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ST. PAUL FIRE AND MARINE
INSURANCE COMPANY
St. Paul, Minnesota

A Capital Stock Company (herein called Underwriter)

KIDNAP & RANSOM POLICY
THE ST. PAUL FORM FOR CORPORATIONS AND MUTUAL ASSOCIATIONS

Current Policy No.
Prior Policy No.

DECLARATIONS:

Item 1. Name and Principal Address of Insured (herein called Insured):

Item 2. This policy is to be effective at 12:01 A.M. on and expires 12:01 A.M. on local time at the principal address of the Insured as to each of said dates.

Item 3. Subject to Sections 6 and 7 of the policy Terms And Conditions the Limit of Liability of the Underwriter for Insured Loss shall be:

Table with 3 columns: Description, Amount, and Limit. Rows include A. Ransom, B. Transit, C. Fees and Expenses, D. Additional Expenses, E. Rest and Rehabilitation Expenses, F. Legal Liability, G. Personal Accident, and Capital Sum Insured.

Item 4. Deductible Amount: \$

Item 5. Coinsurance Percent: %

Item 6. Insured Persons: Present and future directors, officers and employees of the Insured

Item 7. Territory:

Item 8. Endorsements effective at policy inception:

Item 9. The Insured, by the acceptance of this policy, gives notice to the Underwriter terminating or canceling prior policy or policy(ies) No.(s), such termination or cancellation to be effective as of the time this policy becomes effective.

Item 10. Business Risks International, a Division of Pinkerton Consulting and Investigations, Inc. Arlington, Virginia (704) 643-0546
Crisis Response Firm Address Alert Phone Line

The Underwriter's Limit of Liability, Deductible and Coinsurance % under the Insuring Clause are subject to these Declarations, General Agreements and Conditions And Limitations of this policy and the Insuring Clause and any policy endorsements.

IN WITNESS WHEREOF, the Underwriter has caused this policy to be signed by its President and Secretary and countersigned by a duly authorized representative of the Underwriter.

Countersigned:

Authorized Representative, Secretary, President (with signatures)

Countersignature Date, Countersigned At

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# **KIDNAP & RANSOM POLICY**

## **THE ST. PAUL FORM FOR CORPORATIONS AND MUTUAL ASSOCIATIONS**

The Underwriter, in consideration of an agreed premium and subject to the Declarations, Insuring Clause, General Agreements, Conditions And Limitations, agrees to indemnify the Insured for:

### **INSURING CLAUSE**

Insured Loss resulting directly from Kidnap, Extortion, Products Extortion, Detention or Hijack, or a series of connected acts thereof that is discovered during the Policy Period, such perils to be referred to within this policy as Insured Events. If it is evident from the demand or the making of such demand that such Kidnaps, Extortions, Products Extortions, Detentions or Hijacks are or were carried out in furtherance of one another, they shall be deemed to be connected and to constitute a single Insured Event. Nevertheless, there shall be no liability hereunder as respects a series of Kidnaps, Extortions, Products Extortions, Detentions or Hijacks, the first of which began before the effective date of this policy in Item 2 of the Declarations.

### **GENERAL AGREEMENTS**

#### **(A) PURCHASES, MERGERS AND ACQUISITIONS**

##### **ACQUISITION OR CREATION OF A SUBSIDIARY BY AN INSURED**

If the Insured shall, during the Policy Period, acquire securities in another entity or create another entity, which as a result of such acquisition or creation becomes a Subsidiary, such entity shall be covered under this policy but 1.) only for an Insured Event that first begins on or after the effective date of such creation or acquisition, and 2.) only if with respect to the acquisition there are no threats of an Insured Event and no Insured Event occurring at the time of the acquisition, and 3.) only if the Insured gives written notice of the new Subsidiary to the Underwriter as soon as practicable but not later than the end of that Policy Period. Such coverage shall apply for the remainder of that Policy Period and be provided without premium charge for the remainder of that Policy Period.

##### **ACQUISITION OF AN ENTITY BY MERGER OR CONSOLIDATION INTO AN INSURED**

If the Insured shall, during the Policy Period, merge or consolidate another entity into an Insured, additional Insured Persons resulting therefrom shall be covered under this policy, but 1.) only for Insured Event that first begins on or after the effective date of such merger or consolidation, and 2.) only if, with respect to the merger or consolidation, there are no threats of an Insured Event or Insured Event occurring at the time of the merger or consolidation, and 3.) only if the Insured gives written notice of the acquisition to the Underwriter as soon as practicable but not later than the end of that Policy Period. Such coverage shall apply for the remainder of that Policy Period and be provided without premium charge for the remainder of that Policy Period.

##### **ACQUISITION OF AN INSURED AND CHANGE OF CONTROL**

If during the Policy Period,

1. any Insured merges or consolidates into another entity, or
2. another entity, or person or group of entities or persons acting in concert acquires securities or voting rights which result in ownership or voting control by the other entity or entities or person or persons of more than 50% of the outstanding securities representing the present right to vote for the election of directors of the Insured,

coverage under this Policy for such Insured and its direct and indirect Subsidiaries shall terminate as of the effective date of the merger, consolidation or acquisition.

#### **(B) REPRESENTATION OF INSURED**

No statement made by or on behalf of the Insured, whether contained in the application or otherwise, shall be deemed to be a warranty of anything except that it is true to the best of the knowledge and belief of the person making the statement.

## **(C) JOINT INSURED AND IMPUTATION OF KNOWLEDGE OR DISCOVERY AMONG INSUREDS**

If two or more Insureds are covered under this policy, the first named Insured shall act for all Insureds. Payment by the Underwriter to the first named Insured of loss sustained by any Insured or Insured Person shall fully release the Underwriter on account of such loss. If the first named Insured ceases to be covered under this policy, the Insured next named shall thereafter be considered as the first named Insured. Knowledge possessed or discovery made by any Insured shall constitute knowledge or discovery by all Insureds for all purposes of this policy. The liability of the Underwriter for loss or losses sustained by all Insureds shall not exceed the amount for which the Underwriter would have been liable had all such loss or losses been sustained by one Insured.

## **(D) COURT COSTS AND ATTORNEY'S FEES, NOTICE OF LEGAL PROCEEDINGS AGAINST INSURED, ELECTION TO DEFEND**

The Underwriter shall indemnify the Insured against court costs and reasonable attorneys' fees incurred and paid by the Insured in defending any suit or legal proceeding brought against it to establish the Insured's liability or alleged liability and brought by or on behalf of any Insured Person or his, her or their legal representative or shareholders solely and directly as a result of a Kidnap, Detention or Extortion. Such defense costs incurred by the Underwriter, or with its prior authorization, are payable in addition to the limit of liability for Legal Liability set forth in Item 3 of the Declarations. However, if the total amount for all awards and judgments to which such defense costs refer exceeds the Limit of Liability in Item 3.F. of the Declarations, this policy shall pay only that proportion of such defense costs which the Limit of Liability in Item 3.F. bears to the total of such awards and judgments. If the Underwriter pays court costs and attorneys' fees in excess of its proportionate share of such costs and fees, the Insured shall promptly reimburse the Underwriter for such excess costs and fees.

The Insured shall neither admit any liability for, nor settle any claim, nor incur any costs or expenses without the prior authorization of the Underwriter. The Insured shall notify the Underwriter of any suit or legal proceeding at the earliest practicable time not to exceed 60 days after the Insured's receipt of notice thereof, and at the request of the Underwriter shall promptly furnish it with copies of all pleadings and other papers therein.

The Underwriter shall have the right but not the obligation to defend any such suit against the Insured in the Insured's name, through attorneys of the Underwriter's selection and may make whatever investigation and settlement of any claim or suit it deems expedient and the law allows. In such event, the Insured shall give all reasonable information and assistance, other than pecuniary, which the Underwriter shall deem necessary to the defense of such suit or legal proceeding.

## **CONDITIONS AND LIMITATIONS**

### **Section 1. DEFINITIONS**

As used in this policy:

- (a) Computer System means a computer and all input, output, processing, storage and communication facilities and equipment which are connected to such a device and which the operating system or application software used by the Insured are under the direct operational control of the Insured. Off-line media libraries are deemed to be part of said Computer System.
- (b) Detention means the holding under duress in the Territory specified in Item 7. of the Declarations of an Insured Person for whatever reason and whether by authorities legally constituted in the place of custody or by others. Only with respect to salary payments as set forth in Definition (h) 4. h) and i), the liability of the Underwriter shall be for a period of 60 months or until 30 days after the date of which the Detention ceases, whichever shall occur first.
- (c) E-Commerce Extortion Threat means a threat by a natural person other than an identifiable employee to:
  - (i) cause the Insured to transfer, pay or deliver any funds or property using the Insured's Computer System;

- (ii) sell or disclose information about an Insured customer which is unique to the relationship of the customer and Insured and is not otherwise publicly available provided such information is stored in an electronic medium in the Insured's Computer System and is retrievable in a perceivable form; or
- (iii) alter, damage or destroy Electronic Data (that subset of Electronic Information that contains facts or information but does not provide instructions or directions to a Computer System) or Electronic Computer Instructions (that subset of Electronic Information that contains the instructions and directions that a Computer System uses to manipulate or create Electronic Data) of the Insured that are stored within the Insured's Computer System;

where such person alleges to have gained or has gained unauthorized access to the Insured's Computer System; or

- (iv) maliciously or fraudulently introduce a Computer Virus (a set of unauthorized instructions, programmatic or otherwise, that propagate themselves through the Insured's Computer System and/or networks, which instructions were designed to modify, alter, damage, destroy, delete, contaminate or degrade the integrity, quality, or performance of data, computer application software, computer network, or computer operating system and related software) into the Insured's Computer System; or
- (v) initiate an intentional attack on the Insured's Computer System that depletes system resources or impedes system access available through the Internet to authorized external users of the Insured's Computer System.

As used within this definition, Electronic Information is any information that is directly usable by a computer system. This includes Electronic Data and Electronic Computer Instructions stored on punched cards, magnetic tapes, punched tapes, magnetic discs, optical disks or any other media directly accessible and usable by the Insureds Computer System.

**(d)** Extortion means the making of illegal threats either directly or indirectly to the Insured or to an Insured Person to:

- (i) kill, injure or abduct an Insured Person; or
- (ii) cause physical damage or loss to Property; or
- (iii) perpetrate an E-Commerce Extortion Threat;

located in the territory specified in Item 7 of the Declarations, or

- (iv) disseminate, divulge or utilize Trade Secrets;

by persons who then demand a Ransom as a condition of not carrying out such threats.

**(e)** Hijack means the illegal holding under duress, for a period in excess of six hours, of an Insured Person while traveling on any aircraft, motor vehicle or waterborne vessel within the territory specified in Item 7 of the Declarations.

**(f)** Informant means a person providing information not otherwise obtainable and solely in return for a monetary payment by the Insured.

**(g)** Insured means each entity listed in Item 1 of the Declarations and each of its Subsidiaries as limited by General Agreement A.

**(h)** Insured Loss means:

1. Ransom which has been surrendered;
2. the loss in transit of a Ransom by actual destruction, disappearance or wrongful abstraction while being conveyed to the order of such persons as have demanded it by any person who is duly authorized by the Insured or an Insured Person to convey such Ransom;
3. the fees and expenses of the crisis response firm designated in Item 10 of the Declarations;
4. additional expenses necessarily incurred following, and for the duration of, an Insured Event by the Insured or the Insured Person(s) and which shall comprise:
  - a) fees and expenses of an independent negotiator engaged by the Insured with the prior authorization of the Underwriter;
  - b) fees and expenses of an independent public relations consultant or interpreter;
  - c) costs of travel and accommodation incurred by the Insured or an Insured Person;
  - d) the costs of travel of a Kidnap, Detention or Hijack victim and his or her family to the country of which the victim is a national and the travel costs of a replacement of a Kidnap, Detention or Hijack victim and his or her family to the country in which the Kidnap, Detention or Hijack occurred, provided such costs shall only apply once per Insured Person per Kidnap, Detention or Hijack;
  - e) fees for independent psychiatric care, medical care or legal advice incurred prior to the release and

- within thirty-six months following the Insured Event;
  - f) any reward paid by the Insured or an Insured Person to an Informant for information which directly leads to the arrest and conviction of parties responsible for the Insured Event;
  - g) Personal Financial Loss;
  - h) 100% of a kidnapped, detained or hijacked Insured Person's gross salary including bonuses, commissions, cost of living adjustments, foreign tax reimbursements, pension or welfare contributions and allowances which were contractually due at the time the Insured Event occurs;
  - i) 100% of the gross salary including bonuses and allowances for a temporary replacement of a kidnapped, detained or hijacked Insured Person for the duration of the Kidnap, Detention or Hijack and 60 days thereafter, up to but not exceeding the kidnapped, detained or hijacked Insured Person's total remuneration at the time that the Kidnap, Detention or Hijack occurs;
  - j) the costs incurred by the Insured for the salaries of employees specifically designated to assist in negotiating on any occurrence but not to exceed the employees' base rate of pay plus all other reasonable expenses solely and directly incurred in connection with such negotiations, provided further that the Insured forwards an itemized account of such employee's time, services and expenses;
  - k) sums payable by way of interest on loans raised specifically to pay for an Insured Loss and in respect of amounts subsequently reimbursed hereunder, provided the loan is repaid within seven days of the Insured receiving reimbursement of the same from Underwriters;
  - l) fees and expenses of security guards temporarily retained solely and directly for the purpose of protecting Insured Persons located in the country where an Insured Event has occurred and on the specific recommendation of the crisis response firm designated in Item 10 of the Declarations;
  - m) costs of communication equipment, recording equipment and advertising incurred solely and directly to obtain the release of a kidnapped or detained Insured Person;
  - n) reasonable fees and expenses of independent forensic analysts engaged by the Insured;
  - o) the reasonable costs of cosmetic or plastic surgery which is required to correct any permanent disfigurement sustained by an Insured Person solely and directly as a result of an Insured Event; and
  - p) all other reasonable expenses incurred by the Insured or Insured Person(s) in negotiating the release of an Insured Person solely and directly as a result of an Insured Event;
5. rest and rehabilitation expenses including meals and recreation incurred by the Kidnap, Detention or Hijack victim and his or her spouse or children incurred within 6 months following the release of the Kidnap, Detention or Hijack victim provided the Underwriters' liability shall not exceed that shown in Item 3 E. of the Declarations;
  6. legal liability, being settlements or awards, fees and judgments imposed upon and paid by the Insured as a result of an action for damages brought by or on behalf of any Insured Person(s) or his, her or their legal representative or shareholders solely and directly as a result of a Kidnap, Detention or an Extortion; and
  7. Personal Accident.
    - (i)** Insured Person means i) those persons identified in Item 6 of the Declarations; ii) the spouse, or a relative, or a lineal descendant or a living ancestor, including step-parents, step-children and adopted children, of either an Insured Person or the spouse of an Insured Person; iii) a person normally residing or employed in the household or grounds of an Insured Person; iv) a guest in the home of an Insured Person; v) a guest or customer of the Insured while on the Insured's Premises, or on board any vehicle, aircraft or waterborne vessel owned or leased by the Insured or an Insured Person; and vi) a person who is temporarily employed for the sole purpose of negotiating or delivering a Ransom.
    - (j)** Insured's Premises means that part of any real property which is occupied by the Insured in the conduct of the Insured's business.
    - (k)** Insured's Products means the products of the Insured, products which are to be represented as such or products which the Insured handles.
    - (l)** Kidnap means the illegal actual or alleged taking, in the Territory specified in Item 7 of the Declarations, and holding captive of one or more Insured Persons by persons who then demand specifically from assets of the Insured or an Insured Person a Ransom as a condition of the release of such captive.
    - (m)** Loss of Extremity means the permanent physical separation or the total and irrecoverable loss of use of a digit or part thereof or an ear, nose or genital organ or part thereof by deliberate mutilation.



- (n) Loss of Limb means the separation of or the total and irrevocable loss of use of a hand at or above the wrist or a foot at or above the ankle.
- (o) Loss of Sight means the loss of sight of one or both eyes which is certified as being entire and irrevocable by a qualified medical practitioner specializing in ophthalmology and approved by Underwriters.
- (p) Permanent Total Disablement means disablement which necessarily and continuously disables an Insured Person from attending to every aspect of his or her normal business or occupation for a period of 12 calendar months and, at the end of such period is certified by two qualified medical practitioners approved by the Underwriter as being beyond hope of improvement. If the Insured Person has no business occupation, the disablement must confine him or her from attending to his or her normal duties.
- (q) Personal Accident means the Loss of Limb, Loss of Sight, Loss of Extremity, Permanent Total Disablement or Death sustained by an Insured Person, solely and directly as a result of an Insured Event, or an attempt thereat, provided that such injury causes the death or disablement of the Insured Person within 12 calendar months from the date of the incident and subject further to the limitations within the following table:

Benefits per Insured Person expressed as an annual % of the Capital Sum Insured within Item 3 of the Declarations			
Death	100%	Loss of Sight in two eyes	100%
Loss of Limb	100%	Permanent Total Disablement	100%
Loss of Sight in one eye	50%	Loss of Extremity	25%

- (r) Products Extortion means the making of illegal threats to the Insured or the production of publicity that the Insured's Products will be or have been contaminated, polluted or rendered substandard, by persons who demand Ransom from the Insured, either as a condition of not carrying out such threats or before providing further information about the affected Insured's Products.
- (s) Property means buildings (including fixtures, fittings, works of art and other contents), plant and equipment, fixed or mobile, (including vessels and aircraft), bloodstock and livestock owned or leased by the Insured or an Insured Person for which the Insured or Insured Person is legally liable.
- (t) Personal Financial Loss means loss suffered by an Insured Person solely as a direct result of the physical inability of a Kidnap, Extortion, Detention or Hijack victim to attend to his or her personal financial matters.
- (u) Ransom means cash or marketable goods or services surrendered or to be surrendered by or on behalf of the Insured or an Insured Person to meet a Kidnap, Extortion or Products Extortion demand.
- (v) Subsidiary means any entity in which more than 50% of the outstanding voting securities representing the present right to vote for election of directors is owned, directly or indirectly, in any combination, by one or more Insured.
- (w) Trade Secrets means information (including formula, pattern, compilation of data, program, device, method, technique or process), which is particular to the Insured in the conduct of his or her business and for reasons of its potential commercial value to others, the Insured makes constant and conscious efforts not to disclose to any third party.

## Section 2. EXCLUSIONS

This policy does not cover and the Underwriter shall not be liable for any losses caused by or arising from or attributable to the following:

- (a) the surrender of a Ransom in any face to face encounter, unless surrendered by a person who is in possession of such Ransom at the time of such surrender for the sole purpose of conveying it to pay a previously communicated Ransom demand;
- (b) the surrender of a Ransom either at the location where the Kidnap of one or more Insured Persons occurs or where the Extortion demand is first made, unless brought to such location after receipt of the Ransom demand for the sole purpose of paying such Ransom demand;
- (c) as respects Kidnap, Extortion, Products Extortion or Hijack only, a fraudulent, or criminal act of the Insured, a director, officer, employee or agent of the Insured, or an Insured Person or agent thereof whether acting alone or in collusion with others.
- (d) only as respects Detention:
  - (i) a Detention which is for a period of less than twelve hours;
  - (ii) any act or alleged act of the Insured or an Insured Person which would be a criminal offense if committed by the same party in the State where its headquarters are located or of which he or she is a

national, unless the Underwriter determines that such allegations were intentionally false, fraudulent and malicious and made solely and directly to achieve a political, propaganda or coercive effect upon or at the expense of the Insured or the victim of the Detention;

(iii) failure of the Insured or an Insured Person to properly procure or maintain immigration, work, residence or similar visas, permits or other documentation;

(iv) the participation of an Insured Person in the operations of any governmental or armed forces.

### **Section 3. DISCOVERY**

This policy applies to an Insured Event discovered by the Insured during the Policy Period. Discovery occurs when the Insured first becomes aware of facts which would cause a reasonable person to assume that an Insured Loss of a type covered by this policy has been or will be incurred, regardless of when the Insured Events causing or contributing to such loss occurred, even though the exact amount or details of the Insured Loss may not then be known.

### **Section 4. INSURED'S AND INSURED PERSON OBLIGATIONS UPON DISCOVERY OF AN INSURED EVENT**

Upon discovery that an Insured Event has occurred, or is believed to have occurred, the Insured shall make every reasonable effort to determine that the Insured Event has actually occurred and is not a hoax before agreeing to the payment of any Ransom and, when requesting the reimbursement hereunder of a Ransom, be able to demonstrate that such Ransom had been surrendered under duress.

The Insured shall make every reasonable effort to conduct an investigation in order to determine with reasonable certainty that an E-Commerce Extortion Threat is technologically credible and notify (or allow the crisis response firm designated in Item 10 of the Declarations to notify) the Federal Bureau of Investigation or other law enforcement agency having jurisdiction. The Insured shall reasonably comply with the recommendations, instructions or suggestions of the crisis response firm before surrendering any Ransom in response to an E-Commerce Extortion Threat.

The Insured shall act with due diligence. The Insured shall do and concur in doing all things reasonably practicable to avoid or diminish an Insured Loss.

As respects Insured Loss for Personal Accident, any Insured Person who suffers an incident which caused or may cause disablement within the meaning of the policy must place him or herself under the care of a qualified medical practitioner approved by the Underwriter as early as possible after the incident. The Underwriter shall not be liable to pay compensation unless the medical advisers appointed by the Underwriter shall be allowed as often as is necessary to examine the Insured Person.

### **Section 5. CONFIDENTIALITY OF KIDNAP & RANSOM POLICY**

The Insured and Insured Person(s) must at all times use their best efforts to ensure that knowledge of the existence of this policy is restricted as much as possible.

### **Section 6. POLICY PERIOD, AGGREGATE LIMIT OF LIABILITY FOR PERSONAL ACCIDENT, LIMIT OF LIABILITY, DEDUCTIBLE AMOUNT, COINSURANCE %**

#### **Policy Period**

The term Policy Period as used in this policy shall mean the period of one year following the effective date and time of this policy or any annual anniversary thereof, or if the time between the effective or annual anniversary date and the termination date of this policy is less than one year, then such lesser period.

#### **Limit of Liability**

The Underwriter's liability for each Insured Loss shall not exceed the applicable Limit of Liability shown in Item 3 of the Declarations.



### **Aggregate Limit of Liability for Personal Accident**

The Underwriter's total liability for all Insured Loss for Personal Accident discovered during a Policy Period, regardless of when paid, shall not exceed the Aggregate Limit of Liability shown in the Declarations in Item 3. G. The Aggregate Limit of Liability for a Policy Period shall be reduced by the amount of any payment for any Personal Accident discovered during that Policy Period. The reduced Aggregate Limit of Liability shall then become the Aggregate Limit of Liability. Upon exhaustion of the Aggregate Limit of Liability by such payments the Underwriter shall have no further liability under Item 3. G.

### **Deductible Amount**

The Underwriter shall be liable hereunder only for the amount by which any Insured Loss exceeds the Deductible Amount shown in Item 4 of the Declarations, subject to the Aggregate Limit of Liability for Personal Accident.

### **Coinsurance Percent**

With respect to Insured Loss (excess of the applicable Deductible Amount) originating in any one Policy Period, the Insured shall bear uninsured at its own risk the applicable percent of such Insured Loss specified as the Coinsurance Percent in Item 5 of the Declarations and the Underwriter's liability hereunder shall apply only to the remaining percent of such Insured Loss.

### **Section 7. INDEMNITY NOT REDUCED BY LOSS PAYMENTS, NON ACCUMULATION OF LIABILITY**

The amount of indemnity specified in Item 3 of the Declarations except for Personal Accident shall not be decreased by the payment of any loss nor entitle the Underwriter to an additional (or reinstatement) premium.

The Limit of Liability of the Underwriter shall not be cumulative in amount from Policy Period to Policy Period regardless of the number of years this policy shall be in force, the number of times this policy may be renewed and the number of premiums which shall be payable or paid.

### **Section 8. NOTICE - PROOF OF LOSS - LEGAL PROCEEDINGS AGAINST UNDERWRITER**

At the earliest practicable time after discovery of an Insured Event or belief that an Insured Event has occurred, the Insured shall give the Underwriter and the crisis response firm designated in Item 10 of the Declarations notice thereof. The crisis response firm designated in Item 10 of the Declarations shall be notified by phone at the phone number indicated for the alert phone line. Notice to the Underwriter shall be in writing and by prepaid express courier, certified mail or fax properly addressed to the appropriate party as indicated below.

Notice to the Underwriter of any Insured Event shall be given to The St. Paul Companies, Inc., 385 Washington Street, St. Paul, Minnesota 55102-1396, Attention: Professional E&O Claim Unit. All other notices to the Underwriter under this policy shall be given to the same addressee and address but to the attention of the Financial and Professional Services Unit. Notice given as described above shall be deemed to be received and effective upon actual receipt thereof by the addressee or one day following the date such notice is sent, whichever is earlier.

The Insured shall inform or allow the crisis response firm designated in Item 10 of the Declarations to inform the appropriate authorities responsible for law enforcement in the country where an Insured Event has occurred of the Ransom demand as soon as is practicable having regard to the personal safety of the victim(s).

Upon discovery of an Insured Event and as soon as practicable after such discovery, the Insured shall furnish to the Underwriter proof of loss, duly sworn to, with full particulars.

Legal proceedings for the recovery of any Insured Loss hereunder shall not be brought prior to the date the original proof of loss is filed with the Underwriter or after the expiration of 24 months from the conclusion of an Insured Event, except that any action or proceeding to recover hereunder on account of any settlements or awards, fees or judgments imposed upon and paid by the Insured in connection with item 6 within the definition of

Insured Loss shall be brought within 24 months from the date upon which the settlements or awards, fees and judgments shall become final.

If any limitation embodied in this policy is prohibited by any law controlling the construction hereof, such limitation shall be deemed to be amended so as to equal the minimum period of limitation provided by such law.

This policy is for the use and benefit only of the Insured named in Item 1 of the Declarations and the Underwriter shall not be liable hereunder for loss sustained by anyone other than the Insured or Insured Person. No suit, action or legal proceedings shall be brought hereunder by anyone other than an Insured named in Item 1 of the Declarations.

No action shall lie against the Underwriter unless, as a condition precedent thereto, there shall have been full compliance with all the terms of the policy. No person or organization shall have any right under this policy to join the Underwriter as a party to any action against any Insured to determine the Insured's liability nor shall the Underwriter be impleaded by any Insured or its legal representatives.

## **Section 9. ASSIGNMENT - SUBROGATION - RECOVERY - COOPERATION**

In the event of payment under this policy,

- (a) the Insured and Insured Persons shall deliver, if so requested by the Underwriter, an assignment of such of the Insured's and Insured Person's rights, title and interest and causes of action as it has against any person or entity to the extent of the loss payment and
- (b) the Underwriter shall be subrogated to all of the Insured's and Insured Person's rights of recovery therefor against any person or entity to the extent of such payment.

Recoveries, whether effected by the Underwriter or by the Insured or Insured Persons, shall be applied net of the expense of such recovery first to the satisfaction of the Insured's or Insured Person's loss which would otherwise have been paid but for the fact that it is in excess of the Limit of Liability, secondly, to the Underwriter as reimbursement of amounts paid in settlement of the Insured Event, and thirdly, to the Insured in satisfaction of any Deductible Amount. Recovery from reinsurance or indemnity of the Underwriter shall not be deemed a recovery as used herein.

Upon the request of the Underwriter or the crisis response firm designated in Item 10 of the Declarations and at reasonable times and places designated by either, the Insured and Insured Persons shall:

- (1) submit to examination by either or both and subscribe to the same under oath;
- (2) produce for either or both's examination all pertinent records; and
- (3) cooperate with either or both in all matters pertaining to the loss.

The Insured and Insured Persons shall execute all papers and render assistance to secure to the Underwriter the rights and causes of action provided for herein. The Insured shall do nothing after discovery of an Insured Event to prejudice such rights or causes of action.

## **Section 10. OTHER INSURANCE OR INDEMNITY**

Coverage afforded hereunder shall apply only as excess over any valid and collectible insurance or indemnity obtained by the Insured or Insured Persons, prior or current, whether such other insurance or indemnity is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance or indemnity is written only as specific excess insurance over the Limits of Liability provided in this policy.

## **Section 11. MODIFICATION AND ASSIGNMENT**

No change in, modification of, or assignment of interest under this policy shall be effective except when made by a written endorsement to this policy which is signed by an authorized representative of the Underwriter. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy, or prevent the Underwriter from asserting any right under this policy.

Failure by the Underwriter to exercise or enforce any rights hereunder will not be deemed to be a waiver of such rights nor operate so as to bar the exercise or enforcement thereof any time thereafter.

## **Section 12. BANKRUPTCY OR INSOLVENCY OF AN INSURED**

Bankruptcy or insolvency of an Insured or of the estate of any Insured Person shall not relieve the Underwriter of its obligations nor deprive the Underwriter of its rights or defenses under this policy.

## **Section 13. AUTHORIZATION CLAUSE**

By acceptance of this policy, the first named Insured agrees to act on behalf of all Insureds and Insured Persons with respect to the giving and receiving of notice of policy termination or non renewal, the payment of premiums and the receiving of any return premiums that may become due under this policy, the agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this policy and the Insureds and Insured Person agree that the first named Insured shall act on their behalf.

## **Section 14. TERRITORY AND VALUATION**

All premiums, limits of liability, deductible, Insured Loss and other amounts under this policy are expressed and payable in the currency of the United States of America.

In the case of marketable goods or services surrendered as Ransom, the Underwriters shall pay the actual cash value thereof at the time of surrender.

Any Insured Loss of cash or marketable goods or services in payment of a Ransom demand shall be paid, at the option of the Insured, in the money of the country in which the Insured Loss was sustained or in the United States of America dollar equivalent thereof determined at the rate of exchange published in The Wall Street Journal at the time of payment of such Insured Loss.

## **Section 15. LIBERALIZATION**

If the Underwriter adopts any revision to this policy form that would broaden the coverage under this policy without additional premium within 45 days prior to or during the Policy Period, the broadened coverage will immediately apply to this policy.

## **Section 16. CANCELLATION OR TERMINATION OF POLICY**

This policy terminates as an entirety upon occurrence of any of the following: (a) thirty days after receipt by the Insured of a written notice of termination from the Underwriter for failure to pay a premium when due, unless the premium is paid within such thirty day period, (b) immediately upon the receipt by the Underwriter of a written notice from the Insured of its desire to cancel this policy, or (c) at the time and date set forth in the Declarations.

The Underwriter may not terminate this Policy prior to expiration of the Policy Period, except as provided above for non-payment of a premium. The Underwriter shall refund the unearned premium computed at customary short rates if the Policy is terminated by the Insured. Under any other circumstances the refund shall be computed pro rata. Payment or tender of any unearned premium by the Underwriter shall not be a condition precedent to the effectiveness of such termination, but such payment shall be made as soon as possible.

Termination of the policy as to any Insured terminates liability for any Insured Loss sustained by such Insured which is discovered after the effective date of such termination.

## **Section 17. PERSONAL ASSETS**

In the event of a Ransom or Extortion demand directed against any Insured Person rather than the Insured, cash or marketable goods or services surrendered or to be surrendered by or on behalf of the Insured Person and additional expenses of the Insured Person as described in Section 1. (h) shall be considered cash or marketable goods or services or expenses of the Insured named in Item 1 of the Declarations provided the Insured Event occurs directly as the result of the Insured Person's association with the Insured named in Item 1 of the Declarations and not as the result of such person's association or position with any other entity.

In witness whereof, the Underwriter has caused this policy to be executed on the Declarations page.

# EMERGENCY CONTACT NUMBERS

## BUSINESS RISKS INTERNATIONAL (BRI)

### HOW TO CONTACT BRI IN AN EMERGENCY

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A 24-hour Crisis Line enables you to reach BRI at any time of the day or night and be assured of rapid response to your emergency. While BRI has professionals stationed in various parts of the world to ensure rapid response, all calls for assistance should come to BRI headquarters:

**During working hours (0830 to 1800 EST, Monday through Friday)**

4245 North Fairfax Drive, Suite 725, Arlington, Va. 22203

**Tel. 703-524-2007**

Or

**The Cassidy Davis/BRI Crisis Line, (at any time, day or night to advise of a crisis and request BRI assistance).**

**Tel. 704-643-0546.**

### REPORTING PROCEDURE

Whenever you call BRI about a kidnap, extortion, detention or other crisis, please state:

- That you are calling about an emergency incident
- Your name and company
- The time and date of your call
- The phone number(s) where you can be reached
- A concise description of the problem

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U.S.	Mexico City	Rio de Janeiro	Sao Paulo	London	Paris	
	Frankfurt	Bangkok	Beijing	Guangzhou	Hong Kong	Jakarta
	Kuala Lumpur	Manila	Seoul	Shanghai	Singapore	Sydney
		Taipei	Tokyo			