

BusinessGuard - CrimeManager 11.2003

In consideration of the payment of the premium, the *insurer* agrees as follows:

1. Insurance Cover

The *insurer* shall indemnify the *insured* for their direct financial *loss* sustained at any time following a single act or series of related acts of fraud, dishonesty or *criminal damage* committed by any *employee* (acting alone or in collusion with others) or theft or criminal damage committed by any other person, which is:-

- a) committed with the clear intent to cause the *insured* a *loss*, and
- b) *discovered* by the *insured* during the *policy period* or the *discovery period*, and
- c) committed within the *geographical limits*, and
- d) not excluded under the terms and conditions of this policy.

2. Insured

Insured under this policy means the *policyholder* and including any:

2.1 Existing subsidiary or associated company

This policy covers any of the *policyholder's* *subsidiary* or *associated companies* existing on or before the inception of the *policy period*.

2.2 New subsidiary or associated company (automatic cover)

This policy covers any *subsidiary* or *associated company* which the *policyholder* acquires or creates after the inception date of this policy **and provided that the acquired subsidiary or associated company:**

- a) has gross annual turnover which does not exceed twenty per-cent (20%) of the *Insured's* gross annual turnover as declared to the *insurer* at the inception date of this policy, and
- b) has a total number of *employees* that does not exceed twenty per-cent (20%) of the total number of *employees* of the *insured* as declared to the *insurer* at the inception date of this policy, and
- c) has not sustained losses of a type covered by this policy within the last three (3) years which (whether insured or not and before the application of any retention, deductible or excess) were individually greater than thirty (30) per-cent of the **Retention as specified under Item 4 of the Schedule.**

no other information or additional premium is required by the *insurer*.

2.3 New acquisition or newly created company (60 days notice)

This policy covers any *subsidiary* or *associated company* which the *policyholder* acquires or creates after the inception date of this policy which does not comply with the provisions of subsection 2.2 **provided that in respect of any acquisition the policyholder:**

- a) gives the *insurer* written notice within sixty (60) days of the effective date of the acquisition, and
- b) gives the *insurer* such other additional information as it may reasonably require, and

c) **pays any reasonable additional premium required by the *insurer* calculated pro-rata from the effective date of the acquisition to the end of the *policy period*.**

2.4 *Subsidiary or associated company sold or wound up during the policy period*

This policy covers any of the *policyholder's subsidiary or associated companies* sold or wound up during the *policy period* which was previously insured under this policy, for any *loss* covered by this policy and *discovered* subsequent to the date of sale or winding up, which arises from any act or acts committed prior to the date of sale or winding up.

With respect to Subsections 2.1, 2.2, 2.3 and 2.4, unless otherwise agreed by the *insurer* the cover afforded to the companies described therein shall only apply for any act or acts committed while such company is or was a *subsidiary or associated company* of the *policyholder*.

2.5 *Pension and employee benefit plans*

This policy covers *loss* sustained by any of the *policyholder's plans*. Any indemnity paid pursuant to this provision shall be made for the benefit of the *plans* sustaining the *loss*.

3. Definitions

3.1 *Associated Company* means any company of which the *policyholder* owns or owned on or before the inception of the *policy period* more than twenty per-cent (20%) but less than or equal to fifty per-cent (50%) of the issued and outstanding voting shares either directly or indirectly through one or more of its *subsidiary companies*, and in which the *policyholder* retains *management control*.

3.2 *Computer or funds transfer fraud* means the theft of the *Insured's*:

- a) assets under the direct or indirect control of a computer system by manipulation of computer hardware, software programs or systems, by any person (other than an *employee*) who does not have authorized access to such computer system by the *insured*; or
- b) funds from an account maintained by the *insured* at a financial institution (from which the *insured* or their authorized representatives may request the transfer, payment or delivery of funds), following fraudulent electronic, telegraphic, cable, teletype, tested telex, telephone or written instructions to debit such account and to transfer, pay or deliver funds from such account and which instructions purport to have come from the *insured* or a person authorized by the *insured* to issue such instructions, but which are fraudulently transmitted, issued, or a *forgery* or fraudulently altered by another.

3.3 *Counterfeiting* means the imitation of an authentic negotiable instrument such that the *insured* is deceived on the basis of the quality of the imitation to believe that the imitation is the authentic original negotiable instrument. Fictitious instruments which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not counterfeit.

3.4 *Criminal Damage* means any act of intentional destruction or damage to physical property belonging to another, which constitutes a punishable criminal offense.

3.5 *Discovered* or *discovery* means when a director, partner, departmental director, senior manager or equivalent of the *insured* becomes aware of acts which would cause a reasonable person to assume that a *loss* covered by this policy has been or will be incurred, even though the exact amount or details of a *loss* may not then be known. Such *discovery* shall constitute knowledge possessed or *discovery* made by every *insured*.

- 3.6 ***Discovery period*** means the period of time specified in General Provision 6.6 immediately following the termination of this policy during which written notice may be given to the *insurer* of any *loss* first *discovered* during such period of time in connection with any act committed prior to the end of the *policy period*.
- 3.7 ***Employee*** means any natural person (other than directors) while in the regular service of the *insured* (including the first sixty (60) days following termination of service) who the *insured* compensates by salary, wages and/or commissions and which the *insured* has the right to govern and direct in the performance of such service. The term *employee* shall also include:
- a) any director or trustee of the *insured* while performing acts coming within the scope of the usual duties of an *employee*;
 - b) part-time or temporary *employees*;
 - c) students, secondees or volunteers pursuing studies, gaining work experience or performing duties for the insured under its supervision;
 - d) any trustee, fiduciary, administrator or officer of any *plan*;
 - e) any solicitor retained by the *insured* and any of the employees of the solicitor while performing legal services for the *insured*;
 - f) any person provided to the *insured* by an employment agency (or similar contractor) to perform the duties of an *employee*;
 - g) any *employee* which the *insured* is unable to identify by name but whose act or acts have caused a *loss* covered under this policy, provided that the evidence submitted proves beyond reasonable doubt that the *loss* was due to the act of such *employee*.
- The term *employee* does not mean any broker, investment adviser or investment manager, factor, commission merchant, consignee, contractor or other similar agent or representative.**
- 3.8 ***Forgery*** means the hand-written signing of the name of a genuine person by another person without authority and with intent to deceive. It does not include the signing in whole or in part of one's own name, with or without authority, in any capacity, for any purpose. Mechanically or electronically produced or reproduced signatures are treated the same as hand-written signatures.
- 3.9 ***Geographical limits*** means the territory specified in Item 6 of the Schedule.
- 3.10 ***Insured*** means the organization defined under Section 2 of this Policy.
- 3.11 ***Insurer*** means the American International Group member company duly authorised to business in the country where this policy is issued
- 3.12 ***Loss*** means the direct financial loss (**other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits paid by the insured, which are not deemed direct financial loss**), sustained by the *insured* in connection with any single act or series of related, continuous or repeated acts (which shall be treated as a single act) of fraud, dishonesty or *criminal damage* committed by any *employee* (acting alone or in collusion with any other *employee* or others) or theft or criminal damage committed by any other person, or in which such *employee* or other person is involved or implicated.
- 3.13 ***Management control*** means that the *policyholder* has the right to control the day-to-day management of the relevant entity and sets security and internal control procedures, whether financial or operational.

- 3.14 **Money** means currency, coins, bank notes and bullion, cheques, travelers cheques, registered cheques, postal orders and money orders held for sale to the public.
- 3.15 **Plan** means any pension, employee benefit, welfare benefit, share saver or share option plan or charitable fund or foundation established or maintained by the *insured* for the benefit of the past, present and /or future employees of the *insured* or their respective beneficiaries, on or prior to the inception date of this policy.
- 3.16 **Premises** means any building or property owned or occupied by the *insured* as a place to conduct their business.
- 3.17 **Policyholder** means the organization specified in Item 1 of the Schedule.
- 3.18 **Policy period** means the period of time from the inception date to the expiry date specified in Item 2 of the Schedule.
- 3.19 **Securities** means all negotiable and non-negotiable instruments or contracts, including any note, stock, bond, debenture, evidence of indebtedness, share or other equity or debt security, representing either money or property, but does not include *money*.
- 3.21 **Subsidiary** means companies in which the *policyholder* either directly or indirectly through one or more of its *subsidiaries*:
- controls the composition of the board of directors; or
 - controls more than half of the voting power; or
 - holds more than half of the issued share capital.
- 3.22 **Terrorism** means any act of any person acting for and on behalf of or in connection with any organization with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence.
- 3.23 **Transaction** means any one of the following events:
- the insured and/or any entity which controls outstanding shares representing 50% or more of the voting power for the election of directors of the insured, consolidates with or merges into or sells all or substantially all of its assets to any other person or entity or group of persons and/or entities acting in concert;
 - any person or entity, whether individually or together with any other person or persons, entity or entities acquires an amount of the outstanding shares representing more than 50 per cent of the voting power for the election of directors of any insured, or acquires the voting rights for such an amount of the shares

4. Exclusions

The insurer shall not be liable to make any payment for:

4.1 Consequential loss

Indirect or consequential loss of any nature, including any loss of income (including but not limited to interest and dividends) not realized by the *insured* or any other person or organization because of a *loss* covered under this policy, except as provided under Extension 5.4.

4.2 Costs, fees and expenses

Costs, fees or other expenses incurred in establishing the existence or amount of *loss* covered under this policy, or in prosecuting or defending any legal proceeding, or for any recall costs or costs associated with a recall, except as provided under Extension 5.5 and General Provision 6.7.

4.3 Credit risks

Loss resulting from the complete or partial non-payment of or default under any:

- a) credit agreement, extension of credit or hire purchase agreement;
- b) loan or transaction in the nature of a loan;
- c) lease or rental agreement;
- d) invoice, account, agreement or other evidence of debt; or
- e) payments made or withdrawals from any customer's account involving items which are not finally paid for any reason.

However, this exclusion does not apply to any *loss* resulting from fraudulent or dishonest acts of an *employee* or unless the agreement was originally obtained from the *insured* by any other person not in collusion with such *employee* by virtue of *forgery, counterfeiting or computer or funds transfer fraud*, in which event the amount of such *loss* shall be determined to be the amount of money paid out, advanced or withdrawn, less all money received from any source, including payments, interest, commissions and the like.

4.4 Extortion

Loss due to extortion unless committed by an employee or as provided under Extension 5.3.

4.5 Fines, penalties or damages

Fines, penalties or damages of any type for which the *insured* is legally liable, except direct compensatory damages arising out of a *loss* covered under this policy or as provided under Extension 5.2.

4.6 Loss sustained after knowledge

Loss caused by any employee or any other person from the time the insured or any of the Insured's officers or partners who are not in collusion with such employee or other person shall have knowledge or information that such employee or other person has committed any act of fraud, dishonesty, theft or criminal damage:

- (i) whilst such *employee* is in the *Insured's* service or during the term of employment with the *insured*;
- (ii) whilst such other person is under contract to provide goods or services to the *insured*, provided the act involved *money, securities* or other property valued at US\$15,000 or more; or
- (iii) prior to an *employee* being employed by the *insured*, provided the act involved *money, securities* or other property valued at US\$15,000 or more.

4.7 Major shareholder

Loss involving any employee who, at the time of committing any act of fraud, dishonesty or criminal damage (as insured hereunder), owns or controls more than five per-cent (5%) of the Insured's issued share capital.

4.8 Non-violent crime by any third party

Loss of and/or damage to any property (including but not limited to personal computers and software, stock and contents) on the premises, unless caused by theft or attempted theft following entry to or exit from the premises by violent and forcible means by any person(s) other than employees. This exclusion does not apply to money (including funds), securities or computer or funds transfer fraud.

4.9 Premises damage

Damage or destruction to any premises, however caused.

4.10 Prior discovery of losses

Loss the insured discovered:

- One) prior to the inception date of the policy period, or**
- Two) subsequent to the expiry of the policy period or discovery period.**

4.11 Profit, loss or inventory computation

Loss, the proof of which is dependent solely upon a:

- One) profit and loss computation or comparison; or**
- Two) comparison of inventory records with an actual physical count**

However, where an employee is involved and has been identified, inventory records and actual physical count of inventory can be submitted as supporting documentation of loss.

4.12 Proprietary information, trade secrets and intellectual property

Loss of or arising from the accessing of any confidential information (including but not limited to trade secrets, computer programs, customer information, patents, trademarks, copyrights or processing methods), except to the extent that any such confidential information is used to support or facilitate the commission of an act covered by this policy.

4.13 Radioactivity and Nuclear

Loss, expense, liability or consequential loss of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- One) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or**
- Two) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.**

4.14 Voluntary Exchange or Purchase

Loss arising out of the voluntary giving or surrendering of money, securities or other property in any exchange or purchase, unless such loss is caused by an employee or by forgery, counterfeiting or computer or funds transfer fraud caused by any other person not in collusion with such employee.

4.15 War and Terrorism

Loss which arises directly or indirectly out of war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportion of or amounting to a popular uprising, military or usurped power, martial law, riot, the act of any lawfully constituted authority or terrorism.

5. Extensions

Subject to all of the terms and conditions of this policy, cover is extended as follows:

5.1 Care Custody and Control

Cover is extended to include direct financial *loss* sustained by any other person or organization following *loss of money, securities* or other property under the care custody or control of the *insured* or for which the *insured* is liable.

5.2 Contractual Penalties

Cover is extended to include the amount of any penalty assumed by and enforced against the *insured* under written contract, resulting directly from a *loss* covered by this policy **provided that the insurer's liability for such loss is limited to ten per - cent (10%) of the Limit of Liability specified under Item 3 of the Schedule and such amount is part of and not in addition to the Limit of Liability.**

5.3 Extortion

Cover is extended to include direct financial *loss* following loss of *money, securities* or other property surrendered away from the *premises* resulting from a threat communicated to the *insured* to:

- One) do bodily harm to a director, *employee* or partner of the *insured* or to the proprietor (if the *insured* is a sole trader) or any relative or guest of any such person who was, or allegedly was, kidnapped anywhere, or
- Two) damage or destroy any property (including computer systems, software or programs) owned by the *insured* or for which the *insured* is legally liable,

provided that prior to the surrender of such money, securities or other property, the person receiving the threat has made a reasonable effort to report the extortionist's demand to an associate and the insured has made a reasonable effort to report the extortionist's demand to the police.

5.4 Interest Receivable or Payable

Cover is extended to include the amount of any interest receivable or payable by the *insured* resulting directly from a *loss* covered by this policy provided that the *insurer's* liability:

- One) for such interest receivable or payable is calculated by applying the average of the local monetary authority base rate in force between the time of sustaining such *loss* and the date of *discovery* of such *loss*; and
- Two) is limited to ten per-cent (10%) of the Limit of Liability specified under Item 3 of the Schedule and such amount is part of and not in addition to the Limit of Liability.

5.5 Legal Fees

Cover is extended to indemnify the *insured* for reasonable legal fees, costs and expenses incurred and paid by the *insured* in defense of any demand, claim, suit or legal proceeding which the *insured* establishes results directly from a covered *loss* under this policy, provided always that:

- One) such indemnity under this Extension is part of and not in addition to the Limit of Liability specified under Item 3 of the Schedule; and
- Two) such *loss* exceeds the Retention specified under Item 4 of the Schedule; and
- Three) **the insurer shall not be liable to make any payment for fees, costs or other expenses (whether such fees, costs or expenses be for legal, accounting or other services) incurred by the insured in establishing the existence, validity or amount of any loss under this policy, other than as provided under General Provision 6.7.**

- 5.6 ***Money or Securities - destruction or disappearance***
Cover is extended to include the actual destruction or disappearance of *money or securities*:
One) within the *premises* or the interior of any banking premises or similar recognized places of safe deposit, or
Two) whilst in transit by the *insured*, or a partner of the *insured*, or an *employee* or security company or armored motor vehicle company, who is duly authorized by the *insured* to have the care and custody of such *money or securities*.

- 5.7 ***Outsourcing***
Cover is extended to include as an *employee* defined under this policy, any employee, director or officer of any company authorized and retained by the *insured* to perform services (including but not limited to accounting, computing or payroll services) which the *insured* outsources to such company under a written contract.

6. General Provisions

AMOUNT OF COVER

- 6.1 ***Limit of Liability***
The payment of any *loss* shall reduce the *insurer's* liability for other *losses*. The *insurer's* maximum liability for any single *loss* and in the aggregate shall not exceed the amount specified under Item 3 of the Schedule.
- 6.2 ***Limit of liability under this policy and prior insurance***
Loss which is covered partly by this policy and partly by any other policy (including policies of which this is a renewal) issued by the *insurer* or any other member company of American International Group Inc. to the *insured*, for which the discovery period has not expired, shall be limited to the larger amount of insurance under the previous policy or this policy.
- 6.3 ***Non accumulation of liability***
Regardless of the number of years this policy is in force and irrespective that it is or may be renewed and regardless of the number of premiums paid, the limit of liability as specified under Item 3 of the Schedule shall not be cumulative from year to year or period to period.
- 6.4 ***Retention and other insurance***
For each and every *loss*, coverage under this policy will be excess of the greater of:
One) the retention specified under Item 4 of the Schedule; or
Two) the amount of any other valid and collectible insurance or indemnity, contractual or otherwise, available to the *insured*.

There shall be no retention for any *plan*, where required by law to comply with the Employee Retirement Income Security Act 1974 (ERISA) in the United States of America (USA).

If a *loss* is covered partly under this policy and partly under a prior policy written by another insurer, the retention under this policy applicable to the *loss* will be reduced by the retention or deductible actually applied to *loss* under such other policy.

LOSS DISCOVERY

6.5 How to give notice and report a loss

- (i) Notice of *loss* shall be given in writing to AIG Golden Insurance Ltd., at the head office of the Insurer, as shown on the Declarations page of this policy. If posted the date of posting shall constitute the date that notice was given, and proof of posting shall be sufficient proof of notice.
- (ii) The *insured* shall, as a condition precedent to the obligations of the *insurer* under this policy:
 - (a) give written notice to the *insurer* no later than forty-five (45) days after such *loss* is discovered;
 - (b) give notice to the police unless such *loss* is caused by, involves or implicates any *employee*; and
 - (c) provide the *insurer* with all requested information and documents and cooperate with the *insurer* in all matters pertaining to the *loss*.

6.6 Discovery period

If the *policyholder* or the *insurer* chooses not to renew this policy, then the *policyholder* shall have the right to a *discovery period* of ninety (90) days following the effective date of non-renewal.

LOSS SETTLEMENT AND ACTION AGAINST THE COMPANY

6.7 Upon knowledge or discovery of *loss* or of an occurrence which may give rise to a claim for *loss*, the *Insured* shall file detailed proof of *loss*, duly sworn to, with the Company within four months after the discovery of *loss*.

Proof of *loss* under this policy shall include any document which is the basis of claim for such *loss*, or if it shall be impossible to file such document(s), the affidavit of the *Insured* or the *Insured's* bank of deposit setting forth the amount and cause of *loss* shall be accepted in lieu thereof.

Upon the Company's request, the *Insured* shall submit to examination by the Company, subscribe the same, under oath if required, and produce for the Company's examination all pertinent records, all at such reasonable times and places as the Company shall designate, and shall cooperate with the Company in all matters pertaining to *loss* or claims with respect thereto.

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy, nor until ninety days after the required proofs of loss have been filed with the Company, nor at all unless commenced within three years from the date when the Insured discovers the loss.

6.8 Arbitration

After a joint review of the report of the Proof of *loss*, if the *insured* and the *insurer* cannot agree upon the settlement of *loss*, then the *insurer* at the *Insured's* request, will submit the dispute to arbitration at the local international arbitration center. The arbitration will be heard

by one arbitrator who shall be appointed by the arbitration center and shall be a recognized authority and expert in disputes under this type of policy.

6.9 ***Loss settlement***

The *insurer* may, with the *Insured's* consent, settle any claim for *loss* of property with the owner. Any property for which the *insurer* has made indemnification shall become the property of the *insurer*. At its discretion, the *insurer* may pay the actual cash value or make applicable repairs or replacements.

6.10 ***Basis of valuation***

In no event shall the *insurer* be liable for more than:

- One) the actual market value of *securities* at the close of business on the day the *loss* was *discovered*, or for more than the actual cost of replacing the *securities*, whichever is less, plus the cost to post any required lost instruments bond (such cost shall be paid by the *insurer* on behalf of the *insured*);
- Two) the cost of blank books, blank pages or other materials plus the cost of labor and computer time for the actual transcription or copying of data furnished by the *insured* in order to reproduce books of accounts and records;
- Three) the cost of labor for the actual transcription or copying of electronic data furnished by the *insured*, in order to reproduce such electronic data;
- Four) the reasonable cost of rewriting or amending the software programs or systems where such rewriting or amending is necessary to correct the programs or amend the security codes following a covered *loss* under this policy. The *insurer's* liability for such rewriting or amending is limited to ten per-cent (10%) of the amount of the covered *loss* which amount is part of and not in addition to the Limit of Liability specified under Item 3 of the Schedule;
- Five) the actual cash value of other property at the time of *loss* or the actual cost of repairing or replacing the property with property or material of like quality or value, whichever is less. The actual cash value of other property if held by the *insured* as a pledge, or as collateral for an advance or a loan, shall be considered not to exceed the value of the property as determined and recorded by the *insured* when making the advance or loan, or in the absence of a record, the unpaid portion or the advance or loan plus accrued interest at legal rates.
- Six) the value of a foreign currency (a currency other than the currency in which this policy is written) which is involved in a *loss* the *insured* sustained. The value will be determined by applying the rate of exchange as published in the Wall Street Journal on the date, or nearest to the date, the *loss* was *discovered*.

6.11 ***Recoveries***

Recoveries (except from insurance, reinsurance, sureties or indemnity), less the actual cost of recovery, made after *loss* will be distributed as follows:

- One) firstly, the *insured* will be reimbursed for *loss* exceeding the limit of liability or settlement (whichever is less) and the retention amount;
- Two) secondly, the insurer shall be reimbursed for the settlement made; and
- Three) thirdly, the *insured* shall be reimbursed for *loss* equal to the retention amount.

6.12 ***Subrogation***

In the event of any payment under this policy, the *insurer* shall be subrogated to the extent of such payment to all of the *Insured's* rights of recovery in respect of the payment. The *insured* shall execute all papers required and shall do everything necessary to secure any rights including the execution of any documents necessary to enable the *insurer* effectively to bring

suit in the name of the *insured* whether such acts shall be or become necessary before or after payment by the *insurer*.

6.13 ***Changes in Risk During Policy Period***

- (i) If during the policy period a transaction occurs with respect to any insured then the cover provided under this policy with respect to such insured and any subsidiary thereof, is amended to apply only to any act or omission covered hereunder committed prior to the effective date of the transaction.

The policyholder shall give the insurer written notice of the transaction as soon as practicable, but not later than 30 days after the effective date of the event.

- (ii) If a receiver, liquidator or administrator is appointed for any insured during the policy period, cover hereunder shall cease to afford any cover for loss subsequently discovered and notified to the insurer in respect of such insured.

- (iii) This policy shall cease in respect of any employee of the insured, as soon as any director or officer of the insured not in collusion with such person shall first learn of any wrongful act on the part of the employee whenever committed, but without prejudice to the loss of money or securities in transit in the custody of such person at the time the director or officer of the insured shall so learn of such wrongful act.

- (iv) This policy shall cease in respect of any service bureau:

- (a) as soon as any insured, or any director or officer not in collusion with such person, shall learn of any dishonest, fraudulent or malicious act committed by any partner, director, officer or employee of such service bureau at any time against the insured or any other person or entity, without prejudice to the loss of money or securities then in transit in the custody of such person; or
- (b) 15 days after receipt by the policyholder of a written notice from the insurer of their desire to cancel this policy as to such service bureau.

6.14 ***Cancellation***

This policy may be cancelled as follows:

- (i) by the insurer for non-payment of premium;
- (ii) as provided for under General Provision 6.2 (ii), (iii) and (iv);
- (iii) by the policyholder immediately upon receipt by the insurer of written notice. In such case, the insurer shall refund any unearned premium calculated at short-rate of the annual premium;
- (iv) by the insurer 30 days after receipt by the insured of written notice. In such case, the insurer shall refund any unearned premium calculated at pro-rata of the annual premium;
- (v) by mutual agreement between policyholder and insurer.

OTHER PROVISIONS

6.15 Assignment

This policy and any rights under it cannot be assigned without written consent of the insurer.

6.16 Cancellation of prior insurance

By accepting this policy, the *insured* is considered to have given notice to the *insurer* canceling any prior policy issued by the *insurer*. The expiration of any prior policy is effective when this policy becomes effective.

6.17 Fraudulent claims

If the *insured* shall make any claim knowing same to be false or fraudulent, as regards amount or otherwise, this policy shall be void and all claims under it shall be forfeited.

6.18 Jurisdiction and governing law

Any interpretation of this policy relating to its construction, validity or operation shall be made in accordance with the laws of the country where this policy is issued.

The parties agree to submit to the exclusive jurisdiction of the court of general jurisdiction of the country where this policy is issued.

6.19 Plurals and Titles

The titles of these paragraphs are for convenience only and do not lend any meaning to this contract. In this policy words in italics have special meaning and are defined.

6.20 Single policy

This policy is a single contract of insurance and if more than one *insured* is covered, this policy shall nevertheless be and remain a single contract of insurance for the benefit of the *insured* as joint *insured* and accordingly, without limitation:

- One) the *policyholder* shall act for itself and for all *insured* for all purposes under this policy, including but not limited to the giving and receiving of notice, the giving of notice of *loss*, the payment of premiums that may become due and the receipt and acceptance of any endorsements issued to form a part of this policy;
- Two) payment of any *loss* under this policy to the *policyholder* shall fully release the *insurer* with respect to such *loss*;
- Three) if the *policyholder* is more than one entity and any such entity ceases for any reason to be covered under this policy, then the remaining entities shall be considered to be the *policyholder* for all purposes under this policy;
- Four) knowledge possessed or discovery made by any *insured* or by any partner, director or officer thereof shall for all purposes constitute knowledge possessed or discovery made by every *insured*;
- Five) the *insurer's* liability for *loss* sustained by any or all of the *insured* shall not exceed the amount for which the *insurer* would be liable had all such *loss* been sustained by any one of the *insured*.