

KIDNAP AND RANSOM/EXTORTION COVERAGE PART

I. INSURING AGREEMENTS

(A) Kidnap/Ransom/Extortion

The Insurer shall reimburse **Ransom Monies** paid by the **Insured** or any **Insured Person** resulting from a covered **Kidnapping** or **Extortion Threat**.

(B) Expense

The Insurer shall reimburse **Expenses** paid by the **Insured** resulting from a covered **Kidnapping** or **Extortion Threat**, or resulting from a **Detention** or **Hijacking** of any **Insured Person**.

(C) Custody/Delivery

If, as a result of a covered **Kidnapping** or **Extortion Threat**, the **Insured** sustains a loss due to destruction, disappearance, confiscation or wrongful appropriation of **Ransom Monies** while being delivered to persons demanding the **Ransom Monies** by anyone who is authorized by the **Insured** or **Insured Person** to have custody thereof; the Insurer will reimburse the **Insured** for such loss.

(D) Personal Accidental Death, Dismemberment & Disability Loss

The Insurer shall pay the amount in Item 4 (D) of the Declarations of this Coverage Part for **Personal Accidental Death, Dismemberment & Disability Loss** from a covered **Kidnapping**, or resulting from a **Detention** or **Hijacking**.

II. DEFINITIONS

The following terms, whether used in the singular or plural in this Coverage Part, shall have the meanings specified below:

(A) “**Detention**” means the involuntary confinement of an **Insured Person** for a period of not less than twenty four (24) hours, for whatever reason other than **Kidnapping**.

(B) “**Employee**” means:

(1) Any natural person:

(a) while in the service of the **Insured**;

(b) who is compensated directly by salary, wages or commissions by the **Insured**; and

(c) who the **Insured** has the right to direct and control while performing services for the **Insured**;

(2) Any natural person who is furnished temporarily to the **Insured**:

(a) to substitute for a permanent **Employee** as defined in paragraph (1) above, who is on leave; or;

(b) to meet seasonal or short-term work load conditions;

while that person is subject to the **Insured's** direction and control and performing services for the **Insured**;

(3) Any natural person who is leased to the **Insured** under a written agreement between the **Insured** and a labor leasing firm, to perform duties related to the conduct of the **Insured's** business;

(4) Any natural person who is a former official, **Employee**, director, partner, **Member**, **Manager**, representative or trustee retained as a consultant while performing services for the **Insured**; or

(5) Any natural person who is a guest student or intern pursuing studies or duties.

Employee shall not mean independent contractor.

(C) **“Expense”** means, solely in connection with **Kidnapping, Extortion Threat, Detention or Hijacking**, the reasonable fees and expenses for, or cost of:

- (1) the independent security consultant in Item 2 of the Coverage Part Declarations Page;
- (2) an independent negotiator;
- (3) an independent public relations consultant and/or interpreter;
- (4) reasonable fees and expenses for legal services necessary to secure the release of an **Insured Person**;
- (5) an independent forensic analyst;
- (6) communication equipment, recording equipment and advertising incurred solely and directly to obtain the release of an **Insured Person**;
- (7) **“Reward”**, which shall mean the amount paid by the **Insured** or an **Insured Person** to an **Informant** for information which directly leads to the arrest and conviction of the individual(s) responsible for **Kidnapping, Extortion Threat, Detention or Hijacking**;
- (8) interest for a loan taken by the **Insured** or **Insured Person** from a financial institution for the purpose of paying **Ransom Monies** as payment under Insuring Agreement (A);
- (9) travel and accommodations incurred by an **Insured Person**;
- (10) **“Salary”**, which shall mean the amounts of compensation paid by the **Insured** at an annual rate, including bonuses, commissions, incentive payments, health and welfare and pension benefits (at the level in effect on the date of the **Kidnapping, Detention or Hijacking**) which the **Insured** continues to pay an **Insured Person**. Payment of **Salary** ends at the earliest of:
 - (a) up to forty-five (45) days after such **Insured Person** is released, if the **Insured Person** is not yet back at work,
 - (b) when such **Insured Person** suffers **Loss of Life**,
 - (c) one hundred and twenty (120) days after the last credible evidence following abduction that the **Insured Person** is still alive; or
 - (d) solely with respect to **Detention or Hijacking**, for twenty-four (24) months after the commencement of such **Detention or Hijacking**, whichever is more recent;
- (11) the **“Salary”** of a replacement **Employee** to conduct the duties of the **Insured Person** following the **Kidnapping, Detention or Hijacking** of such **Insured Person**. Such coverage shall apply to the **Salary** in effect at the time of such **Kidnapping, Detention or Hijacking** and will end forty-five (45) days after such **Insured Person** is released or suffers **Loss of Life**;
- (12) reasonable defense costs incurred by an **Insured** and judgments or settlements which an **Insured** becomes legally obligated to pay as a result of a judgment or settlement in any suit brought by an **Insured Person** (or the estate, heirs, or legal representatives) alleging negligence or incompetence:
 - (a) in the hostage retrieval operations or negotiations in a covered **Kidnapping, Extortion Threat, Detention or Hijacking** of such **Insured Person**; or
 - (b) in the prevention of a covered **Kidnapping, Extortion Threat, Detention or Hijacking** of such **Insured Person**.

As additional conditions precedent to the Insurer's liability, the **Insured** shall (a) immediately notify the Insurer of any such claim or suit, (b) not admit liability in any such claim or suit. The Insurer shall have the right to investigate, negotiate or settle any such claim or suit or to take over the conduct of the defense thereof;

- (13) personal financial loss suffered by an **Insured Person** as a result of a **Kidnapping, Detention or Hijacking** and the result of the inability to attend to personal financial matters including, but not limited to, failure to renew insurance contracts and the failure to exercise stock options;
- (14) independent security guard services for a period of up to thirty (30) days during a **Kidnapping, Extortion Threat, Detention or Hijacking**;
- (15) any other direct expenses, reasonable in amount and reasonably incurred by the **Insured**, including (a) fees for related medical services (including psychiatric care, reasonable costs for cosmetic, dental or plastic surgery) which is medically required to correct any permanent disfigurement sustained by an **Insured Person** or guest directly as a result of a **Kidnapping, Detention or Hijacking** within twenty four (24) months following their release, and (b) reasonable expenses incurred for a period of not more than 30 days for rest and rehabilitation of an **Insured Person** and his/her spouse and children following the release of such **Insured Person** from a **Kidnapping, Detention or Hijacking**, provided such expenses are incurred within six (6) months following the release of such **Insured Person** and the maximum Limit of Insurance for this coverage shall not exceed \$25,000 per **Insured Person** per covered incident.

(D) “**Extortion Threat**” means **Bodily Injury Extortion, Computer Virus Threat, Property Damage Extortion, Products Extortion or Trade Secrets Extortion** as herein defined:

- (1) “**Bodily Injury Extortion**” means any threat, for the purpose of demanding **Ransom Monies**, communicated to the **Insured** or an **Insured Person** to kill, physically injure or kidnap an **Insured Person**.
- (2) “**Computer Virus Threat**” means any threat, for the purpose of demanding **Ransom Monies**, communicated to the **Insured** to alter, adulterate or destroy any of the **Insured’s** computer programs through the introduction into the **Insured’s** computer systems, instructions or data which are not authorized by the **Insured**.
- (3) “**Property Damage Extortion**” means any threat, for the purpose of demanding **Ransom Monies**, communicated to the **Insured** to physically damage, contaminate or pollute any buildings or **Premises**, (including, furniture, fixtures, fittings, machinery or equipment [fixed or mobile]), works of art and other contents, bloodstock and livestock, owned or leased by the **Insured**.
- (4) “**Products Extortion**” means any threat, for the purpose of demanding **Ransom Monies**, communicated to the **Insured** that products of the **Insured**, or products that are to be passed off as such, or goods which the **Insured** handles, will be contaminated, polluted or rendered substandard.
- (5) “**Trade Secrets Extortion**” means any threat, for the purpose of demanding **Ransom Monies**, communicated to the **Insured** to disseminate, utilize or divulge information including formulas, patterns, patents, compilations of data, programs, devices, methods, techniques or processes, or other proprietary information which is particular to the **Insured** in the conduct of business, provided the **Insured** makes constant and conscious efforts not to disclose such information to any third party.

All such threats related by a common committed, attempted or threatened wrongful act or made simultaneously against the same **Insured** or **Insured Person** will be deemed to constitute a single **Extortion Threat**.

- (E) “**Hijacking**” means the illegal holding under duress of an **Insured Person**, in excess of four (4) hours, while traveling in any motor vehicle, aircraft, or waterborne vessel for whatever reason other than **Kidnapping**.
- (F) “**Informant**” means any person, other than an **Insured Person**, providing information not otherwise obtainable, solely in return for a **Reward** offered by the **Insured**.
- (G) “**Insured**” means the named **Insured** or any **Subsidiary** of the named **Insured**, which existed prior to the inception date of the policy and was disclosed in the Application for this insurance.

- (H) “**Insured Person**” means:
- (1) any **Employee**;
 - (2) any director, trustee, partner, **Member**, **Manager**, proprietor (if the **Insured** is a sole proprietorship) or officer of an **Insured**;
 - (3) any **Relative** of an **Employee**;
 - (4) any natural person who is employed in the household of an **Employee** while in the home of such **Employee**;
 - (5) any natural person who is a resident or a guest in the home of an **Employee**;
 - (6) any customer or guest of an **Insured** on the **Premises** of an **Insured**;
 - (7) any customer of an **Insured** or a guest traveling with an **Employee**; or
 - (8) any natural person who is temporarily retained by any **Insured** or an independent security consultant to deliver a **Ransom Monies** or **Extortion Threat** payment.
- (I) “**Kidnapping**” means any event or connected series of events of seizing, detaining, abducting or carrying away by fraudulent means, of the **Insured** or one or more **Insured Persons**, except a minor by a parent thereof (or by a person acting on behalf of a parent), for the purpose of demanding **Ransom Monies**.
- (J) “**Loss of Extremity**” means the permanent physical separation or the total irrecoverable loss of use of a digit or part thereof, or an ear, nose or genital organ or part thereof by deliberate mutilation.
- (K) “**Loss of Life**” means:
- (1) death, including clinical death, determined by a medical examiner or similar local governing medical authority; or
 - (2) the lack of communication from an **Insured Person** or those responsible for the **Kidnapping, Detention** or **Hijacking** of such **Insured Person** for a period of one (1) year following the later of:
 - (a) such **Kidnapping, Detention** or **Hijacking**;
 - (b) the last communication from such **Insured Person**; or
 - (c) the last communication from those responsible for such **Kidnapping, Detention** or **Hijacking**.
- (L) “**Loss of Sight**” means the loss of sight of one or both eyes that is certified as being entire and irrevocable to the extent of legal blindness by a qualified medical practitioner specializing in ophthalmology and approved by the Insurer.
- (M) “**Loss of Speech and/or Hearing**” means the permanent total loss of the capability of speech and/or hearing that is certified by a qualified medical practitioner specialist and approved by the Insurer.
- (N) “**Loss of Use**” means the permanent total loss of function of a foot, hand, or thumb and index finger that is certified by two qualified medical practitioners (approved by the Insurer) as being beyond hope of improvement.
- (O) “**Manager**” means a person serving in a directorial capacity for a limited liability company.
- (P) “**Member**” means an owner of a limited liability company represented by its membership interest, who also may serve as a **Manager**.
- (Q) “**Personal Accidental Death, Dismemberment & Disability Loss**” means **Loss of Life, Loss of Use, Loss of Sight, Loss of Speech and/or Hearing, or Loss of Extremity** of an **Insured Person** when such **Personal Accidental Death, Dismemberment & Disability Accidental Loss**:

- (1) is unanticipated and independent of any illness, disease or other bodily malfunction of such **Insured Person**; and
 - (2) arises from a source outside of such **Insured Person**.
- (R) “**Premises**” means buildings, facilities or properties occupied by the **Insured** in conducting its business or a residence occupied by any director, officer or **Employee** of the **Insured**.
- (S) “**Ransom Monies**” shall mean cash and/or marketable goods or services that the **Insured** shall have surrendered to meet a **Kidnapping** or **Extortion Threat** demand. In the case of marketable goods or services, the Insurer shall pay the actual cash value thereof at the time of surrender.
- (T) “**Relative**” means a spouse, domestic partner, child, step-child, adopted child, adopted stepchild, foster child, spouse of married children, grandchild, sister, brother, parent, parent-in-law, step-parent, grandparent, grandparent-in-law.

III. EXCLUSIONS

This Coverage Part does not apply:

- (A) to loss due to any fraudulent, dishonest or criminal acts of the **Insured**, its **Employees**, any **Insured Person** or any person authorized by the **Insured** to have custody of **Ransom Monies**;
- (B) to loss resulting from fraud by any **Insured Person** allegedly the subject of a **Kidnapping, Extortion Threat, Detention or Hijack** if the **Insured** had not, prior to payment, made reasonable efforts to determine that such **Kidnapping, Extortion Threat, Detention or Hijacking** was genuine;
- (C) to loss due to confiscation or expropriation of **Reward** or **Ransom Monies** by any governmental authority;
- (D) to loss of income not realized by the **Insured** as the result of a covered loss;
- (E) to loss due to the surrender of **Ransom Monies**;
 - (1) 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 Monies** at the time of such surrender for the sole purpose of conveying them to pay a previously communicated demand for **Ransom Monies**;
 - (2) on the **Premises** unless brought onto the **Premises** after the receipt of the **Kidnapping** or **Extortion Threat** demand for the purpose of paying such demand;
- (F) under Insuring Agreement (B)
 - (1) due to any act or alleged act of the **Insured** or **Insured Person** which would be a criminal offense if committed by the same party in a country where the **Insured** is headquartered or of which the **Insured Person** is a national, unless the Insurer determines that such allegations were intentionally false, fraudulent and malicious and made solely and directly to achieve political, propaganda or coercive effect upon or at the expense of the **Insured** or **Insured Person** who was subject to the **Detention** or **Hijacking**;
 - (2) due to any actual or alleged violation of the laws of a foreign country by the **Insured** or **Insured Person**, unless the Insurer determines that such allegations were intentionally false, fraudulent and malicious and made solely and directly to achieve political, propaganda or coercive effect upon or at the expense of the **Insured** or **Insured Person** who was subject to the **Detention** or **Hijacking**;
 - (3) due to the failure of the **Insured** or an **Insured Person** to properly procure or maintain immigration, work, travel, residence or similar visas, permits or other documentation;
 - (4) due to an **Insured Person** taking part in any political activity or the operations of any security or armed forces;
 - (5) due to an **Insured Person** traveling to a country after the U.S. Department of State issues a travel warning;
 - (6) due to an **Insured Person** traveling to or remaining in a country after the U.S. Government provides a directive to leave the country in question.
- (G) loss sustained by one **Insured** to the advantage of any other **Insured**;

- (H) loss resulting from fraud by an **Insured Person** allegedly the subject of a **Personal Accidental Death, Dismemberment & Disability Loss**;
- (I) to any loss, including expenses due to any **Kidnapping** and/or **Extortion Threat** that is part of a connected series of acts involving **Kidnapping** and/or **Extortion Threat** beginning prior to the **Policy Period**, or prior to the acquisition, consolidation or purchase of assets of another entity.
- (J) to any expenses related to recalling a product.

IV. GENERAL AGREEMENTS

(A) Beneficiary:

The **Benefit Amount** for all other **Personal Accidental Death, Dismemberment & Disability Accidental Loss**, other than **Loss of Life**, will be paid to the **Insured Person**. The **Benefit Amount** for **Loss of Life** will be paid to the estate of the **Insured Person**

(B) Conditions Precedent to Liability:

As a condition precedent to the Insurer's liability under Insuring Agreement (A), the **Insured** shall have approved the payment of **Ransom Monies**. In the event of a **Kidnapping** or **Extortion Threat** of an **Insured Person** or guest during the **Policy Period**, and prior to the payment of **Ransom Monies**, the first named **Insured** shall make every reasonable effort to:

- (1) determine that the **Kidnapping** or **Extortion Threat** has actually occurred, and;
- (2) give immediate oral notice to the independent security consultant referenced in C (1) of II. DEFINITIONS and oral or written notice to the Insurer; and
- (3) notify the Federal Bureau of Investigation or other law enforcement agency having jurisdiction thereover of the demand for **Ransom Monies** and comply with their recommendations and instructions.

As additional conditions precedent to the Insurer's liability, the **Insured** shall:

- (1) use all due diligence and do all things reasonably practicable to avoid or diminish any loss; and
- (2) use all reasonable efforts not to disclose the existence of this coverage part.

(C) Consolidation - Merger

If through consolidation or merger with, purchase or acquisition of assets or liabilities of, some other entity, any additional persons become an **Insured** or **Insured Persons** or the **Insured** acquires the use and control of any additional **Premises**:

- (1) The **Insured** must give the Insurer written notice and obtain its written consent to extend this insurance to such additional **Insured Persons** or **Premises**. The Insurer may condition its consent upon payment of an additional premium; but
- (2) For the first 90 days after the effective date of such consolidation, merger, or purchase or acquisition of assets or liabilities, any insurance afforded for **Insured Persons** or **Premises** also applies to these additional **Insured Persons** or **Premises** for acts occurring within this 90-day period.

As respects the coverage provided by this Coverage Part, with respect to the consolidation, merger, purchase or acquisition of assets or liabilities, no coverage shall apply if there are known incidents or threats as of the date of the acquisition, if such incidents or threats are known to:

- (a) the **Insured**;
- (b) any **Insured Person**;
- (c) the entity from whom the **Insured** is consolidating, merging, purchasing or acquiring assets or liabilities; or
- (d) the employees, officers, directors, managers, members or partners of an entity described in (c) above.

(D) Expense Coverage

The Insurer shall indemnify the **Insured** for **Expenses** incurred by the **Insured** for the purpose of investigating a **Kidnapping** or **Extortion Threat**, paying **Ransom Monies**, negotiating or obtaining the release of any **Insured Person** or guest, or other **Expenses** directly related to a **Kidnapping, Extortion Threat, Detention** or **Hijacking**; provided such **Kidnapping, Extortion Threat, Detention** or **Hijacking** is insured hereunder. Indemnification for **Expenses** under Insuring Agreement (A) shall be in addition to the Limit of Insurance;

provided that the amount payable hereunder for **Expenses** involved with any loss under Insuring Agreement (A) shall not exceed the Limit(s) of Insurance stated in Item 1 of the Declarations for that Insuring Agreement.

(E) Joint Insured

- (1) By acceptance of this Coverage Part, the first named **Insured** for itself and all other **Insureds** agree that this coverage part embodies all agreements existing between themselves and the Insurer or any of its agents relating to this insurance. The first named **Insured** will act for itself and for every other **Insured** for purposes of this insurance.
- (2) If any **Insured** or **Insured Person** has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every **Insured** and **Insured Person**.
- (3) An **Employee** of any **Insured** is considered to be an **Employee** of every **Insured**.
- (4) All losses and other payments, if any, payable by the Insurer shall be payable to the first named **Insured**, and the Insurer shall not be responsible for the proper application of any payment made. The Insurer shall not be liable for loss sustained by one **Insured** to the advantage of any other **Insured**. If the **Insured** shall agree to and shall make payment to any **Insured** other than the first named **Insured** or to any **Insured Person**, such payment shall be treated as though made to the first named **Insured**.
- (5) The **Insurer** will not pay more for loss sustained by more than one **Insured** than the amount it would pay if all the loss had been sustained by one **Insured**.

(F) Limits of Insurance and Deductible

- (1) The Insurer's Limit of Insurance shall apply only to that part of loss that is excess of the applicable Deductible Amount indicated in Item 1. of the Declarations of the Coverage Part.
- (2) Subject to (1) above, if a Coverage Part Limit of Insurance is shown in Item 1. of the Coverage Part Declarations, the Insurer's maximum liability for all loss during the policy period shall not exceed the Coverage Part Limit of Insurance stated in Item 1. of the Coverage Part Declarations.
- (3) Subject to (1) and (2) above, the Insurer's maximum liability for each loss shall not exceed the Limit(s) of Insurance set forth in Item 1 of the Declarations of this Coverage Part, regardless of the number of **Insureds** or **Insured Persons** sustaining the loss.
- (4) Payment of loss under this Coverage Part will not reduce the liability of the Insurer for other losses; provided that the maximum liability of the Insurer will not exceed the dollar amount as set forth in Item 1 in the Declarations of this Coverage Part:
 - (a) Applicable to Insuring Agreement (A): for all loss of property and other consideration actually surrendered as **Ransom Monies** and **Extortion Threat** payments arising from one **Kidnapping** or **Extortion Threat** or a series of related **Kidnappings** or **Extortion Threats**;
 - (b) Applicable to Insuring Agreement (B): for all **Expenses** arising from one **Kidnapping**, **Extortion Threat**, **Detention** or **Hijacking** or a series of related **Extortion Threats**, **Detentions** or **Hijackings**;
 - (c) Applicable to Insuring Agreement (C): for all loss of property and other consideration intended as **Ransom Monies** or **Extortion Threat** payments arising from one **Kidnapping** or **Extortion Threat** or a series of **Kidnappings** or **Extortion Threats**;
 - (d) Applicable to Insuring Agreement (D):
 - (i) If an **Insured Person** suffers more than one covered **Personal Accidental Death, Dismemberment & Disability Loss**, the Insurers maximum liability for all such **Personal Accidental Death, Dismemberment & Disability Loss** shall be the All **Other Personal Accidental Death, Dismemberment & Disability Loss** amount as set forth in 1. D. (ii) of the Declarations of this Coverage Part.
 - (ii) If more than one **Insured Person** suffers a covered **Personal Accidental Death, Dismemberment & Disability Loss** resulting from the same **Kidnapping, Extortion Threat, Detention** or **Hijacking** or a series of related **Extortion Threats, Detentions** or **Hijackings**, the Insurers maximum liability for all such **Personal Accidental Death, Dismemberment & Disability Loss** shall be All **Other Personal Accidental Death, Dismemberment & Disability Loss** amount as set forth in 1. D. (ii) of the Declarations of this Coverage Part, which shall be divided proportionately among such **Insured Persons**.

Loss includes the total of **Ransom Monies**, net of all recoveries, which the **Insured** shall have (a) paid by reason of any one **Kidnapping**, alleged **Kidnapping** or **Extortion Threat**, or (b) lost while being delivered

by reason of any one **Kidnapping**, alleged **Kidnapping** or **Extortion Threat**. A connected series of acts, incidents or events of **Extortion Threat** by one person or collaborating persons shall constitute one loss.

In the event there are multiple **Insureds** or **Insured Persons**, the maximum liability of the Insurer for loss sustained by one or all **Insureds** or **Insured Persons** shall not exceed the amount for which the Insurer would be liable if all losses were sustained by one **Insured** or **Insured Person**. The Limit of Insurance applicable to any loss shall not be cumulative from **Policy Period** to **Policy Period**.

(G) Loss Sustained

A loss shall be deemed to have been sustained under:

- (1) Insuring Agreement (A), at the time of the surrender of the **Ransom Monies** or **Extortion Threat** payment;
- (2) Insuring Agreement (B), at the time of payment of incurred **Expenses**;
- (3) Insuring Agreement (C), at the time of the actual destruction, disappearance, confiscation or wrongful abstraction of **Ransom Monies**;
- (4) Insuring Agreement (D), at the time of the **Accidental Loss**.

(H) Personal Assets

In the event that a demand for **Ransom Monies** or a **Bodily Injury Extortion Threat** is directed against any **Insured Person** rather than against the **Insured**, **Ransom Monies** surrendered, or intended to be surrendered by or on behalf of such **Insured Person** and the following resulting **Expenses**: (C)(1) through (9) and (C)(13) through (15); incurred by or on behalf of such **Insured Person** shall at the option of the **Insured**, be considered property or other consideration surrendered on behalf of the **Insured** and **Expenses** incurred by the **Insured**. The **Insured** must approve the **Ransom Monies** or **Extortion Threat** payment made by the **Insured Person**.

V. CONDITIONS AND LIMITATIONS

SPECIMEN

(A) RECOVERIES

In the event of any payment under this policy, all recoveries, less the actual cost to the Company of recovery, shall be distributed in the following manner: the **Insured** shall be reimbursed for any loss and/or **Expense** which exceed the amount of insurance provided by this policy; the balance, if any, shall be applied to reimbursement of the Company to the extent of its payment and any remainder paid to the **Insured**. If there is no excess payment, any such recoveries shall be distributed first in reimbursement to the Company to the extent of its payment and any remainder paid to the **Insured**.

(B) POLICY PERIOD

This coverage part applies to loss or **Expenses** sustained at any time, provided that they result from a **Kidnapping, Extortion Threat, Detention or Hijacking** which occurs during the **Policy Period** and provided that any claim for such loss or **Expenses** is reported to the Company no later than twelve (12) months after the expiration of the **Policy Period**.

(C) VALUATION

The Company shall not be liable for more than the actual cash value of any **Ransom Monies** paid at the time it is paid less any amounts which are recovered from the persons to whom the **Ransom Monies** were paid. If a loss or **Expense** involves currency other than that of the United States of America, the Company shall not be liable for more than the United States dollar equivalent of the foreign currency as of the day when the foreign currency is paid as **Ransom Monies**. The rate of the exchange will be at the rate published in the Wall Street Journal on the day when the **Ransom Monies** are paid.