

PRODUCT DISCLOSURE SHEET



LONPAC INSURANCE BHD (307414-T)

(Please read this Product Disclosure Sheet before you decide to take out the *Fidelity Guarantee* insurance. Be sure to also read the general terms and conditions.)

Fidelity Guarantee

1 January 2010

1. What is this product about?

This policy indemnifies you as the employer against pecuniary loss sustained as a result of a dishonest act of your employee(s).

2. What are the covers / benefits provided?

This policy covers pecuniary or financial losses you sustained due to any act of fraud or dishonesty committed by your employees such as :

- misappropriation of fund or stock,
- theft of properties or abscondment of money,
- fraudulent act resulting in your financial loss unless excluded under the policy.

Duration of cover is for one year. You need to renew your insurance policy annually.

3. How much premium do I have to pay?

The premium you have to pay may vary depending on the sum insured, nature of your business, number of employees and our underwriting requirements:

Example

<i>Policy Limit of Liability</i>	<i>RM 200,000</i>
<i>Number of employees</i>	<i>30 personnel</i>

The estimated gross premium which is including agent's commission but excluding service tax and stamp duty is RM 2,650.

4. What are the fees and charges that I have to pay?

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|--|---|
| <ul style="list-style-type: none">• Commission to the insurance agent• Service tax (for business entity)• Stamp duty | <ul style="list-style-type: none">• Up to 25%• 5%• RM10 |
|--|---|

5. What are some of the key terms and conditions that I should be aware of?

- Duty of disclosure - You must disclose all material facts which you know or ought to know. You must ensure that the proposal form is completed accurately as it forms the basis of the insurance contract.
- Premium warranty - Premium must be paid within 60 days from the inception date of the cover. Otherwise, the cover is automatically cancelled and you will still be responsible to pay the proportion of premium for the 60 days.
- Limit of liability - You must ensure the limit of liability which you are insured is adequate.
- Claims - Should you become aware of any circumstances likely to give rise to a claim, you or your representative shall immediately give notice to us stating if known the whereabouts of the employee and particulars of the acts or defaults then discovered.

Note:

This list is non-exhaustive. Please refer to the policy contract for the full list of terms and conditions under this policy.

6. What are the major exclusions under this policy?

This policy does not cover:

- Unexplained losses or shortages in inventory
- Loss due to unidentifiable employee
- Non-notification to us of changes in your nature of business and duties of employees
- More than one claim in respect of any one of your employee

Note:

This list is non-exhaustive. Please refer to the policy contract for the full list of exclusions under this policy.

7. Can I cancel my policy?

You may cancel the policy at any time by giving written notice to us. Upon cancellation, any refund of the premium would be based on the conditions stipulated in the policy contract.

8. What do I need to do if there are changes to my contact details?

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

9. Where can I get further information?

If you have any enquiries, please contact us at:

**Customer Service Department
Lonpac Insurance Bhd
LG Floor, Bangunan Public Bank
6 Jalan Sultan Sulaiman
50000 Kuala Lumpur
Tel : 03 2262 8688
Fax : 03 2715 1332
E-mail : customerservice@lonpac.com**

Authorised agent:

10. Other types of Fidelity Guarantee insurance available

None

IMPORTANT NOTE:

YOU MUST ENSURE THAT YOU ARE INSURED AT THE APPROPRIATE AMOUNT. YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND DISCUSS WITH THE AGENT OR CONTACT US DIRECTLY FOR MORE INFORMATION.

This Product Disclosure Sheet is for general information only and is valid as at 01.01.2010.