whether insured or not) which was greater than the amount of the **Deductible**.

Any such newly acquired or created **Subsidiary Company**, not meeting the above requirements, acquired or created during the **Period of Insurance** shall be included under this policy as a **Group Company** for a period of sixty (60) days from becoming a **Subsidiary Company** or until the expiry date of the **Period of Insurance**, whichever period expires first. The **Policyholder** shall (i) notify the **Insurer** in writing of the creation or acquisition of such entity, (ii) provide the **Insurer** with full underwriting information as the **Insurer** may require, and (iii) agree to any additional premium and/or amendment of the provisions of this Policy required by the **Insurer** relating to such **Subsidiary Company**. Further, the **Insurer** will only indemnify the **Policyholder** for the **Financial Interest** for a **Loss** resulting from **Criminal Acts** committed after the date such entity became a **Subsidiary Company** and while such entity remains a **Subsidiary Company** conditional upon the **Policyholder** paying, when due, any additional premium required by the **Insurer** for such new **Subsidiary Company**.

2.2.2. The **Insurer** may, at its sole discretion, also agree in writing, after having received all appropriate information to indemnify the **Policyholder** for the **Financial Interest** for a **Loss** resulting from **Criminal Acts** committed prior to the date of acquisition. With regard to such cover for prior acts, the **Insurer** reserves the right to vary the terms of this Policy.

2.3 CARE, CUSTODY AND CONTROL

The **Insurer** shall indemnify the **Policyholder** for the **Loss** of **Property**, money or **Securities** which is under the control and custody of a **Group Company** and for which such **Group Company** is legally liable.

2.4 INTEREST

The **Insurer** shall indemnify the **Policyholder** for the amount of any **Loss** corresponding to interest receivable or payable by the **Group Company** resulting directly from a **Loss** covered by this Policy provided that the **Insurer's** liability for such interest receivable or payable is calculated by applying the average base rate in force by the Central Bank in the country of the **Policyholder**, between the time of sustaining such **Loss** and the date of **Discovery** of such **Loss**.

2.5 RUN OFF COVER FOR CEASED SUBSIDIARY COMPANIES

In respect of any entity which is being sold or discontinued during the **Policy Period** and which was previously included as a **Group Company** under this Policy, this Policy shall continue to indemnify the **Policyholder** for any **Loss** in connection with any **Criminal Act** which was committed whilst such entity was a **Group Company**.

This extension will not apply if the **Policyholder** has no contractual liability for **Loss** arising out of **Criminal Acts** committed prior to the date of sale or discontinuation of such former **Group Company**.

SUBJECT TO ALL THE TERMS, CONDITIONS AND LIMITATIONS OF THIS POLICY, COVER IS EXTENDED AS FOLLOWS FOR THOSE SECTIONS SHOWN AS OPERATIVE IN ITEM 8 OF THE SCHEDULE TO THIS POLICY:

2.6 INVESTIGATION COSTS

The **Insurer** shall indemnify the **Policyholder** for **Investigation Costs** incurred by a **Group Company**, which are directly related to a **Loss** covered under this Policy.

2.7 CONTRACTUAL PENALTIES

The **Insurer** shall indemnify the **Policyholder** for any contractual penalty assumed by and enforced against a **Group Company** under a written contract, resulting directly from a **Loss** covered under this Policy. The Insurer's liability provided by this extension is sub-limited to the percentage specified in Item 5 of the Schedule.

2.8 DATA RECONSTITUTION COSTS

The **Insurer** shall indemnify the **Policyholder** for reasonable **Data Reconstitution Costs**.

2.9 EXTORTION

The **Insurer** shall indemnify the **Policyholder** for any **Loss** due to **Extortion** committed by an **Employee** of a **Group Company**.

2.10 BUSINESS INTERRUPTION

The **Insurer** shall indemnify the **Policyholder** for any reasonable **Additional Costs** incurred during the **Indemnification Period** and after the **Waiting Period** caused by a **Loss** covered under this Policy provided that these **Additional Costs** are beyond the **Group Company's** usual operational costs and necessary to the restoration of the normal course of operations of the **Group Company's** business.

For the purpose of this extension:

(i) **Additional Costs** shall mean:

- renting fee for temporary replacement equipment and temporary additional premises;
- costs of additional external workforce and overtime of **Employees**;
- costs related to transportation of equipment or documents

which have been incurred by the **Group Company** in which the **Loss** has been **Discovered**.

(ii) **Waiting Period** shall mean the period of 48 hours starting from the **Discovery** of the **Loss**.

(iii) **Indemnification Period** shall mean the period of 90 days immediately starting after the **Waiting Period**.

SECTION 3 – LIMIT OF LIABILITY AND DEDUCTIBLE

3.1 LIMIT OF LIABILITY

- 3.1.1 The **Limit of Liability** as stated in Item 3 of the Schedule shall be the **Insurer's** maximum liability payable under this Policy for all covered **Loss** sustained by all **Group Companies** and **Discovered** during the **Period of Insurance** and the **Extended Reporting Period** (if applicable). The **Limit of Liability** shall apply over and above the applicable **Deductible**.
- 3.1.2 All indemnification and sub-limits provided by the extensions pursuant to Section 2 of this Policy shall be part of, and not in addition to the **Limit of Liability** for the **Period of Insurance**, including the **Limit of Liability** for any **Extended Reporting Period** (if applicable).
- 3.1.3 Where more than one **Loss** arises from one **Criminal Act** or from a series of **Criminal Acts** which are connected causally or which are by any means inter-related or inter-connected, they shall be deemed to be a single **Loss** notwithstanding the number of **Loss** notifications that have been made and such single **Loss** shall be attributed solely to the **Period of Insurance** or the **Extended Reporting Period** (if applicable) during which the **Loss** arising from such series of **Criminal Acts** was first **Discovered**.
- 3.1.4 The aggregate liability of the **Insurer** for **Loss** or **Losses** sustained by any or all persons, companies or other entities forming part of the **Group Companies** shall not exceed the amount for which the **Insurer** would be liable if all **Losses** were sustained by any one of the persons, companies or other entities forming part of the **Group Companies**.

3.2 DEDUCTIBLE

The **Insurer** shall be liable only for the amount of any **Loss** that exceeds the applicable **Deductible**. The **Deductible** is not part of the **Insurer's** liability for any **Loss**.

A single **Deductible** shall apply to all **Loss** arising from any **Criminal Act** or series of **Criminal Acts** which are connected causally with another or which are by any means inter-related or inter-connected.

SECTION 4 – DEFINITIONS

- 4.1 **Computer Fraud** shall mean **Loss** of a **Group Company's** money, **Securities** or **Property** due to any fraudulent or dishonest misuse or manipulation by a **Third Party** of the computer systems, programs or funds transfer systems owned or operated by the **Group Company**.
- 4.2 **Corporate Transaction** shall mean any transaction involving the purchase or sale of shares, equity, debt or assets of any entity.
- 4.3 **Counterfeit** or **Counterfeiting** shall mean the intentional imitation of any currency notes or coins such that a **Group Company** is deceived on the basis of the quality of the imitation to believe that the imitation is the authentic original currency.
- 4.4 **Criminal Act** shall mean any **Internal Crime** or **External Crime**.
- 4.5 **Data Reconstitution Costs** shall mean reasonable costs (other than remuneration payable to any **Employee**, partner, **Director** or **Officer** of any **Group Company**, cost of their time or costs or overhead of any **Group Company**) incurred in the reproducing or amending the software programs or systems where such reproducing or amendment is

necessary to correct damages caused to the programs or to amend the security codes following a **Criminal Act** in respect of the use of the computer hardware or software programs or systems owned and operated by the **Group Company** and which was the subject of a **Loss** under this Policy.

- 4.6 **Deductible** shall mean the amount stated in Item 6 of the Schedule of this Policy.
- 4.7 **Discovered** or **Discovery** shall mean the moment on which the **Group Company** or any partner, **Director or Officer**, departmental head or other senior manager or the equivalent thereof, not in collusion with any person(s) committing the **Criminal Act**, becomes aware of any fact or facts that give reasonable grounds to believe that **Loss** as insured under this Policy has been incurred even though the exact amount or details of the **Loss** may not then be known.
- 4.8 **Employee** shall mean
- 4.8.1 any natural person who is employed under a contract of service with a **Group Company** (which shall include the first 60 days after the cessation of such service) in the ordinary course of the **Group Company's** business whom the **Group Company** compensates by payment of salary, wages or commissions and has the right to govern and direct in the performance of such service; or
- 4.8.2 any natural person who works under the supervision of a **Group Company** and who is subject to the same controls and procedures as the person mentioned under 4.9.1.; or
- 4.8.3 any trustee, fiduciary, administrator or officer of any **Employee Benefit Plan**; or
- 4.8.4 any natural person whose identity the **Group Company** is unable to discover, but whose **Criminal Act** caused a **Loss** under this policy and the evidence proves beyond reasonable doubt that the **Loss** was sustained due to a **Criminal Act** of a person under 4.9.1., 4.9.2. or 4.9.3.

But excluding:

- (i) Any partner in a **Group Company**;
- (ii) Any **Employee** who, at the time of **Loss**, controls more than 20 % of the voting rights of a **Group Company**;
- (iii) Any director of the **Group Company**, who is not committing an **Internal Crime** in his or her capacity as an **Employee** of the **Group Company**;
- (iv) Any external auditor, broker, factor, commission merchant, consignee, contractor, other agent, representative, or equivalent thereof.
- 4.9 **Employee Benefit Plan** shall mean any pension fund established and sponsored solely by the **Group Company** and solely to provide pension plan benefits to the **Group Company's** past, present or future **Employees, Directors and Officers** or their respective beneficiaries.
- 4.10 **Extended Reporting Period** shall mean the relevant period of cover stated in Item 9 of the Schedule of this Policy.
- 4.11 **External Crime** shall mean any fraudulent or dishonest single, continuous or repeated act(s) or a series of acts committed by a **Third Party** of:
- 4.11.1 **Theft**;
- 4.11.2 **Forgery**;
- 4.11.3 **Fraudulent Alteration**;
- 4.11.4 **Counterfeiting**;
- 4.11.5 **Computer Fraud**;
- 4.11.6 Crime not otherwise insured or excluded under this definition where the **Third Party** obtained **Improper Financial Gain** and intended to cause the **Group Company** a **Loss** and is found guilty by a final judgment in a recognized criminal court of law of such criminally sanctioned act.

External Crime shall in no event mean:

- (i) **Corporate Transaction;**
- (ii) **Voluntary Exchange or Purchase** unless covered under **Forgery, Fraudulent Alteration, Counterfeiting or Computer Fraud;**
- (iii) **Extortion.**

- 4.12 **Extortion** shall mean any threat to personally injure **Employees** or directors or officers or their family members, or to damage or destroy any tangible property (including computer systems, software or programs) owned by a **Group Company** or for which a **Group Company** is legally liable, provided that prior to surrender of the money, **Securities** or **Property**, the person receiving the threat has made a reasonable effort to report the threat to another **Employee** or director or officer, and the **Group Company** has made a reasonable effort to report the threat to the relevant authority.
- 4.13 **Financial Institution** shall mean any bank including any merchant or investment bank, finance company, insurance or reinsurance company (other than a captive owned by a **Group Company**), mortgage bank, savings and loan association, building society, credit union, stockbroker, investment trust, asset management company, fund manager or any entity established principally for the purpose of carrying on commodities, futures or foreign exchange trading or any other similar entity.
- 4.14 **Financial Instrument** shall mean cheques, drafts or similar written promises, orders or directions to pay a certain sum of money that are made, drawn by or drawn upon a **Group Company** or by anyone acting or purporting to be acting as a **Group Company's** agent.
- 4.15 The **Financial Interest** of the **Policyholder** is deemed to represent the equivalent of a **Loss** sustained by a **Group Company**.

This clause is intended to insure the interest of the **Policyholder** in the preservation of the economic value of any of its **Group Companies** from decreasing due to any of the events that would otherwise be insured under this policy.

- 4.16 **Forgery** shall mean
- (i) the signing by hand of another natural person's name, or
 - (ii) the endorsing or amending by hand without authority

of any cheque, draft, promissory note or bill of exchange given or received by the **Group Company** with the intent to deceive in consequence of which the **Group Company** has acted or transferred funds or goods.

Mechanically or electronically produced or reproduced signatures shall be treated as hand written signatures.

- 4.17 **Fraudulent Alteration** shall mean a material alteration to any **Financial Instrument** for a fraudulent or dishonest purpose by a person other than the person who was authorized to sign such **Financial Instrument**.
- 4.18 **Improper Financial Gain** shall mean any person gaining any **Property**, money or **Securities** from the **Group Company** to which that person was not legally entitled to. **Improper Financial Gain** shall in no event include salaries, bonuses, fees, commissions, promotion, emoluments or other remuneration.
- 4.19 **Group Companies** shall mean
- 4.19.1 the **Policyholder;**
 - 4.19.2 any **Subsidiary Company;** and
 - 4.19.3 any **Employee Benefit Plan.**
- 4.20 **Insurer** shall mean the legal entity stated in Item 10 of the Schedule.

4.21 **Internal Crime** shall mean any fraudulent or dishonest single, continuous or repeated act(s) or series of acts committed by an **Employee** acting alone or in collusion with others with the intention to cause a **Loss** to the **Group Company** or to obtain an **Improper Financial Gain** from the **Group Company**.

In respect of any **Internal Crime** committed by any **Employee** who is engaged in trading or dealing in stocks, shares, equities, bonds, securities, valuable papers, commodities, foreign exchange, derivatives, loans, transactions in the nature of a loan or other extension of credit and the like, the **Group Company** shall prove conclusively that such **Internal Crime** was committed by the **Employee** with the direct intention of causing the **Group Company** to suffer such **Loss** and to obtain and resulting in **Improper Financial Gain** for that **Employee** or for any other individual or organisation.

4.22 **Investigation Costs** shall mean all reasonable and necessary costs incurred by the **Group Company** to establish the amount of a **Loss** (other than remuneration payable to any **Employee**, partner, **Director or Officer** of any **Group Company**, cost of their time or costs or overhead of any **Group Company**) with the written consent of the Insurer in connection with a **Loss** to be paid under this Policy.

4.23 **Limit of Liability** shall mean the amount stated in Item 3 of the Schedule which shall be the **Insurer's** maximum liability, in the aggregate, payable under this policy.

4.24 **Loss** shall mean the direct financial loss of any **Property**, money or **Securities** sustained by a **Group Company** as a direct result of a **Criminal Act**.

Loss shall also include **Investigation Costs** and **Data Reconstitution Costs**.

4.25 **Period of Insurance** shall mean the period of time shown in Item 2 of the Schedule.

4.26 **Policyholder** shall mean the legal entity stated in Item 1 of the Schedule.

4.27 **Property** shall mean tangible property of a **Group Company** other than money or **Securities**.

4.28 **Proposal** shall mean any information and/or statements or materials supplied to the **Insurer** by or on behalf of the **Group Company** (either before or during the **Period of Insurance**), any proposal form completed and signed by the **Policyholder** for this Policy and any previous policy for which this Policy is a replacement or renewal (including any attachments thereto, information included therewith or incorporated therein).

4.29 **Securities** shall mean any bond, debenture, note, share, stock or other equity or security for debt, and will include any certificate of interest or participation in, receipt for, warrant or other right to subscribe to or to purchase, voting trust certificate relating to, or other interest in any of the foregoing items representing money or property. **Securities** shall not include money or **Property**.

4.30 **Subsidiary Company** shall mean any entity in which the **Policyholder**:

4.30.1 holds directly or indirectly more than 50% of the voting rights; or

4.30.2 appoints a majority of the board of directors (or equivalent in any other country); or

4.30.3 has the right, pursuant to a written agreement with other shareholders, to appoint a majority of the board of directors (or equivalent in any other country); or

4.30.4 has the right to control the day-to-day management of the relevant entity and sets security and internal control procedures, whether financial or operational.

Cover for any **Subsidiary Company** shall only apply in respect of **Loss** arising out of any **Criminal Act** committed whilst such entity is a **Subsidiary Company** of the **Policyholder**.

4.31 **Theft** shall mean the intentional permanent deprivation of money or **Securities**.

4.32 **Third Party** shall mean any other person or entity than the **Group Company**, not being an **Employee** or acting in collusion with an **Employee**, and not being excluded from the definition of **Employee**.

4.33 **Voluntary Exchange or Purchase** shall mean the voluntary giving or surrendering (whether or not such giving or surrendering is induced by deception) of money, **Securities** or **Property** in any exchange or purchase.

SECTION 5 – EXCLUSIONS

THE INSURER SHALL NOT BE LIABLE TO MAKE ANY PAYMENT FOR:

5.1 WAR & TERRORISM

Loss which arises directly or indirectly out of war, terrorism, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportion of or amounting to a popular uprising, military or usurped power, martial law, riot, the act of any lawfully constituted authority.

5.2 KIDNAP AND RANSOM

Loss arising out of or in connection with kidnap, ransom or any threat thereof.

5.3 INTELLECTUAL PROPERTY RIGHTS AND TRADE SECRETS

Loss of or arising from the accessing of any confidential information including but not limited to trade secrets, computer programs, customer information, patents, trademarks, copyrights or processing methods, except to the extent that any such information is used to support or facilitate the committing of a **Criminal Act** covered by this Policy.

5.4 TAXES, FINES AND PENALTIES

Taxes, fines and penalties of any type for which the **Group Company** is legally liable, except direct compensatory damages arising out of a **Loss** covered under this Policy or as provided under extension 2.7 above.

5.5 CONSEQUENTIAL LOSS

Indirect or consequential loss, unless covered under extensions 2.4, 2.6, 2.7, 2.8 and 2.10 above.

5.6 PENDING AND PRIOR LOSSES AND CIRCUMSTANCES

Loss which was pending at, or **Loss** or circumstances the **Group Company discovered** prior to the inception date of the **Period of Insurance** subject to the notification requirements in accordance with Section 6.1.

5.7 RETROACTIVE COVER

Loss sustained by the **Group Company** resulting from **Criminal Acts** committed prior to the Retroactive Date stated in Item 4 of the Schedule (if applicable).

If the first **Criminal Act** of a series of **Criminal Acts**, which are connected causally with another or which are by any means inter-related or inter-connected, was committed before the Retroactive Date, the total **Loss** sustained by the **Group Company** shall be deemed not covered under this Policy.

5.8 FIRE

Loss caused by any fire.

5.9 FRAUDULENT EMPLOYEE

Loss caused by any **Employee** whom the **Group Company** was aware had previously committed a **Criminal act** before or after the date of commencement of employment by the **Group Company**.

5.10 EXCLUSIONS ONLY APPLICABLE TO EXTERNAL CRIME

The **Insurer** shall not be liable to make any payment for:

5.10.1 TRADE FINANCE AND TRADE LOANS

Loss resulting from the full or partial non-payment of or default under any:

- (i) credit agreement, extension of credit or hire purchase agreement;
- (ii) loan or transaction of the nature of a loan;
- (iii) lease or rental agreement;
- (iv) invoice, account, agreement or any other evidence of debt; or

However, this exclusion shall not apply to any **Loss** where the **Group Company** has relied or acted upon any document that contains **Forgery**, **Fraudulent Alteration** or **Counterfeit** of currency notes or coins.

5.10.2 SPECIFIC DOCUMENTS

Any **Loss** in connection with the **Forgery**, **Counterfeit** or **Fraudulent Alteration** of, on or in, any account receivable, or assignments thereof, bills of lading, warehouse or trust receipts, or receipts serving a similar purpose.

SECTION 6 – GENERAL CONDITIONS

6.1 NOTIFICATION OF LOSS

It is a condition precedent to the liability of the **Insurer** under this Policy that as soon as reasonably possible upon the **Discovery of Loss** the **Policyholder** shall notify the **Insurer** by written notice, but in all events no later than six (6) months after the expiry of the **Period of Insurance** or the **Extended Reporting Period** (if applicable). Such notice shall include but not be limited to a description of the circumstances leading to the **Loss**.

Written notice hereunder shall be given in writing to the **Insurer** named in Item 10 of the Schedule at the address indicated in Item 11 of the Schedule, and be effective from the date of receipt by the Insurer at the above address.

6.2 SUBROGATION

The **Insurer** may at any time at its own expense take such steps as it may deem necessary to obtain reimbursement from any person (or that person's estate) committing a **Criminal Act** against the **Group Company** resulting in a **Loss** which the **Insurer** shall have paid or become liable to pay under this Policy and for this purpose use the name of the **Group Company**. The **Policyholder** shall as and when required give all necessary information and assistance to the **Insurer**.

6.3 RELIANCE

In granting cover under this Policy the **Insurer** has relied upon the **Proposal** which forms the basis of this contract of insurance and shall be considered as incorporated in and constituting part of this Policy.

6.4 VALUATION OF LOSSES

(i) SECURITIES

In no event shall the Insurer be liable in respect of **Securities** for more than the actual cash value thereof at the close of business on the business day on which the **Loss** was **Discovered**.

(ii) BOOKS OF ACCOUNTS AND RECORDS

In the case of **Loss** of or damage to property consisting of books of accounts or other records (other than electronic data) used by the **Group Company** in the conduct of their business, the **Insurer** shall be liable under this Policy only if such books or records are actually reproduced and then for not more than the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data which shall have been furnished by the **Group Company** in order to reproduce such books and other records.

(iii) ELECTRONIC DATA

In the event that a **Loss** covered under this Policy results in the destruction, erasure or theft of electronic data used by the **Group Company** while such data is stored within the **Group Company's** computer systems, the **Insurer** shall be liable under this Policy if such data is actually reproduced and cover hereunder shall only apply to the cost of labour for the actual transcription or copying of data, which shall have been furnished by the **Group Company** in order to reproduce such electronic data.

(iv) **DAMAGE TO PREMISES**

In the case of damage to the premises, the **Insurer** shall not be liable for more than the actual diminution in value of the property.

(v) **FOREIGN CURRENCY**

If a foreign currency (being a currency other than the currency in which this Policy is written) is involved in a **Loss** sustained by the **Group Company** under this Policy, then for the purpose of any calculation required in the settlement of a **Loss**, the rate of exchange shall be the published rate by Financial Times on the date of such settlement.

(vi) **PROPERTY**

In no event shall the **Insurer** be liable in respect of **Property** (not included in the above), for more than the actual cash value thereof at the time of **Loss** or for more than the diminution in value of the property of such property or of replacing same with property or material of like quality and value, provided however, the actual cash value of such other property held by the **Group Company** as a pledge, or as collateral for an advance or loan, shall be deemed not to exceed the value of the property as determined and recorded by the **Group Company** when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.

6.5 RECOVERIES

Any sums recovered following a payment or payments under this Policy shall, after the deduction of the costs incurred in the course of such recovery be distributed as follows:

- (i) Firstly to the **Policyholder** in respect of any amount by which the amount of the **Loss** exceeded the **Limit of Liability**;
- (ii) Secondly to the **Insurer** to the extent of the **Loss** paid or payable;
- (iii) Finally to the **Policyholder** for the amount of any **Deductible** applicable.

6.6 CHANGE IN CONTROL

If during the Period of Insurance a **Change in Control** occurs which results in

- (i) the liquidation (whether voluntary or compulsory) of the **Policyholder** or the appointment of a trustee in bankruptcy, receiver, or liquidator (or similar official or person) for the **Policyholder**, or
- (ii) control of the **Policyholder** being taken over by any government or by officials appointed by any government or local authority

(hereafter called '**Change in Control**')

then the cover provided by this Policy shall only apply to **Criminal Acts** which occurred prior to the effective date of such **Change in Control** and which were first **Discovered** during the **Period of Insurance** and notified to the **Insurer** in accordance with Section 6.1 of this Policy.

The **Policyholder** shall give written notice to the **Insurer** of such **Change in Control** as soon as reasonably practicable. Notwithstanding the effect on cover caused by such a **Change in Control** there shall be no entitlement to cancellation of this Policy by any party hereto and the entire original premium for this Policy shall be deemed to have been fully earned as of the date of the **Change in Control**.

6.7 CANCELLATION

This Policy may not be cancelled by the **Insurer**, except for non-payment of premium.

6.8 APPLICABLE LAW

This Policy shall be exclusively governed by and shall be exclusively construed in accordance with the applicable law as specified in Item 12 of the Schedule of this Policy and is subject to the exclusive jurisdiction specified in Item 12 of the Schedule of this Policy.

6.9 ARBITRATION

Prior to the commencement of any judicial proceeding, the **Policyholder** or the **Insurer** may request that any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force.

The Arbitration Tribunal shall consist of three arbitrators, one to be appointed by the **Policyholder**, one to be appointed by the **Insurer** and the third to be appointed by the two appointed arbitrators. The third member of the Tribunal shall be appointed as soon as practicable (and no later than thirty (30) days) after the appointment of the two party-appointed arbitrators. The Tribunal shall be constituted upon the appointment of the third arbitrator. The arbitrators shall be persons (including those who have retired) with not less than ten years' experience of insurance or reinsurance within the industry or as lawyers or other professional advisers serving the industry.

The arbitration shall be conducted in English and it will take place in the jurisdiction specified in Item 12 of the Schedule of this Policy.

6.10 ALTERATION AND ASSIGNMENT

No change in, modification of, or assignment of interest and rights under this Policy shall be effective under any circumstances except when made by a written endorsement to this Policy which is signed by an authorized representative of the **Insurer**.

6.11 FRAUDULENT NOTIFICATIONS

If any notification under this Policy is in any respect fraudulent or if any fraudulent means be used by the **Policyholder** or any one acting on their behalf to obtain any benefit under this Policy or if any **Loss** be caused or contributed to by the wilful act or with the connivance of the **Group Company** all benefit under this Policy shall be forfeit and the **Policyholder** shall immediately reimburse the **Insurer** for any payments that it may have made in respect of such notification.

6.12 PAYMENT OF LOSS

Payment of any **Loss** under this Policy to the **Policyholder** shall fully release the **Insurer** on account of such **Loss**.

6.13 KNOWLEDGE

Knowledge possessed or discovery made by any person, company or entity forming part of the **Group Companies** or by any partner, director or officer, departmental head or other senior manager or the equivalent thereof shall be deemed to constitute knowledge possessed or discovery made by all other persons, companies or entities forming part of the **Group Companies**.