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Fidelity Guarantee Insurance Policy

You are in safe hands

Welcome to your Fidelity Guarantee Insurance Policy

Dear Esteemed customer,

On behalf of MAYFAIR INSURANCE COMPANY RWANDA Ltd I would like to thank you for choosing us as your insurer.

Our commitment is to the policyholder quality service and suitable insurance products, such as the one you have purchased.

This policy is a document. It is the evidence of the contract that we have made with each other. Please read it carefully and if you have any questions, contact your intermediary (if any) or us.

Yours faithfully,

General Manager / Underwriting Manager.

Mayfair Insurance Company Rwanda Ltd

FIDELITY GUARANTEE INSURANCE POLCY

Policy Number: _____

Period of Insurance: From: _____ To: _____

(Both dates inclusive) And any subsequent period for which the Insured shall pay and the Company shall accept a renewal premium.

IMPORTANT NOTES

1. Please read this Policy document carefully. If you find that the Policy does not meet your requirements please contact us or write to us and return the document to the Company within 30 days with your suggestions for consideration.
2. Any material change affecting the property Insured by this Policy must be advised to the Company immediately.
3. In the event of any loss or damage to the Insured property, immediate notice should be given to the Company. Prompt reporting of a loss is important for preserving evidence that may be critical in determining admissibility of the claim and amount payable. You shall comply with all the conditions of this Policy. In the event of a claim, you shall provide all facts, information and supporting documentary evidence to enable the Company to process your claim.
4. This Policy is not transferable.

FIDELITY GUARANTEE INSURANCE POLICY**THE INSURANCE AGREEMENT**

Whereas the Insured carrying on the business described in the Schedule and for the purpose of this insurance has by a proposal and declaration written application or statement which shall be the basis of this contract has applied to MAYFAIR INSURANCE RWANDA COMPANY Ltd (herein after called the Company) and in consideration of payment of premium for the insurance herein contained;

NOW THIS POLICY WITNESSES that the Company has, subject to the terms, exceptions and conditions of this policy agreed to indemnify the Insured against all direct financial loss which the Insured shall sustain;

- a) during the Period of Insurance and any other further period that the Company may accept to renew this Policy and
- b) during the uninterrupted continuance of employment of such an employee in the course of his duties and discovered during the currency of this insurance or within six months after expiry or six months after termination of such employment whichever shall first happen;

following any act of fraud or dishonesty committed by an Insured Employee acting alone or in collusion with others, provided always that such fraudulent or dishonest acts are committed with the manifest intent to :-

- a) cause the Insured to sustain such a loss and
- b) to obtain financial benefit for the employee, or for any other person or organization intended by the employee to receive such benefits other than benefits earned in the normal course of employment.

The liability of the Company shall in no case exceed the limits expressed in the Schedule.

DEFINITIONS**Material facts**

Every information which can influence the Company's decision in accepting the risk and determining the terms.

Employee

A person who is engaged under a contract of service, the positions and/or names of whom are declared in the Schedule for insurance under this policy but does not include:

- a) The Insured ;
or
- b) A director, partner or sole proprietor of the Business, a trustee of a trust that owns the Business , commission agent, consignee, contractor, investment banker or other agent or representative of the Business.

Direct Financial Loss

Loss of money or property as defined sustained by the Insured following fraudulent or dishonest acts of employees.

Discovery period

The duration within which the Insured, director, manager or officer of the Insured becomes aware of acts which

a reasonable person would assume to be a loss covered by this policy.

Business

The trade or occupation of the Insured described in the schedule.

Fraud or Dishonesty

Shall mean the act of stealing, misappropriation, forgery, embezzlement or any other act on the part of the employee which results in direct financial loss to the insured employer.

Money

The term Money shall be deemed to mean and to include cash and/or any other financial instrument that is easily convertible into cash. Foreign currency shall be equivalent to local currency at the prevailing Central Bank Mean rate at the time of loss.

Property

Shall mean stock, inventory or other items belonging to the Insured or for which the Insured is responsible.

Excess

The amount the Insured shall bear as the first part of each and every claim made under the Policy. If the loss leads to a claim under more than one section of the policy, the highest applicable excess is payable.

EXCEPTIONS

The Company shall not be liable to make any payment under this Policy in respect of:

- a) Any losses discovered later than the discovery period stated in the Policy.
- b) Any losses sustained by the Insured by any acts of fraud or dishonesty committed by any employee or category of employees not in the Schedule of this Policy or an employee not on permanent terms of service.
- c) Any loss caused by an employee appointed with the Insured's prior knowledge of any acts of theft, fraud or dishonesty committed by such employee before employment or appointment to the position held at the time of loss.
- d) Any losses caused by any commission agent, consignee, contractor or other agent or representative of the Insured.
- e) Any losses caused by the Insured, director, trustee, partner or any person acting on their behalf.
- f) Any unexplained losses.
- g) The excess amount applicable for each and every loss as stated in the Schedule.
- h) Consequential loss of any kind.

Basis of settlement

The basis of settlement shall be:

- 1) In respect of cash:- The actual cash loss subject to the limits stated in the Schedule;
- 2) In respect of foreign currency:- The rate of exchange to be applied shall be the Central Bank Mean Rates prevailing at the time of loss.
- 3) On stocks:- Cost or market value of goods whichever is lower at the close of business on the business day immediately preceding the day on which the loss was incurred.
- 4) On securities:- The lesser of the mid-market value of securities at the close of business on the day that the loss was incurred, or the cost of replacing the Securities.

Where the 'Guarantee Limit' is shown for a particular employee the same limits will apply for all acts of fraud committed by that employee.

Where the 'Guarantee Limit' is shown for a number of Employees the same limit will apply for all acts of fraud committed by any one or more of those employees.

CONDITIONS

1. 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. Reasonable Due Care

The Insured shall take reasonable precautions to ensure that the system of checks and controls is observed for purpose of preventing or reducing loss.

3. Due Diligence

It is a condition of this policy that the Insured shall exercise due care in engaging employees covered under this Policy, prior to entrusting them with money or property. For purposes of this condition, exercising due care shall mean obtaining satisfactory references or any other relevant information from reliable sources about the employee's trustworthiness.

4. Material Disclosure

If there shall be any miss description, misrepresentation or non-disclosure of a material fact from the information supplied by the Insured whether by the said proposal and declaration written application or statement, this Policy shall be null and void.

5. Alteration

The Insured shall notify the Company in writing if the circumstances in which the insurance was entered into be materially altered and the risk of loss increased.

Unless such alteration is declared to the Company and its written consent to continue the insurance be obtained, the Company shall not be liable for any losses arising due to any such alteration.

6. Claims Procedure

Upon knowledge or discovery of loss or an occurrence which may give rise to a claim or loss under this Policy the Insured or his representatives shall;

- a) Notify the Company of the loss as soon as reasonably practicable but not later than fourteen (14) days from the date of discovery.
- b) Deliver to the Company in the format required a statement of the loss with relevant information and other particulars including date and circumstances of the event so far as the same are known.
- c) Report the matter to the Police and take steps towards recovery of the lost money and/or property.
- d) Provide any additional information that will assist in dealing with the claim.

7. Recovery

The Insured shall withhold and treat as a recovery any dues which would have been due to the employee but for the act of fraud or dishonesty and any amounts so recovered shall be deducted from the amount otherwise payable under the Policy.

8. Fraudulent Claims

If the Insured or his representative shall make a claim knowing the same to be fraudulent the claim shall not be payable. The Company may in addition refer the matter to the relevant law enforcement authority.

9. Contribution

If at the time any claim arises under this Policy there be any other insurance covering the same loss the Company shall not be liable to pay more than its proportionate share of such loss.

10. Communication

Every written communication to the Insured shall be sent to the Insured's last known address or delivered personally.

Notices and information to the Company must be in writing and sent to the registered office of the Company or its branch office.

11. Subrogation

The Company may at its own expense use legal means in the name of the Insured for recovery of any property lost or its value and the Insured shall give all reasonable assistance for that purpose.

Upon settlement or making good any loss or damage under the policy the Company shall be entitled to any property recovered.

12. Cancellation

The Policy may be cancelled at any time at the request of the Insured in which case the Company will retain a premium calculated on pro rata basis for the time this Policy has been in force and provided no claim has arisen during the current Period of Insurance. The Policy may also be cancelled at the option of the Company on 14 days' notice being given to the Insured in writing in which case the Company shall be liable to return a proportionate part of the premium for the unexpired period of the Policy from such date of cancellation.

13. Transfer of rights

Nothing contained in this Policy shall, unless expressly stated, give any rights against the Company to any person other than the Insured, his executors or administrators, and the Company will not be bound by any passing of the interest otherwise than by death or operation of law unless and until the Company shall by endorsement declare the insurance to be continued.

14. Dispute Resolution

- a. For any disputes arising out of this Policy the Insured shall endeavor to resolve the matter by negotiation with the Company.
- b. Any disputes or issues not resolved by negotiation 30 days after the dispute arising may be resolved through a sole mediator jointly appointed by the parties in writing.
- c. Disputes that remain unresolved 60 days after the dispute arose (unless the parties extend that period in writing) shall be resolved by a sole arbitrator appointed either by the parties in writing or, in the absence of an agreement on the choice of arbitrator, upon the request of any of the parties.

15. Due Observance

Compliance, observance and fulfillment of the terms of this Policy by the Insured shall be a condition precedent to any liability attaching under this Policy.

16. Jurisdiction Clause

The indemnity provided by this Policy shall apply only in respect of judgments which are in the first instance delivered by or obtained from a court of competent jurisdiction within the Republic of Rwanda.

CLAUSES ATTACHING TO AND FORMING PART OF THE POLICY;

AUTOMATIC ADDITIONS AND DELETIONS CLAUSE

It is hereby declared and agreed that this policy shall extend to include additional employees engaged by the insured and will automatically hold them covered under this Policy provided that within a period not exceeding thirty (30) days after employment of such employees the Insured shall declare in writing to the Company all details relating to such employees and pay the appropriate additional premium. On leaving employment employees will automatically be deleted from the Policy and the premium adjusted at the applicable rates.

COLLUSION WITH OTHER EMPLOYEES

It is hereby understood that any acts of fraud and or dishonesty or series of acts or dishonesty committed by two or more employees acting in collusion is deemed to be one claim in the terms of the policy and in event the of such a claim arising the Limit of Guarantee to be applied shall be deemed to be the highest individual limit or the collusion limit stated in the Policy.

PREMIUM PAYMENT WARRANTY

Notwithstanding anything contained herein to the contrary it is hereby understood and agreed that the indemnity provided by this policy will only apply on payment of full premium to the Company in accordance with the insurance laws and regulations of Rwanda. Subject otherwise to the terms conditions limitations and exceptions of the policy.

MEMORANDUM

The insured not having completed the Insurer's formal printed proposal for this class of business but having proposed to the insurer by means of Brokers Placing Slip wherever the within policy makes a reference to "Proposal" or "Proposal and Declaration" these terms shall be deemed to include the Insured's said proposal in

lieu thereof.

Subject otherwise to the terms, provisos, conditions and exclusions of the policy.

EXCESS CLAUSE

It is hereby declared and agreed that the insured shall be responsible for the first amount stated in the schedule of each and every claim .