



SPECIAL RISKS INSURANCE

This Insurance is designed to meet **Insured Losses** sustained by **You** because of **Insured Events** which occur during the Period of Insurance provided **You** have paid the required premium.

This is **Your** Insurance Policy which is established on the basis of the declarations and representations made and documents furnished (including the proposal form) by **You** and **Your** agent(s) to **Us**, all of which constitute an integral part of this contract of Insurance.

Combined with the Schedule this Policy contains the full Insurance terms, conditions, definitions and limitations. Please read this document carefully and keep it safe.

Words and phrases that appear in bold letters have special meaning given to them and can be read in the definitions section of this Policy.

If **You** shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claim hereunder shall be forfeited.

SCHEDULE

Policy Number:

Assured:

Period of Insurance: From:
 To:
 Both days at

Covered Person(s): As advised to and agreed by Us

Territory:

Premium:

Limits of Liability:

- | | | | |
|-------|--|-----------|--|
| (i) | Ransom | | per Insured Event |
| (ii) | Ransom in transit | | per Insured Event |
| (iii) | Response Consultants fees
and expenses | unlimited | per Insured Event |
| (iv) | Additional Expenses | | per Insured Event |
| | Sub-limit:
Rest and Rehabilitation Expenses | | per Insured Event |
| (v) | Personal Accident:
Capital Sum Insured | | per Covered Person
per Insured Event
and in the aggregate
during the Period of
Insurance |

	Benefits per Covered Person	% of Capital Sum Insured
(i)	Death	100%
(ii)	Loss of Limb(s)	100%
(iii)	Loss of Sight	100%
(iv)	Permanent Total Disablement	100%
(v)	Loss of Extremity	50%

- | | | |
|------|-------------|--------------------------|
| (vi) | Legal Costs | per Insured Event |
|------|-------------|--------------------------|

Response Consultants **TBA**

If an **Insured Event** occurs or is believed to have occurred **You** should contact the **Response Consultants** on the following 24 hour emergency telephone number(s): In the United States of America. TBA In the Rest of the World: TBA

Dated in London

INSURING CLAUSE

We agree to indemnify **You** in respect of **Insured Losses** sustained directly because of **Insured Events** which occur during the Period of Insurance, all as more fully stated herein.

INSURED LOSSES

1. **Ransom** which has been surrendered; in the case of marketable goods or services, **We** will pay the actual cash value thereof at the time of surrender based on an independent valuation.
2. The loss in transit of a **Ransom** by confiscation, destruction, disappearance, seizure or theft while it is being conveyed, to those who have demanded it, by a person authorised to do so by **You** or a **Covered Person**.
3. The fees and expenses of the **Response Consultants** for an **Insured Event**.
4. Additional expenses being expenses necessarily incurred, following and for the duration of an **Insured Event**, by **You** or a **Covered Person** and shall comprise:
 - a. fees and expenses for an independent negotiator engaged by **You** with **Our** prior authorisation;
 - b. fees and expenses of an independent public relations consultant and/or interpreter;
 - c. cost of travel and accommodation incurred by **You** or a **Covered Person**;
 - d. fees for independent psychiatric, medical and dental care including any costs for care by a neurologist, psychologist 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**;
 - e. reward paid by **You** to an **Informant** for information which contributes to the resolution of the **Insured Event**;
 - f. Personal Financial Loss suffered by a **Covered Person** solely as a direct result of the physical inability to attend to personal financial matters while a victim of a **Kidnap, Extortion, Detention** or **Hijack**;
 - g. 100% of a kidnapped, detained or hijacked **Covered Person's** gross salary including bonuses, commissions, cost of living adjustments, pension and/or welfare contributions and allowances, which were contractually due at the time the **Insured Event** occurs and for 60 consecutive days following the release. With respect to **Detention**, **Our** liability will be limited to a period of 60 consecutive calendar months;
 - h. 100% of the gross salary for a replacement of a kidnapped, detained or hijacked **Covered Person**, including bonuses, commissions, cost of living adjustments, pension and/or welfare contributions and allowances which were contractually due at the time the **Insured Event** occurs and for 30 consecutive days following the release. With respect to **Detention**, **Our** liability will be limited to a period of 60 consecutive calendar months;
 - i. The costs incurred by **You** for the salaries of employees specifically designated to assist in negotiating on an **Insured Event**. These are not to exceed the employee's 100% of salary including bonuses and allowances. Plus all other reasonable expenses solely and directly incurred in connection with such negotiations, provided that **You** forward an itemised account of

such employee's time, services and expenses;

- j. Sums payable by way of interest on loans raised specifically to meet a **Ransom** and in respect of amounts subsequently reimbursed hereunder, provided that the loan is repaid within seven days of **You** receiving reimbursement of the same from **Us**;
- k. 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 **Response Consultants**;
- l. Costs of communication, communication equipment, recording equipment and advertising solely as a result of an **Insured Event**;
- m. Reasonable fees and expenses of independent forensic analysts engaged by **You** with **Our** prior agreement;
- n. Rest and rehabilitation expenses that occur within 6 consecutive calendar months following the release of a **Kidnap** and/or **Detention** and/or **Hijack** victim and are incurred by the victim, the victim's spouse and/or children. **Our** liability will not exceed the sub-limit shown in item (iv) of the Schedule;
- o. The reasonable costs of cosmetic or plastic surgery, which is required to correct any permanent disfigurement sustained by a **Covered Person** solely and directly as a result of an **Insured Event**;
- p. All other reasonable expenses incurred by **You** or a **Covered Person** with **Our** prior approval.

5. **Personal Accident**

We will pay, up to the Limit of Liability stated in the Schedule, for **Loss of Limb(s)**, **Loss of Sight**, **Loss of Extremity**, **Permanent Total Disablement** or death sustained by a **Covered Person**, solely and directly as a result of an **Insured Event**, or an attempted **Insured Event**, provided that such injury caused the death or disablement, within the meaning of this Insurance, of the **Covered Person** within 12 calendar months from the date of the incident.

6. **Legal Costs**

We will pay, up to the Limit of Liability stated in the Schedule, with respect to any **Suit** brought against **You** by a **Covered Person** directly as a result of a **Kidnap**, **Detention**, **Extortion**, **Product Extortion** or **Hijack**, occurring during the Period of Insurance for:

- a. those sums that **You** become legally obligated to pay as damages as a result of a judgement or settlement of a **Suit**;
- b. all reasonable and customary expenses incurred by **You** in defence of such **Suit**;
- c. all costs levied against **You** in a **Suit**.

However, **You** shall neither admit any liability for nor settle any claim, nor incur any costs or expenses without **Our** prior approval.

We shall have the right to defend any such **Suit** against **You** and may make whatever investigation and settlement of any claim or **Suit** **We** deem expedient and the law allows, and **You** shall co-operate fully with **Us** in all things connected therewith.

INSURED EVENTS

- Kidnap** The actual or alleged taking captive of one or more **Covered Persons** within the territory specified in the Schedule by persons who then demand a **Ransom** specifically from **Your** assets or the assets of a **Covered Person** as a condition of the release of such captive(s).
- Extortion** The making of illegal threats either directly or indirectly to **You** or to a **Covered Person** to:
1. kill, injure or abduct a **Covered Person**, or
 2. cause physical damage to or loss of **Property**, or
 3. disclose, disseminate or utilise **Proprietary Information**, or
 4. introduce a **Computer Virus**,
- by persons who then demand a **Ransom** as a condition of not carrying out such threats.
- Products Extortion** 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 demand a **Ransom** from **You** either:
1. as a condition of not carrying out such threats, or
 2. before providing further information about **Your** affected **Products**.
- Detention** The holding under duress of a **Covered Person** for whatever reason, including the holding under duress of a **Covered Person** whether by governmental authorities in the place of custody or by others.
- Hijack** The illegal holding under duress for a period in excess of six consecutive hours of a **Covered Person** whilst travelling on any aircraft, motor vehicle or waterborne vessel.

Or a series of connected **Insured Events**. If it is evident from the demand(s) or the making of such demand(s) that **Insured Events** are or were carried out in furtherance one of another, they shall be deemed to be connected and constitute a single **Insured Event**. Nevertheless, there shall be no liability hereunder in respect of a series of **Kidnaps** or **Extortions** or **Products Extortions** or **Detentions** or **Hijacks** the first of which began before the Period of Insurance.

DEFINITIONS

- Assured** The person, company or firm named or specified in the Schedule.
- Computer System** 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 **You** are under **Your** direct operational control. Off-line media libraries are deemed to be part of said **Computer System**.

Computer Virus	A set of unauthorized instructions, programmatic or otherwise, that propagate themselves through Your 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.
Covered Person	<ol style="list-style-type: none"> 1. Any person named or specified in the Schedule. 2. A spouse or a relative, 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 descendant, ancestor, or spouse of an ancestor of a person named or specified in the Schedule. 3. Any person visiting the home of or normally resident in the home of a person named or specified in the Schedule, and any person or customer of Yours while on Your Premises or while travelling on board of any vehicle, aircraft or waterborne vessel owned or leased by You or a person named or specified in the Schedule. 4. Any person who is directly involved in the handling or negotiation of an Insured Event.
Informant	A person providing information not otherwise obtainable and solely in return for a monetary payment by You .
Loss of Extremity	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 mutilation.
Loss of Limb	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	Loss of sight of one or both eyes which is certified as being entire and irrevocable by a qualified medical practitioner specialising in ophthalmology and approved by Us .
Permanent Total Disablement	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 and at the end of such period, the Covered Person is certified by two qualified medical practitioners approved by Us as being beyond hope of improvement. 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.
Premises	The portion of any real property which is occupied by You in the conduct of Your business.

Products	You products and/or products which are to be represented as such and/or goods which You handle.
Property	Buildings (including fixtures, fittings, works of art and other contents), computer hardware or software, plant and equipment, fixed or mobile (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	Any information which You maintain as a trade secret and includes methods, processes, devices and techniques particular to the conduct of Your business.
Ransom	Cash and/or marketable goods or services surrendered or to be surrendered by or on behalf of You or a Covered Person to meet a Kidnap, Extortion or Product Extortion demand.
Response Consultants	As named or specified in the Schedule.
Suit	A civil proceeding in which damages to which this Insurance applies are alleged. Suit includes an arbitration proceeding alleging such damages to which You must submit with Our consent.
We/Us/Our	Certain Underwriters at Lloyd's, London.
You/Your/Yours	The person, company or firm named as the Assured in the Schedule.

EXCLUSIONS

We will not pay for any loss which is or but for this Insurance would be covered under any other insurance. Furthermore, **We** will not be liable in respect of any losses caused by, arising from or attributable to any of the following:

1. the surrender of a **Ransom** in any face to face encounter involving the use or threat of force or violence, 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;
2. the surrender of a **Ransom** either at the **Kidnap** location of one or more **Covered Persons** 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;
3. in respect of **Kidnap, Extortion, Products Extortion** or **Hijack**, a criminal act or an attempt either directly or indirectly to defraud **Us** by **You, Your** directors or officers, whether acting alone or in collusion with others;
4. **You** or any **Covered Person(s)** taking part in the operations of any governmental or private police, guard, security or armed forces;

5. In respect of **Detention**:
 - a. a **Detention** which is for a period of less than 24 consecutive hours;
 - b. any act or alleged act by **You** or a **Covered Person** which would be a criminal offence if committed by the same party in the country where its headquarters are located or of which a **Covered Person** is a national, unless **We** 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**;
 - c. failure of **You** or a **Covered Person** properly to procure or maintain immigration, work, residence, travel or similar visas, permits or other documentation;
6. the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials;
7. nuclear reaction, nuclear radiation or radioactive contamination.

CONDITIONS

1. When an **Insured Event** has occurred or is believed to have occurred, **You** must:
 - a. inform **Us** and the **Response Consultants** and provide whatever information is required as soon as is possible;
 - b. inform, or allow the **Response Consultants** 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 for the personal safety of the victim;
 - c. before agreeing to the payment of any **Ransom** make every reasonable effort to:
 - (i) determine that the **Insured Event** has actually occurred and is not a hoax;
 - (ii) ensure that a senior official of the **Assured** agrees to the payment of the **Ransom**.
 - d. when requesting the indemnification of a **Ransom** under this Insurance, be able to demonstrate that such **Ransom** had been surrendered under duress.
2. Following an **Insured Event** the services of the **Response Consultants** will be available to **You** at no charge and on a priority basis to provide advice and assistance in the handling of the **Insured Event** for as long as required.
3. In respect of **Personal Accident**:
 - a. any **Covered Person** who suffers an incident which causes disablement within the meaning of this Insurance must place himself or herself under the care of a qualified medical practitioner approved by **Us** as early as possible after the incident;
 - b. **We** will not be liable to pay compensation unless the medical practitioner appointed by **Us** is allowed as often as thought necessary to examine the **Covered Person**;

- c. the total sum payable in respect of any one or more **Insured Events** shall not exceed in all the largest Benefit per **Covered Person** under any one of the items (i) to (v);
 - d. 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 definite settlement of the benefit for disablement, within the meaning of this Insurance, there shall be paid only the benefit provided for in the case of death;
 - e. if a **Covered Person** disappears during the Period of Insurance and such **Covered Person's** body is not found within 36 months after such **Covered Persons** disappearance and sufficient evidence is produced satisfactory to **Us** that leads **Us** inevitably to the conclusion 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 such sum to **Us** if the **Covered Person** is subsequently found to be living.
4. **You** must act prudently at all times and do all things reasonably to avoid or diminish any **Insured Losses**.
 5. **You** and the **Covered Persons** must, at all times, restrict knowledge of the existence of this Insurance.
 6. **You** and the **Covered Person** must provide all necessary evidence and complete, sign or seal all papers required by **Us** to recover compensation or secure an indemnity from any third party in respect of any loss or damage. If **We** instigate proceedings in **Your** name or in the name of a **Covered Person**, any monies thus received will belong to **Us**.
 7. In the event of any indemnification under this Insurance, **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 suit in **Your** name.
 8. **Our** liability shall in all cases be limited to the amount shown in the Schedule. Specifically, without limiting the generality of the foregoing, **Our** liability shall not be increased because:
 - a. **You** may comprise or include more than one person, company or legal entity. If more than one legal entity is named under this Insurance, only the first-named will have any right to make, adjust, receive or enforce payment of any claim;
 - b. of renewal of this Insurance. **Our** liability shall not be cumulative from one Period of Insurance to another;
 - c. of any other reason whatsoever.
 9. This Insurance may be cancelled by **Us** solely if **You** fail to pay the required premium. In such an event **We** will send written notice of not less than 30 days of the effective date of such cancellation and any premium payable will be calculated on a pro rata basis.
 10. No assignment of **Your** interest hereunder shall be binding on **Us** unless **We** have granted prior permission.

11. Notice to anyone other than **You** or **Us** will not alter or effect a waiver on any terms of this Insurance or prevent **Us** from asserting **Our** rights under this Insurance. Terms may only be waived or changed by an endorsement forming part of this Insurance.
12. Failure by **Us** to exercise or enforce any right in this Insurance does not mean **Our** rights are waived. **We** may exercise or enforce **Our** rights at any time.
13. It is a condition precedent to **Our** liability under this Insurance that **You** shall communicate fully and without exception with **Us** and the **Response Consultants** at all times following an **Insured Event**.

14. (i) ACQUISITION OR CREATION OF A SUBSIDIARY:

If the **Assured** shall, during the Period of Insurance, 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 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..

(ii) ACQUISITION OF AN ENTITY BY MERGER OR CONSOLIDATION:

If the **Assured** shall, during the Period of Insurance, merge or consolidate another entity into an **Assured**, additional **Covered Persons** resulting from such merger or consolidation shall be covered under this Policy, provided that no similar insurance is in existence, but 1.) only for an **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** and no **Insured Event** occurring at the time of the merger or consolidation.

As regards item 14. (i) and (ii):-

- (a) If the new entity's turnover is less than 10% of the turnover declared to **Us** at the inception date of this Policy, such entity and/or **Covered Persons** shall be covered for the remainder of the Period of Insurance, without additional premium. However, **You** shall provide **Us** with details of the new entity and/or **Covered Persons** during such period of coverage.
- (b) If the new entity's turnover is in excess of 10% of the turnover declared to **Us** at the inception date of this Policy, such entity and/or **Covered Persons** shall be covered for 30 days or for the remainder of the Period of Insurance, whichever the lesser. However, **You** shall provide **Us** with details of the new entity and/or **Covered Persons** during such period of coverage to allow **Us** to review such details in order for **Us** to decline or accept coverage, at an additional premium, for the new entity and/or **Covered Persons**.

Failure to inform **Us** of any new entity and/or **Covered Persons** will void coverage for the new entity and/or **Covered Persons** beyond such period of coverage.

(iii) ACQUISITION AND CHANGE OF CONTROL:

If during the Period of Insurance, (a) the **Assured** merges or consolidates 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 the **Assured**, coverage under this Policy for such entity, or person or group of entities or

persons and its direct and indirect Subsidiaries shall terminate as of the effective date of the merger, consolidation or acquisition.

15. **We** have relied on the proposal form and all other information provided in connection with such form in deciding to accept this Insurance and in determining the terms of such acceptance. **You** must ensure that all statements in the proposal form or any other documentation are accurate and that **You** or any **Covered Person(s)** have not withheld any material fact(s), otherwise this Insurance may be avoided.
16. The following conditions apply to gross salary:
 - (i) at the time an **Insured Event** occurs the **Covered Person** and the **Covered Person's** employer shall have entered into a written contract of employment and that, subsequent to the occurrence of the **Insured Event** the **Covered Person's** employer shall have failed to honour his obligations to pay gross salary to the **Covered Person** under the contract of employment.
 - (ii) **Our** liability shall be limited to gross salary payments which the **Covered Person's** employer owes to the **Covered Person** and which is not paid to the **Covered Person** during the period when such **Covered Person** is **Kidnapped** or **Detained**, or in the case of **Detention**, 60 months has expired, whichever the earlier.
17. This Insurance is governed by and construed in accordance with English Law and all disputes will be subject to the exclusive jurisdiction of the courts of England.
18. A person who is not a party to this Insurance has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Insurance but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

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