



ACCOUNTANTS' PROFESSIONAL INDEMNITY INSURANCE

AXA PI (General) – 2018 version

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Welcome to AXA

Thank you for choosing AXA.

Please read carefully all documents that We have provided and keep them in a safe place.

If You have any questions, need anything explaining or believe this contract does not meet Your needs, please contact Us or Your insurance adviser.

Your policy

This Policy is a contract of insurance between You and Us.

The information, or any declaration, which You or anyone on Your behalf has provided to Us in applying for the insurance together with your Policy, forms the basis of the contract.

The Policy describes the insurance cover for which We have accepted Your premium.

This insurance is renewable provided that We agree to renew this insurance and accept Your premium for any subsequent period of insurance. A new schedule will be issued for each period of insurance showing any changes to Your cover.

Your Policy booklet is divided into a number of sections and must be read together with Your schedule and any endorsements. Where a section does not apply, Your Schedule will state that it is 'not covered'.

Throughout this Policy, We use definitions and headings. Definitions are used to explain what a word means.

Headings have been used for Your guidance and do not have legal effect.

Making a claim

If You need to make a Claim please first check Your Policy to make sure You are covered. You must then follow the instructions provided on page 9 under the Standard Conditions 3 Notice of Claims and Circumstances.

Please contact Your insurance adviser who will help Us deal with Your Claim quickly and fairly.

If, for any reason, you are unhappy with the service you have received from us, you can take the following steps:-

1. In the first instance, please write to our Customer Service Department at our current address. Alternatively, you can e-mail us at: customer.service@axa.com.my
2. If you are still not satisfied with the way any issue has been handled you can:
 - (a) Refer matters concerning claims to:
Ombudsman for Financial Services - Level 14, Main Block, Menara Takaful Malaysia, No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur.
Tel: (603) 2272 2811 Fax: (603) 2272 1577
 - (b) Submit your complaints/feedback at Laman Informasi, Nasihat dan Khidmat (LINK), Bank Negara Malaysia; or call BNMTELELINK at 1-300-88-5465; or fax to 03-2174 1515; or e-mail to bnmtelelink@bnm.gov.my; or send letter to P.O Box 10922, 50929 Kuala Lumpur.

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Professional Indemnity Insurance (General)

This is a claims-made policy. This Policy only covers Claims first made against You during the Period of Insurance and notified to Us in same Period of Insurance.

Coverage

1. Liability

We will indemnify You for your civil liability to pay any Loss arising from Claim, first made against You and notified to Us during the Period of Insurance, in respect of an act, error or omission in the course of providing Professional Services actual or allegedly committed by You within the Territorial and after the Retroactive Date.

2. Legal Costs and Expenses

For Claim where coverage is afforded by this Policy, We will also indemnify You the Defence Expenses incurred to defend such Claim.

3. Limit of Indemnity

- (a) The amount stated in limit of indemnity of the Schedule shall be Our maximum aggregate limit of indemnity under this Policy for all Loss from all Claims for which this Policy provides coverage, regardless of the time of payment by Us.
- (b) Defence Expenses shall be part of and not in addition to the limit of indemnity and payment of Defence Expenses by Us shall reduce such limit of indemnity.
- (c) Each sub-limit of indemnity is the maximum amount We will pay in the limit of indemnity under this Policy as Loss in respect of any insurance covers or extensions to which it applies. Each sub-limit stated herein this Policy or any subsequent endorsement/extension shall be part of, and shall not be in addition to, the maximum aggregate limit of indemnity as stated in the Schedule.
- (d) If the limit of indemnity is exhausted by the payment of Loss arising during the Period of Insurance, all Our obligations under this Policy shall be completely discharged and extinguished and We shall have no further obligations of any kind or nature whatsoever under this Policy and the premium shall be Fully Earned.

4. Deductible

- (a) The Deductible amount set out in the Schedule shall be borne by You at Your own risk and We shall only be liable to indemnify You for that part of any Loss and/or Defence Expenses which exceed the Deductible.
- (b) The Deductible shall apply to each and every Claim arising under this Policy. Related Claims shall be deemed to constitute one single Claim under the Policy and only one Deductible is applicable (except in the event described in 4(c)).
- (c) In the event of a single Claim (including Related Claims deemed to be a single Claim in 4(b) above) where it involves two or more individual claimants (including single Claim involving multiple individual claimants represented by a single lead claimant), You shall bear at Your own risk, a separate Deductible for each individual claimant and We shall only be liable to indemnify You for that part of any Loss and/or Defence Expenses which exceeds the separate Deductible applicable to that claimant.
- (d) Nothing in this section shall be interpreted as an increase in limit of indemnity insured under this Policy.

Extensions

We agree to provide You with the following cover provided that nothing contained here will increase the limit of indemnity under this Policy.

1. Loss of Documents

We will indemnify You the reasonable costs and expenses for replacing or restoring Documents which have become damaged or lost and cannot be found after diligent search in the conduct of Your Professional Services, provided that:

- (a) the loss or damage occurs whilst the Documents are in Your custody or control, in transit or entrusted by You to another party; and
- (b) the loss or damage is discovered by You and notified to Us during the Period of insurance; and
- (c) the amount of any Claim for such costs and expenses shall be supported by bills and accounts which shall be subject to approval by a competent person to be nominated by Us.

You must tell Us as soon as possible within the Period of Insurance when You discover any loss or damage to Documents.

The cover provided under this clause is sub-limited up to **RM100,000.00** for any one claim and in the aggregate. This sub-limit forms part of and is not payable in addition to the limit of indemnity. The limit of indemnity under this Policy shall not be increased by reason of this Extension.

2. Dishonesty of Employees

It is hereby declared and agreed that We will indemnify You the Loss You are legally liable to pay from Claim, first made against You and notified to Us during the Period of Insurance, for any civil liability including liability for such claimant's costs and expenses arising from dishonest or fraudulent acts or omissions committed by any of Your Employee in connection with Your Professional Services within the Territorial and after the Retroactive Date, provided that:

- (a) the dishonest or fraudulent acts or omissions are not committed by past or present sole-proprietor, principal, partner or director; and
- (b) no person committing or condoning dishonest or fraudulent acts or omission shall be entitled to cover; and
- (c) no cover will be extended for dishonest or fraudulent acts or omissions committed by any person after You discover or have reasonable cause for suspicion of fraud or dishonesty on the part of that person.

Any dishonest or fraud committed by two or more Employees who were acting together will be regarded as one Claim.

For the purpose of this Extension, General Exclusion 2 Conducts and Intended Loss paragraph (a) will not apply insofar as this Extension provides coverage.

For the purpose of this Extension, Employee means any person working for You in connection with the Professional Services:

- (a) under a contract of service with you
- (b) who is hired or lent to you
- (c) who is self-employed
- (d) on a voluntary basis
and who is under your control or supervision.

You must tell us as soon as possible within the Period of Insurance of the discovery of any dishonest or fraudulent act or omission or any reasonable suspicion that an Employee has acted dishonestly or fraudulently.

3. Consultants, Contractors, Subcontractors and Agents Extension (Vicarious Liability)

We will indemnify You the Loss You are vicariously liable to pay from Claim, first made against You and notified to Us during the Period of Insurance, in respect of Wrongful Act committed by Your consultant, contractor, subcontractor or agent within the Territorial and after the Retroactive Date.

This extension does not:

- (a) make any such consultant, contractor, subcontractor or agent an Insured;
- (b) affect Our entitlement to be subrogated to Your rights against such consultant, contractor, subcontractor or agent.

4. Estates and Legal Representatives

This Policy is extended to provide coverage to Your estates, heirs, legal representatives or assigns in the event of Your death or incapacity, provided always that such persons or entities shall observe and be subject to all the terms, conditions and limitations of this Policy insofar as they can apply.

All other terms, conditions and limitations of this Policy shall remain unchanged, including, but not limited to, the maximum aggregate limit of indemnity set forth in Schedule.

5. Defamation

We will indemnify You the Loss You are legally liable to pay from Claim, first made against You and notified to Us during the Period of Insurance, in respect of civil liability for libel and slander committed without intentional malice by You in connection with Your Professional Services within the Territorial and after the Retroactive Date, provided that the libel and slander is also a breach of Your professional duty.

6. Joint Venture Liability

We will indemnify You the Loss You are legally liable to pay from Claim, first made against You and notified to Us during the Period of Insurance, in respect of Wrongful Act committed by You as a participant in a joint venture and in connection with Your Professional Services within the Territorial and after the Retroactive Date, provided that:

- (a) the indemnity given shall only relate to Your proportion of any liability incurred by such joint venture; and
- (b) your income derived from participation in such joint venture shall have been included in the calculation of income furnished by You for the purposes of calculating premium for this Policy.

This extension does not:

- (a) make any joint venture participant an Insured; and/or
- (b) apply in circumstances where a separate entity is incorporated in furtherance of the joint venture unless such entity is specifically added as an Insured hereunder; and/or
- (c) apply to Claims made by other joint venture participant.

7. Automatic Run-Off Cover

If during the Period of Insurance, the Policyholder ceases to exist or operate or are consolidated with, merged into or acquired by any other entity, this Policy shall continue to provide coverage to until the expiry date of the Period of Insurance.

It is further understood and agreed that this extension shall only apply in respect of Your legal liability arising from an act, error or omission committed or omitted or alleged to have been committed or omitted prior to the effective date that such entity ceased to exist or operate or were consolidated with, merged into or acquired by another entity, unless otherwise agreed in writing by Us.

8. Newly Created or Acquired Entity or Subsidiary

It is hereby understood and agreed that this Policy is extended to provide coverage to any entity or subsidiary acquired or created by You during the Period of Insurance in respect of Claims which are made against it during the period of insurance and which are made within thirty (30) days from the date of creation or acquisition, provided always that such entity or subsidiary:

- (a) not domiciled in USA and Canada; and
- (b) undertakes the same Professional Services

Subsidiary shall mean:

- (a) any entity which by virtue of any applicable legislation or law is deemed to be Your subsidiary; or
- (b) any entity over which You are in a position to exercise effective direction or control through ownership or control of more than 50% of the issued voting shares of such entity.

This extension shall only apply in respect of Your legal liability arising from a Wrongful Act committed or omitted or alleged to have been committed or omitted from the date of such acquisition or creation, unless otherwise agreed in writing by Us.

9. Intellectual Property

It is hereby declared and agreed that We will indemnify You the Loss You are legally liable to pay from Claim, first made against You and notified to Us during the Period of Insurance, in respect of civil liability for unintentional breach of any intellectual property right except patent committed by You in connection

with Your Professional Services within the Territorial and after the Retroactive Date, provided that the unintentional breach of intellectual property right is also a breach of Your professional duty.

10. Continuous Cover

Notwithstanding General Exclusion 1 Prior and Pending Claim, should a Claim which should have been notified, or a circumstance which could have been notified, to Us under an earlier Accountants' Professional Indemnity Policy issued by Us, then We will accept the notification of such Claim or circumstance under this Policy provided that We have continuously been the insurer under an Accountants' Professional Indemnity Insurance Policy between the date when such notification should have been given and the date when such notification was, in fact, given.

We may reduce Our liability under the Policy to the extent of any prejudice We may suffer in connection with Your failure to notify the facts or circumstances giving rise to a Claim prior to the Period of Insurance.

If the indemnity or cover available under this Policy is greater or wider than what You would have been entitled to under the policy to which the notification should have been made, then We shall only be liable to indemnify You to the extent to which indemnity would have been afforded by the policy to which the notification should have been made.

11. Inquiry Costs

It is hereby declared and agreed that We will indemnify You for Your reasonable legal costs and expenses arising out of any notice requiring Your attendance at an inquiry, prosecution or hearing of a disciplinary nature held before a legally constituted industry or professional disciplinary board and first received by You and notified to Us during the Period of Insurance, provided that:

- (a) such indemnity is subject to Our written consent prior to the incurring of such legal costs and expenses; and
- (b) Your regular or overtime wages, salaries or fees are excluded from this indemnity; and
- (c) the most We will pay in any one Period of Insurance is sub-limited to RM200,000 in the aggregate. This sub-limit forms part of and is not payable in addition to the limit of indemnity. The limit of indemnity under this Policy shall not be increased by reason of this Extension.

12. Principals' Previous Business

We will indemnify You the loss that You are legally liable to pay from Claim first made against You and notified to Us during the Period of Insurance, in respect of a negligent act, negligent error or negligent omission committed or omitted or alleged to have been committed or omitted in the conduct of the same profession as Your Professional Services prior to joining the Insured, on the part of any person who is or becomes Your principal, director or partner during the Period of Insurance.

It is further understood and agreed that this extension applies only in excess of any other professional indemnity insurance policies in respect of the previous business under which You are entitled to indemnity under this extension.

For the purpose of this Endorsement, the Retroactive Date is not applicable.

13. Retired Principal Cover

In the event that the Policyholder ceases to exist or operate permanently during the Period of Insurance, the principal, partner or director who retires prior to expiry of the Period of Insurance shall be entitled to an extension of coverage under the Policy for a period of seventy-two (72) months immediately following the date of such permanent cessation provided that such coverage shall only apply in respect of a Claim that arises from an act, error or omission by the principal, partner or director occurring between the Retroactive Date and the date the Policyholder ceases to exist or operate permanently and provided that:-

- a) Notice of such cessation is given to Us and We have endorsed the same on to the Policy; and
- b) The extended reporting period shall be subject to the same terms, conditions, exclusions and limit of indemnity as the current policy; and
- c) The Policyholder's permanent cessation is not due to any revocation of license to practice nor prohibition by law; and
- d) The Policyholder has not effected any other extended reporting insurance following the cessation of practice or expiry of the current policy.

General Exclusions

This insurance does not apply to:

1. Prior and Pending Claim

- (a) any Claim made, threatened or initiated against You prior to the Period of Insurance;
- (b) any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of, any fact or circumstance:
 - (i) which You were aware of prior to the Period of Insurance and which You knew or ought reasonably to have known might give rise to a Claim or liability;
 - (ii) of which written notice has been given or ought reasonably to have been given by You under any prior policy (whether or not such policy was issued by Us); or
 - (iii) disclosed in the application or other information provided to Us for the purposes of obtaining this Policy.

2. Conducts and Intended Loss

any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of

- (a) any dishonest, fraudulent, criminal, or malicious act, error or omission actually or allegedly committed or condoned by You;
- (b) any act, error or omission actually or allegedly committed by You without any reasonable regard for the consequences thereof;
- (c) actual or alleged willful breach of any statute, contract or duty by You; or
- (d) any act, error or omission where Loss is reasonably expected or intended from Your standpoint.

3. Trading Debts and Billings

any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of:

- (a) a trading debt incurred by You or any guarantee given by You for a debt; or
- (b) any legal obligation to refund any fee charged to a third party

4. Liability Beyond Normal Professional Services

any Claim for any liability:

- (a) assumed by You outside the normal course of the Professional Services;
- (b) imposed upon You in a contract except where such liability would have been imposed upon You in the absence of a contract;
- (c) from Your promise, warranty or guarantee as to the performance or outcome of the conduct of the Professional Services except where such liability would have been imposed upon You in the absence of a such promise, warranty or guarantee;
- (d) You have excluded, limited or delayed the rights to recover the Loss against another; or
- (e) arises from joint and several liability attaching to You by reason of Your participation in a joint venture, except to the extent that Loss is in the same proportion to the joint venture liability as Your entitlement to a share of profits or liability for losses which may be made by the joint-venture.

5. Fines and Penalties

any Claim for punitive, aggravated, multiple or exemplary damages or damages, or any amount which is uninsurable by law

6. Liabilities Incurred as Employer, Occupier, Product Supplier and D&O

any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of:

- (a) bodily injury, mental injury, sickness, diseases or death of any person arising out of, or in the course of, their employment by You;
- (b) any occupation or ownership of real property by You;
- (c) sale, supply, installation, alteration, modification or manufacture of goods by You or on Your behalf; or
- (d) Your status as, or activities in the capacity of, a director, officer, partner, holder of similar management position, or stockholder of any partnership, joint venture or other organization, except any liability (including vicarious liability) which, arising out of provision of Professional Service, would attach irrespective of such status or capacity.

7. Intellectual Properties

any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of unfair competition, passing off or infringement of patent, copyright, design, trademark, service mark, trade name or slogan.

8. Service Provided For Related Parties

any Claim brought by or on behalf of:

- (a) You; or
- (b) Your subsidiary; or

- (c) any person who is Your family member at the time the legal liability giving rise to the Claim was incurred, except where that person acts without solicitation from You or Your co-operation.

9. Pollution

any liability directly or indirectly arising out of:

- (a) the discharge, dispersal, release, or escape of Pollutants,
- (b) the cost of removing, nullifying or cleaning up Pollutants, or
- (c) fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of Pollutants.

10. Asbestos

any Claim in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity.

11. War and Terrorism

any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of any act of terrorism, war, invasion, acts of foreign enemies, hostilities or war-like operation (whether war be declared or not), civil war, mutiny, popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law, confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any Government or public or local authority. For the purpose of this exclusion, Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s) committed for political, religious, ideological or similar purpose including intention to influence any government and/or to put the public, or any section of the public, in fear.

12. Nuclear

any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of:

- (a) liability imposed by or arising from any nuclear liability act, law or statute or any law amendatory thereof;
- (b) bodily injury or property damage with respect to which You are also insured under a contract of nuclear energy liability insurance (whether You are unnamed in such contract and whether or not it is legally enforceable by the You) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an insured under any such policy but for its termination upon exhaustion of its limit of indemnity; or
- (c) bodily injury or property damage resulting directly or indirectly from the Nuclear Energy Hazard arising from:
 - (i) the ownership, maintenance, operation or use of a Nuclear Facility by You or on Your behalf;
 - (ii) the furnishing by You of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any Nuclear Facility; and
 - (iii) the possession, consumption, use, handling, disposal or transportation of Fissionable Substances, or of other Radioactive Material (except radioactive isotopes, away from a Nuclear Facility, which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by the You.

With respect to property in this exclusion, loss of use of such property shall be deemed to be property damage.

13. Professional Fee

any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way connected with disputes involving fees, charges, commissions or any other form of remuneration or

consideration for Professional Services including but not limited to collecting the Insured's fees or commissions from persons or entities other than the Insured or the return of fees or other compensation paid to the Insured.

14. Financial Transaction

any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of the failure of any transfer of funds, monies, negotiable instruments or any other financial related transaction.

15. Insolvency

any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of Your insolvency, bankruptcy or liquidation.

16. Cyber

Any Claim upon, arising out of, directly or indirectly resulting from, in consequence of:

- a) the transmission or receipt of a Virus or Similar Mechanism; or
- b) hacking, denial of service attack or other computer misuse intended to cause damage to You or anyone else, whoever the perpetrator.

For the purpose of this exclusion, Virus or Similar Mechanism means program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self replication or not, including but not limited to Trojan horses, worms or logic bombs.

17. Wear and Gradual Deterioration, Moth and Vermin

any Claim arising out of wear and gradual deterioration, moth and vermin.

18. Riot or Civil Tumult

any Claim arising out of riot or civil tumult.

19. Special Exclusions

any Claim:-

- a) where Your liability or loss results from a failure by You or any other party acting for You to make an accurate preassessment of the cost of performing Your Professional Services; or
- b) based upon, arising out of, directly or indirectly resulting from, in consequence of provision of computer hardware or software consulting services; or
- c) based upon, arising out of, directly or indirectly resulting from, in consequence of provision of financial planning or investment services; or
- d) based upon, arising out of, directly or indirectly resulting from, in consequence of provision of business valuation services; or
- e) based upon, arising out of, directly or indirectly resulting from, in consequence of provision of Professional Services in connection with any merger or acquisition; or
- f) based upon, arising out of, directly or indirectly resulting from, in consequence of provision of services in connection with the acquisition, sale, promotion, underwriting, syndication or marketing of any financial instrument or any extension of credit or similar investment banking activities.

20. Financial Services

any Claim arising out of any activities of Financial Institution.

For the purpose of this Exclusion, Financial Institution means any entity that is a diverse financial organization, bank (including but not limited to commercial, retail, wholesale, merchant or investment bank or any savings and loan institution or credit union), an investment advisor / manager, investment fund or mutual fund, private equity company, venture capital company, hedge fund, securities broker / firm, an insurance or reinsurance company, insurance or reinsurance broker, clearing or factoring company or any other entity which performs financial services.

Standard Conditions

1. Representations

This Policy is voidable in the event of misrepresentation, misdescription or non-disclosure. We may deny a claim or reduce a claim amount if You have failed to comply with the duties of utmost good faith or disclosure or if You have made a false statement to Us before this Policy was entered into.

By accepting this Policy, You agree:

- (a) the statements in the Schedule and the application form are accurate and complete;
- (b) those statements are based upon representations You made to Us; and
- (c) We have issued this Policy in reliance upon Your representations.

2. Change of Risk

You must notify Us in writing as soon as, and in any event no later than thirty (30) days thereafter, there is any change to the facts, circumstances, degree or amount of risk which exist at the commencement of this Policy or during the Period of Insurance or at any subsequent renewal date. Upon such notification, We may vary the terms of this Policy and/or charge additional premium as We determine appropriate in the circumstances.

3. Notice of Claims and Circumstances

(a) Notice of Claim

As a condition precedent to any right to payment in respect of any Loss, including Loss in respect of any Claim for a Wrongful Act of which notice was previously given under Standard Conditions 3(b) Notice of Circumstance, You must give Us written notice of such Claim, with Full Written Details, as soon as practicable within thirty (30) days, after You are aware of the Claim.

Full Written Details mean:

- (i) the nature and grounds of the actual or alleged Wrongful Act,
- (ii) the dates of facts related to the actual or alleged Wrongful Act when You were informed or sued,
- (iii) the nature and the estimated amount of indemnity requested,
- (iv) the names of claimants,
- (v) the names of the entity and the person concerned,
- (vi) any legal document received in relation to the Claim, and

(vii) and any further information requested by Us.

(b) Notice of Circumstances

If, during the Period of Insurance, You:

- (i) first become aware of any Wrongful Act, fact or circumstance which is likely to give rise to a Claim, and
- (ii) give Us written notice of such Wrongful Act, fact or circumstance including Full Written Details as stated above;

and request coverage under this Policy for any subsequently resulting Claim, then We will treat any such resulting Claim as if it had been made during the Period of Insurance.

Notice shall be given as soon as practicable and in any event before the end of the Period of Insurance at each renewal.

- (c) All notices under Standard Conditions 3 (a) and (b) must be sent by registered mail to
AXA AFFIN GENERAL INSURANCE BERHAD
Head Office: Ground Floor, Wisma Boustead, 71 Jalan Raja Chulan, 50200 Kuala Lumpur

(d) Related Claims & Single Claim

All Related Claims will be treated as a single Claim made when the earliest of such Related Claims was first made, or when the earliest of such Related Claims is treated as having been made in accordance with Standard Conditions 3 (b), whichever is earlier.

4. Do Not Admit Liability

You shall not admit liability to any party and/or make any offer to or commit or agree to settle any Claim without Our prior written consent. You shall not, whether at Your own costs or not, voluntarily make any payment, or incur any expense, other than for first aid, without Our prior consent.

5. Conduct of Claims

We shall be entitled but not obliged to take over and conduct in Your name the defence or settlement of any Claim and shall have full discretion in the conduct of any proceedings and in the settlement of any Claim.

If You disagree to our proposal to settle or compromise any Claim indemnifiable under this Policy and wish to contest or litigate the matter, You may elect to contest or litigate, provided that Our liability in respect of any such Claim so contested or litigated shall not exceed the amount for which, but for such election, it could have been settled or compromised by Us together with costs and expenses payable in accordance with the terms of this Policy and incurred up to the time of such election, but subject always to the Deductible and to the limit of indemnity.

6. Subrogation

If You have the rights to recover all or part of any payment We have made under this Policy, those rights are transferred to Us. You should not do anything which prejudice Our rights to subrogation. At Our request, You will bring suit or transfer those rights to Us and use Your best efforts to enforce them.

7. Joint Insured

When You are comprised of more than one legal entity, information supplied to Us shall be deemed to have been furnished by and on behalf of all such entities, and any information supplied to Us or any omission or non-

disclosure in relation to any renewal or extension hereof, shall likewise be deemed to have been furnished, omitted or withheld on behalf of all such entities.

8. Cancellation

- (a) The Policyholder may cancel this Policy by giving notice in writing to Us stating at which time thereafter the cancellation shall be effective.
- (b) We may cancel this Policy by sending thirty (30) days notice by registered letter to You at Your last known address.
- (c) Upon cancellation by You a refund of premium will be allowed on 10% of the premium for the unexpired Period of Insurance.
- (d) Upon cancellation by Us a refund of pro-rata premium will be allowed for the unexpired Period of Insurance.

9. Other Insurance

To the extent that You have any other insurance in force in respect of the liabilities covered in this Policy, We shall only be liable under this Policy for the excess beyond any amount insured by such other insurance in respect of that liability, whether or not such insurance is valid or collectible.

10. Legal action against us

No person or organization has a right under this Policy:

- (a) to join Us as a party or otherwise bring Us into a legal suit asking for damages from You; or
- (b) to sue Us on this Policy unless all of its terms have been fully complied with.

We will not be liable for damages that are not payable under the terms of this Policy or that are in excess of the applicable Limits of Indemnity. An agreed settlement means a settlement and release of liability signed by Us, You and the claimant or the claimant's legal representative.

11. Bankruptcy

Bankruptcy or insolvency of You or of Your estate will not relieve Us of Our obligations under this Policy.

12. Governing Law and Litigation

This Policy shall be governed, construed and enforced in accordance with the laws of Malaysia and the courts in Malaysia shall have exclusive jurisdiction over any dispute in relation to this policy.

Any dispute between You and Us regarding any aspect of the operation of this Policy which cannot be resolved by agreement between Us and You within six (6) months from the date the dispute arose, shall be referred to a mutually agreed mediator. If the dispute remains unresolved after mediation, it shall be referred to arbitration to be held in Kuala Lumpur at the Regional Centre for Arbitration at Kuala Lumpur in accordance with the Rules of the Kuala Lumpur Regional Center for Arbitration. Each party shall bear its own costs in relation to such mediation and arbitration.

13. Jurisdiction

The indemnity provided by this Policy shall not apply in respect of judgments which are not in the first instance delivered by or obtained from a Court of competent jurisdiction as specified in the Jurisdiction Limit nor to orders obtained in the said Court for the enforcement of judgments made outside such jurisdiction as specified whether by way of reciprocal agreements or otherwise.

14. Discharge of Liability

We may in respect of any Claim covered under this Policy pay to You the amount of Limit of Indemnity for that Claim but deducting therefrom any Deductibles and any sums including payment of Defence Expenses as may arise as defined in Coverage 2 Legal Costs and Expenses herein and other expenses already paid in respect of

that Claim or any lesser sum for which the Claim can be settled and We shall thereafter be under no further liability in respect of such Claim.

15. Observance

The due observance and fulfillment of the terms, provisions and conditions of this Policy insofar as they relate to anything to be done or not to be done by You shall be conditions precedent to Our liability under this Policy.

16. Fraudulent Claim

If You or anyone acting on Your behalf is in any way fraudulent in obtaining any benefit under this Policy, we may deny liability in respect of such Claim.

17. Notice

Every notice or communication to Us shall be in writing and sent to Our most current registered address.

18. Premium Warranty

It is fundamental and absolute special condition of this contract of insurance that the premium due must be paid and received by Us within sixty (60) days from the inception date of this Policy/endorsement/renewal certificate, failing which the Policy is automatically cancelled and We shall be entitled to the pro rata premium on the period we had been on risk.

Where the premium payable pursuant to this warranty is received by Our authorised agent, the payment shall be deemed to be received by Us for the purposes of this warranty.

Definitions

1. Claim means any written demand against You or civil or administrative proceeding brought against You for compensation or damages as the result of a Wrongful Act.
2. Deductible means the deductible set out in the Schedule.
3. Defence Expenses means reasonable and necessary costs, charges, fees and expenses (other than Your overhead expenses and any form of remuneration payable to You or Your employee) incurred with Our prior written consent in the adjustment, defence, investigation, settlement of a Claim against You or any appeal in such Claim.
4. Documents means any documents, information or data, including computer records and electronic data, which are Your property or are looked after by or deposited with You in the ordinary course of your Professional Services and for which You are responsible. This does not include bearer bonds, coupons, bank or currency notes and negotiable instruments.
5. Fissionable Substance means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
6. Fully Earned means that no refund will be provided at cancellation as it is totally earned by Us.
7. Inception Date means the date upon which the Period of Insurance stated in the Schedule commences.
8. Jurisdiction Limit means the jurisdiction specified in the Schedule.

9. Loss means:
- (a) Any awards of monetary damages, judgments, settlements, Defence Expenses and/or third party legal costs which You are obliged to pay as a result of a Claim, provided that such amounts shall constitute Loss only to the extent that they are in excess of the applicable Deductible .
 - (b) Loss shall not include:
 - (i) Any employee remuneration, benefits, stock or share options or severance payments;
 - (ii) Fines, penalties and taxes;
 - (iii) Any civil, appeal or criminal bond;
 - (iv) The multiplied portion of any multiple damage award or matters;
 - (v) Any punitive, aggravated or exemplary damages;
 - (vi) Any amounts uninsurable by law.
10. Nuclear Energy Hazard means the radioactive, toxic, explosive, or other hazardous properties of radioactive material
11. Nuclear Facility means:
- (a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
 - (b) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or utilizing spent fuel, or (iii) handling, processing or packaging waste;
 - (c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material;
- and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
12. Period of Insurance means the period from the Inception Date to the expiry date in the Schedule or to any earlier cancellation date.
13. Policy means the following documents:
- (a) this document,
 - (b) the application form,
 - (c) the Schedule,
 - (d) the certificate of insurance
 - (e) any endorsements.

14. Policyholder means the Insured specified in the Schedule
15. Pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acid, alkalis, chemicals and wastes. Waste includes materials to be recycled, reconditioned or reclaimed.
16. Professional Services means:
 - a) Auditing and preparation of accounts;
 - b) Taxation consultancy;
 - c) Management consultancy;
 - d) Company secretarial services, directorships and Share Registration;
 - e) Insolvency, liquidation, receiverships; orAny matters related thereto.
17. Radioactive Material means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by or pursuant to any law, act or statute, or law amendatory thereof as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy.
18. Related Claims means any Claim for a Wrongful Act based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving the same or related facts, circumstances, situations, transactions or events or the same or related series of facts, circumstances, situations, transactions or events.
19. Retroactive Date means the retroactive date specified in the Schedule.
20. Schedule means the Schedule attaching to and forming part of this Policy, including any Schedule substituted for the original Schedule.
21. Territorial means the Territorial Limit specified in the Schedule.
22. We, Us or Our means AXA Affin General Insurance Berhad.
23. Wrongful Act means an act, error or omission in the course of providing Professional Services.
24. You or Your means
 - (a) the natural person or legal entity named in the Schedule;
 - (b) past and/or present employees of the legal entity specified in the Schedule;
 - (c) any past and/or present sole-proprietor, partner or director of the legal entity specified in the Schedule;