



## IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:  
75 Federal Street  
5th Floor  
Boston, MA 02110  
Toll Free: (877) IRON411

**Insured Name:** Oxbridge Academy Foundation, Inc. DBA Oxbridge Academy

**Policy Number:** T/B/D

### KIDNAP, RANSOM AND EXTORTION POLICY

Words shown in **bold** type have the same meaning throughout this **Policy** and are defined in the DEFINITIONS section below.

#### INSURING AGREEMENT

In consideration of the premium specified in the **Declarations**, **We** agree to cover **You** and/or any other **Covered Person** up to the limits of liability shown in the **Declarations** for loss(es) sustained subject to the terms of the **Policy**.

This **Policy** wording, the **Declarations** and any **Endorsement**, are to be read together and any word or expression to which a specific meaning has been attached in any part of the **Policy** or the **Declarations** shall have the same meaning wherever it may appear.

#### WHAT TO DO IN A CRISIS AND HOW TO REPORT A CLAIM

Crisis Management Consultants

If an **Insured Event** occurs or is believed to have occurred contact the 24 hour emergency telephone number on: (786) 472-2707 or [guidance@hazelwoodstreet.com](mailto:guidance@hazelwoodstreet.com). In the unlikely event that there is no response on the 24 hour emergency number, contact **Our** claims department as soon as possible.

Report all claims to:

Ironshore Insurance Services, LLC  
One State Street Plaza, 7<sup>th</sup> Floor  
New York, NY 10004  
Email: [IronProClaims@ironshore.com](mailto:IronProClaims@ironshore.com)  
Tel: (877) IRON411  
Fax (866) 964-9044

#### DEFINITIONS

**Computer System** means a computer and all input, output, processing, storage and communication facilities and equipment which are connected to such a device and the operating system or application software used by **You** or under **Your** direct operational control. Off-line media libraries are part of the **Computer System**.

**Computer Virus** means a set of unauthorized instructions that through **Your Computer System** and/or networks, which were designed to modify, alter, damage, destroy, delete, contaminate or delegate the integrity, quality, or performance of data, computer application software, computer network, or computer operating system and related software.

**Covered Person** means

- 1) any person named and/or specified in the **Declarations**.
- 2) a spouse or a relative, fiancé or fiancée, child (including step, adopted, in-law or foster child), parent (including step or parent-in-law), sibling (including step or sibling-in-law) niece, nephew, aunt, uncle, lineal descendant, spouse of a lineal descendent, ancestor, or spouse of an ancestor of a person named or specified in the **Declarations**.
- 3) any person visiting the home of or normally resident in the home of a person named or specified in the **Declarations**, and any person or customer of the **Yours** while on **Your Premises** or while travelling on board any vessel owned or leased by **You** or a person named or specified in the **Schedule**.
- 4) a person who is temporarily employed for the sole purpose of negotiating and/or delivering a **Ransom**.

**Crisis Management Consultants** means Hazelwood Street Consultants LLC

**Declarations** means the document labeled "**Declarations**" attached to this **Policy** and which forms part of the **Policy**.

**Demand(s)** means a **Demand** for cash and/or other items of value from **You** or a **Covered Person's** assets following the occurrence of a **Kidnap(s)** and/or **Extortion(s)** and/or **Hijack(s)** as a condition of bringing that to an end.

**Detention/Detain(ed)** means the holding under duress of a **Covered Person** for whatever reason, whether by governmental authorities or others, other than **Kidnap**, for a period of 12 consecutive hours or more.

**Endorsement** means a written clause in a form issued by **Us** under which the stated terms of this **Policy** may be altered.

**Extortion** means the making of threats either directly or indirectly to **You** or a **Covered Person to:**

- 1) kill, injure or abduct a **Covered Person**; or
- 2) pollute, cause physical damage to or loss of **Property**; or
- 3) disclose, disseminate or utilize **Proprietary Information** including any personal, private or confidential data; or
- 4) introduce a **Computer Virus**,

by person(s) who then **Demand** a **Ransom** as a condition of not carrying out such threats.

**Family** means a spouse, child (including step-child, adopted child and foster child), grandchild, sibling, parent (including step-parent or parent-in-law), aunt, uncle, nephew or niece.

**Gross Salary(ies)** means compensation periodically paid to a person for regular work or services including bonuses, commissions, cost of living adjustments, foreign tax reimbursements, pension and/or welfare contributions and allowances contractually due at the time the **Insured Event** occurs and for the duration of the **Insured Event**.

**Hijack/Hijacked** means the illegal holding under duress of a **Covered Person** for a period in excess of six consecutive hours while travelling in any aircraft, motor vehicle or waterborne vessel.

**Hoax** means a deliberate intention to deceive and/or defraud a **Covered Person** and/or **Us**.

**In Furtherance Of One Another** means the advancement or escalation of an **Insured Event** where one or more **Insured Events** have occurred.

**Indemnity/Indemnified** means compensation paid by **Us** under the terms of this **Policy** for damage or loss sustained by a **Covered Person** as a result of an **Insured Event**.

**Informant** means a person providing information that cannot be obtained from any other source and solely in return for a monetary payment and/or other reward paid by **You** or a **Covered Person**.

**Insured Event** means a **Kidnap** and/or **Extortion** and/or **Products Extortion** and/or **Detention** and/or **Hijack**.

**Kidnap/Kidnapped** means the illegal actual or alleged taking, in the territory specified in the **Declarations**, and holding captive of one or more **Covered Persons** by persons who then **Demand** specifically from **Your** assets or a **Covered Persons'** assets a **Ransom** as a condition of the release of such **Covered Person**.

**Loss of Limb** means loss by separation, or the total and irrecoverable loss of use of a hand at or above the wrist, or a foot at or above the ankle.

**Loss of Sight** means the entire and permanent **Loss of Sight** of one or both eyes certified by a qualified medical practitioner specializing in ophthalmology.

**Mutilation** means the permanent physical separation or the total and irrecoverable loss of use of all or part of a digit or all or part of an ear, nose or genital organ by deliberate act.

**Permanent Total Disablement** means that a **Covered Person** has suffered **Total Disablement** and after a period of 12 consecutive calendar months is medically determined to be unable to participate ever again in their business or occupation or attend to their normal duties.

**Personal Financial Loss** means loss suffered by a **Covered Person** solely and directly as a result of an **Insured Event** which prevents the **Covered Person** from attending to their personal financial matters.

**Policy** means this **Policy** form, the **Declarations** and any **Endorsements** issued by **Us** to **You**.

**Policy Period** means the time that this **Policy** is in force as specified in the **Declarations**.

**Premises** means the portion of any **Property** which is occupied by **You** in the conduct of **Your** business.

**Products** means **Your** products and/or products which are to be represented as such and/or goods which **You** handle.

**Products Extortion** means the making of illegal threats to **You** or the production of publicity that **Your Products** will be or have been contaminated, polluted or rendered substandard, by persons who then make a **Demand** from **You** either:

- 1) as a condition of not carrying out such threats, or
- 2) before providing further information about **Your** affected **Products**.

**Property** means buildings (including fixtures, fittings, works of art and other contents), computer hardware and software, plant and equipment, fixed or mobile property (including vessels and aircraft), bloodstock and livestock owned or leased by **You** or a **Covered Person** or for which **You** or a **Covered Person** are legally liable.

**Proprietary Information** means any information which **You** maintain as a trade secret and includes methods, processes, devices and techniques particular to the conduct of **Your** business.

**Ransom** means cash and/or other items of value surrendered or to be surrendered by or on behalf of **You** or a **Covered Person** who has been **Kidnapped**, or is the subject of a **Hijack** or **Extortion**, to meet a **Demand(s)**.

**Subrogated** means circumstances where **We** may, at our discretion, try to recoup expenses from another party for an **Indemnity** that **We** have paid when that other party could have been responsible for paying some or all of that **Indemnity**.

**Subsidiary(ies)** means

- 1) any corporation, or any limited liability company organized under the laws of any state in which **You** own, directly through one or more **Subsidiary(ies)** more than fifty percent (50%) of the outstanding securities or voting rights representing the right to vote for the election of, or appoint such organization's board of directors, board of trustees, board managers or a functional equivalent thereof, or to exercise a majority control of the board of directors, board of trustees, board managers or a functional equivalent thereof; or
- 2) subject to the terms of this **Policy**, or any part thereof, any organization that **You** acquire or form during the **Policy Period** in which **You** own, directly or through one or more **Subsidiary(ies)**, more than fifty percent (50%) of the outstanding securities or voting rights representing the right to vote for the election of, or to appoint such organization's board of directors, board of trustees, board managers or a functional equivalent thereof, or to exercise a majority control of the board of directors, board of trustees, board managers or a functional equivalent thereof.

**Total Disablement** means disablement which necessarily and continuously disables a **Covered Person** from attending to every aspect of such **Covered Persons'** normal business or occupation for a period of 12 consecutive calendar months. If the **Covered Person** has no business or occupation the disablement must confine the **Covered Person** immediately and continuously to the house and disable the **Covered Person** from attending to the **Covered Person's** normal duties.

**We/Us/Our** means Ironshore Specialty Insurance Company

**You/Your/Yours** means the insured named in the **Declarations**

## WHAT IS COVERED

### INSURED EVENTS

- 1) **Kidnap**
- 2) **Extortion**
- 3) **Products Extortion**
- 4) **Detention**
- 5) **Hijack**

If it is clear to **Us** that the **Kidnap(s)** and/or **Extortion(s)** and/or **Products Extortion(s)** and/or **Detention(s)** and/or **Hijack(s)** are or were carried out **In Furtherance Of One Another**, they shall be deemed to be connected and shall constitute a single **Insured Event**.

### INSURED LOSSES

**We** agree to pay **You** or a **Covered Person** for any losses sustained by **You** or a **Covered Person** up to the limits of liability shown in the **Declarations** for the following losses sustained solely and directly as a result of **Insured Events** which occur during the **Policy Period**, subject to the following terms, conditions and exclusions of the **Policy**.

- 1) **Ransom** which has been surrendered: In the case of items other than cash, **We** shall pay the actual cash value of the items at the time of surrender of the **Ransom** based on an independent valuation or agreement between the parties.
- 2) The loss in transit of a **Ransom** by actual damage, destruction, disappearance, confiscation, seizure, theft or wrongful abstraction that is sent by any person who is duly authorized to do so by **You** or a **Covered Person** to the persons that have made the **Demand**.
- 3) The fees and expenses of the **Crisis Management Consultants** approved by **Us**.
- 4) Additional expenses, necessarily incurred following the commencement of, and for the duration of, an **Insured Event** by **You** or a **Covered Person** and which shall comprise:
  - i. the fees and expenses of an independent negotiator engaged by **You** or a **Covered Person** with **Our** prior agreement. If **Our** prior written agreement is not obtained, **We** will not pay **You** or the **Covered Person** for these costs;
  - ii. the fees and expenses of an independent public relations consultant, or interpreters;
  - iii. the costs of travel and accommodation incurred by **You** or a **Covered Person**, including the costs of one journey of a **Covered Person** who has been **Kidnapped, Detained** or **Hijacked** and one member that person's family who accompanies him or her;
  - iv. the cost of one journey of a person to replace the **Covered Person** that has been **Kidnapped, Detained** or **Hijacked** and of a member of his or her **Family** to the country where the **Kidnap**

and/or **Detention** and/or **Hijack** occurred. Those travel costs will be paid by **Us** in respect of the first replacement only;

- v. 100% of the **Gross Salary** of one member of the family of the **Kidnapped** and/or **Detained** and/or **Hijacked Covered Person** who leaves their employment in order to assist in the negotiations for the release of the **Covered Person** who has been **Kidnapped, Detained or Hijacked**;
- vi. 100% of the **Gross Salary** of a **Covered Person** who has been **Kidnapped, Detained or Hijacked**, for the period when they are **Kidnapped, Detained** and/or **Hijacked** and for 60 days following their release; where a **Covered Person** is **Detained**, **Our** liability for **Gross Salary** payments shall be for a period of 72 calendar months or until 60 days after the date on which the **Detention** ceases, whichever shall first occur;
- vii. 100% of the **Gross Salary** for a replacement of a **Kidnapped, Detained or Hijacked Covered Person** and for 30 days following their release; where a **Covered Person** is **Detained**, **Our** liability for **Gross Salary** payments for a replacement shall be for a period of 72 calendar months or until 60 days after the date on which the **Detention** ceases, whichever shall first occur;
- viii. the costs incurred by **You** for the **Gross Salaries** of a **Covered Person** specifically designated to assist in negotiating on an **Insured Event**, not to exceed 100% of their **Gross Salary**. **We** will also cover all other expenses solely and directly incurred in connection with such negotiations, provided that **You** forward an itemized account of such employees' time, services and expenses;
- ix. the sums payable by way of interest on loans raised specifically to meet a **Demand(s)** and for amounts subsequently reimbursed under this **Policy**, provided the loan is repaid within seven days of **You** or the **Covered Person** receiving reimbursement from **Us**;
- x. a reward paid by **You** or a **Covered Person** to an **Informant** for information which contributes to the resolution of the **Insured Event** or the arrest and conviction of parties responsible for an **Insured Event**;
- xi. fees and expenses of security guards temporarily retained solely and directly for the purpose of protecting a **Covered Person** located in the country where an **Insured Event** has occurred and on the specific recommendation of the **Crisis Management Consultants**;
- xii. the costs of communication equipment, recording equipment and advertising incurred solely as the result of an **Insured Event**;
- xiii. the cost of getting any **Ransom** to the perpetrators of the **Kidnap or Extortion or Hijack** incurred with **Our** prior agreement. If **Our** prior written agreement is not obtained, **We** will not pay **You** or the **Covered Person** for these costs;
- xiv. rest and rehabilitation expenses incurred by a **Covered Person** within 12 consecutive calendar months following the release of a **Covered Person** from their **Kidnap** and/or **Detention** and/or **Hijack**;
- xv. the fees of independent forensic analysis engaged by **You** or a **Covered Person** with **Our** prior agreement. If **Our** prior written agreement is not obtained, **We** will not pay **You** or the **Covered Person** for these fees;
- xvi. the fees of independent legal advisors obtained by **You** or a **Covered Person** with **Our** prior written agreement. If **Our** prior written agreement is not obtained, **We** will not pay **You** or the **Covered Person** for these fees;
- xvii. the costs of cosmetic or plastic surgery, which is required to correct any permanent disfigurement sustained by a **Covered Person** who is the subject of an **Insured Event** solely and directly as the result of an **Insured Event**;
- xviii. fees for independent psychiatric and/or medical and/or dental care and any expense of confinement and/or legal advice incurred prior to and within 36 consecutive calendar months of the release of the **Covered Person**;
- xix. the costs of repatriation of the body of a **Covered Person** who has been **Kidnapped, Detained or Hijacked** , and their costs of burial or cremation;
- xx. **Personal Financial Loss** suffered by a **Covered Person** solely as a direct result of the physical inability to

attend to personal financial matters while the victim of a **Kidnap**;

- xxi. in the case of **Kidnap** and/or **Detention** and/or **Hijack** job re-training costs for the victim, including but not limited to salary of the victim while being retrained, and costs of external training courses;
- xxii. cost of child care incurred directly as a result of a **Kidnap** and/or **Detention** and/or **Hijack**;
- xxiii. any other expenses incurred following the commencement of, and for the duration of an **Insured Event**, by **You** or a **Covered Person** with **Our** prior written agreement. If **Our** prior written agreement is not obtained, **We** will not pay **You** or the **Covered Person** for these costs.

- 5) Legal liability, **You** may incur, such as settlements or awards, fees and judgments imposed upon and paid by **You** as a result of a claim for damages brought by or on behalf of any **Covered Person(s)** or his or their legal representative or shareholders solely and directly as a result of an **Insured Event**.

However:

- i. **You** shall neither admit any liability for, nor settle any claim, nor incur any costs or expenses without prior written agreement of **Us**;
- ii. **We** shall have the right to defend the claim against **You** and may investigate and settle the claim to the extent allowed by the law should **We** deem it expedient to do so, and **You** shall co-operate fully with **Us** in all things in connection with the claim;

The costs of defending the claim incurred by **Us**, or with **Our** prior written agreement, are payable in addition to the limit of liability referred to in the **Schedule**. **You** must obtain **Our** prior written agreement before **You** incur costs in respect of a claim. If **You** incur costs without **Our** prior written agreement, **We** will not pay **You** for those costs;

If the total amount for all settlements, awards and judgments to which such costs refer exceeds this limit, this **Policy** shall pay only that proportion of defense costs which the limit bears to the total of such settlements, awards and judgments.

- 6) In cases of Injury, disablement or death, **We** will pay, up to the limit of liability stated in the **Declarations**, for **Loss of Limb(s)**, **Loss of Sight**, **Mutilation**, **Permanent Total Disablement** or death sustained by any **Covered Person**, solely and directly as a result of an **Insured Event**, or an attempted **Insured Event**, provided that the incident caused the death or disablement of the **Covered Person** within 12 calendar months from the date of the incident.

#### WHAT IS NOT COVERED

**We** shall not be liable under this **Policy** where the first of a series of **Insured Events** carried out **In Furtherance Of One Another** began before the **Policy Period**.

In addition, this **Policy** does not cover the following:

- 1) loss which is covered under any other insurance, or which would be if this **Policy** did not exist;
- 2) loss caused by or arising from or attributable to any fraudulent, or criminal act by **You** or a **Covered Person**, whether acting alone or in collusion with others;
- 3) loss caused by or arising from or attributable to the surrender of a **Ransom** either at the **Kidnap** location of one or more **Covered Person(s)** or where the **Extortion** or **Products Extortion Demand** is first made, unless brought to such location after receipt of the **Ransom Demand** for the sole purpose of paying such a **Demand**;
- 4) loss caused by or arising from or attributable to 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**;
- 5) loss caused by or arising from or attributable to **You** or any **Covered Person** taking part in the operations of any

governmental or private police, guard, security or armed forces;

- 6) loss or damage arising directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination; however such nuclear reaction, nuclear radiation or radioactive contamination may have been caused;
- 7) the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials;
- 8) loss which results from:
  - i. a **Detention** arising from any act or alleged act by **You** or any **Covered Person** which would be a criminal offence if committed by the same party in the country where that party's headquarters are located or of which any **Covered Person** is a national, unless **You** determine 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 **You** or the victim of the **Detention**;
  - ii. a **Detention** arising from the failure by a **Covered Person** to procure properly or maintain immigration, work, residence, travel or similar visas, permits or other documentation.

## GENERAL CONDITIONS

### OUR LIABILITY

**Our** liability under this **Policy** shall be limited to the amount shown in the **Declarations**. **Our** liability shall not be increased:

- 1) because **You** may comprise or include more than one legal entity. If more than one legal entity is named in this **Policy**, only the first-named shall have any right to make, adjust, receive or enforce payment of any claim; or
- 2) due to the renewal of this **Policy**. The limits of liability will not accumulate from one **Policy Period** to another.

### PERSONAL ACCIDENT

Any **Covered Person** who suffers an **Insured Event** which causes **Loss of Limb, Loss of Sight, Mutilation or Total Disablement** within the meaning of this **Policy** must place himself or herself under the care of a qualified medical practitioner as early as possible after the incident;

- 1) **We** will not be liable to pay compensation unless a medical practitioner appointed by **Us** is allowed as often as is necessary to examine the **Covered Person**;
- 2) the total sum payable in respect of any one or more **Insured Events** shall not exceed, in total, the largest benefit per **Covered Person** under any one of the items listed in the **Declarations**;
- 3) if an **Insured Event** causes the death of the **Covered Person** within 12 months following the date of the **Insured Event** and prior to the settlement of the benefit for **Loss of Limb, Loss of Sight, Mutilation or Total Disablement**, within the meaning of this **Policy**, only the benefit provided for in the case of death shall be paid by **Us**;
- 4) if a **Covered Person** disappears during the **Policy Period** and such **Covered Person's** body is not found within 36 months after such **Covered Person's** disappearance and satisfactory evidence is produced to **Us** that leads **Us** inevitably to conclude that such **Covered Person** sustained death solely and directly as a result of an **Insured Event**, **We** will pay the death benefit under this insurance provided that the person or persons to whom such a sum is paid shall sign an undertaking to refund the sum paid to **Us** if the **Covered Person** is subsequently found to be living.

### TRANSPORTATION

In respect of costs of travel and accommodation incurred by **You** or a **Covered Person**, **You** or the **Covered Person** shall be reimbursed solely for the costs of transportation by economy class fares on any licensed common carrier operating from a

published timetable unless unavailable or the risk to the life of the **Covered Person** is such that any other appropriate means of transport becomes essential.

#### CANCELLATION

- 1) **You** may cancel this policy by mailing or delivering to **Us** advance written notice of cancellation.
- 2) **We** may cancel this policy by mailing or delivering to the **You** written notice of cancellation at least:
  - i. 10 days before the effective date of cancellation if **We** cancel for nonpayment of premium; or
  - ii. 30 days before the effective date of cancellation if **We** cancel for any other reason.
- 3) **We** will mail or deliver our notice to **Your** the last mailing address known to **Us**.
- 4) Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on that date.
- 5) If this policy is cancelled, **We** will send **You** any premium refund due. If **We** cancel, the refund will be pro rata. If the **You** cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- 6) If notice is mailed, proof of mailing will be sufficient proof of notice.

#### NOTICE OF AGENT

Any information known by **Your** insurance broker or any agent of **Yours** regarding matters relevant to this **Policy** does not mean that **We** are to be regarded as having waived or changed any part of this **Policy** and does not prevent **Us** from asserting any right under this **Policy**, nor shall the terms of this **Policy** be changed except by **Endorsement** agreed by **Us** with **Your** prior agreement.

#### AMENDMENTS

This **Policy** contains all the agreements between **You** and **Us** concerning the insurance afforded. The terms of this **Policy** can be changed only by **Endorsement**.

#### WAIVER OF RIGHTS

Failure by **Us** to exercise or enforce any right **We** may have under the **Policy** will not be deemed to be a waiver of such rights and will not operate so as to prevent **Us** from exercising or enforcing such rights at any time.

#### CURRENCY CONVERSION

All amounts shown in this **Policy** are in U.S. dollars. Losses will be adjusted and paid in the stated currency, unless directed otherwise by **You**.

In the event that a loss involves the conversion of one currency to another, the exchange selling rate will be calculated using the rate of exchange published in The Financial Times on the date of loss.

If The Financial Times was not published on the stipulated date, the rate of exchange will be as published on the next business day.

#### GROSS SALARY

**Our** liability in respect of a **Covered Persons' Gross Salary** is limited to those amounts to which the **Covered Person** is entitled under his or her contract of employment, in force at the time of the **Insured Event** occurring, and in respect of which amounts the **Covered Person's** employer has failed to honor its obligations.



## LAW AND JURISDICTION

United States law and the applicable state or federal jurisdiction of this **Policy** is based on the address of the insured stated in the DECLARATIONS.

**You** may not bring any legal action against **Us** involving loss:

- 1) Unless **You** have complied with all the terms of this **Policy**;
- 2) Until 90 days after **You** have filed proof of loss with **Us**; and
- 3) Unless brought within 2 years from the date **You** reported the loss to **Us**.

If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

## SANCTIONS

This **Policy** does not apply to the extent any trade or economic sanctions, or other laws or regulations prohibit **Us** from providing insurance, including, but not limited to, the payment of any claims.

## ACQUISITION

### 1) ACQUISITION OR CREATION OF A SUBSIDIARY

If **You** 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**, provided that no similar insurance is in existence, but:

- i. only for an **Insured Event** that first begins on or after the effective date of such creation or acquisition and;
- ii. 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.

### 2) ACQUISITION OF AN ENTITY BY MERGER OR CONSOLIDATION

If **You** shall, during the **Policy Period**, merge or consolidate another entity into an insured, additional **Covered Persons** resulting from such merger or consolidation shall be covered under this **Policy**, provided that no similar insurance is in existence, but:

- i. only for an **Insured Event** that first begins on or after the effective date of such merger or consolidation and;
- ii. 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 merger or consolidation.

### 3) ACQUISITION AND CHANGE OF CONTROL

If during the **Period of Insurance** (a) **You** merge or consolidate into another entity, or (b) 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 **Your** coverage under this **Policy** for such entity, or person or group of entities or persons and its direct and indirect **Subsidiary(ies)** shall be cancelled as of the effective date of the merger, consolidation or acquisition.

## YOUR RESPONSIBILITIES

If **You** and/or the **Covered Person** do not comply with **Your** responsibilities **Your Policy** will become invalid from its commencement and **You** and/or any **Covered Person** will not be covered for any loss. This means that **We** will be entitled to treat this **Policy** as if it had never existed, and **You** and/or the **Covered Person** will be obliged to pay back any amount **We** have paid out in respect of claims made under this **Policy**. The responsibilities are as follows:

- 1) to assist **Us** in dealing with **Your** claim under this **Policy** **You** and the **Covered Person** must communicate fully and without exception with **Us** and the **Crisis Management Consultants** at all times following an **Insured Event**.
- 2) when the **Insured Event** has occurred, or is believed to have occurred, **You** and/or the **Covered Person** must:
  - i. inform **Us** and the **Crisis Management Consultants** and provide whatever information is required as soon as is possible and inform or allow the **Crisis Management Consultants** to inform the appropriate authorities responsible for law enforcement in the country where an **Insured Event** has occurred of the **Insured Event** as soon as possible having regard to the personal safety of the victim;
  - ii. before agreeing to the payment of any **Ransom**, make every effort to:
    - a. determine that the **Insured Event** has actually occurred and is not a **Hoax**;
    - b. ensure that a senior official of **Yours**' agrees to the payment of the **Ransom**;
  - iii. when requesting **Indemnity** under this **Policy** in respect of a **Ransom**, be able to demonstrate that such **Ransom** had been surrendered under duress.
- 3) **You** and any **Covered Person** shall use due care and diligence and do all things practicable to avoid or diminish any insured losses.
- 4) **You** and any **Covered Person** must, at all times, restrict knowledge of the existence of the **Policy** to only those persons whose knowledge of the **Policy** is necessary.
- 5) in the event of any **Indemnity** being paid by **Us** under this **Policy** **We** shall be **Subrogated** to the extent of such payment to all **Your** rights of recovery, and **You** shall execute all papers required and shall do everything necessary to enable **Us** to bring a suit in **Your** name.
- 6) the **Policy** must not be assigned or transferred without **Our** written consent.
- 7) **You** and any **Covered Person** shall provide all necessary evidence and complete, sign or seal all papers required by **Us** to recover compensation from any third party in respect of any **Indemnity** **We** have paid. If **We** instigate proceedings in **Your** name or in the name of a **Covered Person**, any monies received as a result of those proceedings will belong to **Us**.
- 8) the **Policy** is void in any case of fraud by **You** as it relates to this **Policy** at any time. It is also void if **You** or any **Covered Person**, at any time, intentionally conceal or misrepresent a material fact concerning:
  - i. this **Policy**;
  - ii. a **Covered Person**;
  - iii. the **Property** covered under this **Policy**;
  - iv. **Your** interest in the **Property** covered under this **Policy**; or
  - v. A claim under this **Policy**.

#### SPECIAL PROVISIONS

Following an **Insured Event** the services of the **Crisis Management Consultants** will be available at no charge to provide advice and assistance in the handling of the **Insured Event** for as long as required.

Ironshore Specialty Insurance Company by:



Secretary



President

Specimen