

Crime Details Page

We require that the insured meet all of the following underwriting criteria to be eligible for the program:

Item 1: Required Association Characteristics

- The entity is a non-profit community association.
- The association has been Crime claim-free for the last 5 years.
- The association does not have more than 25 employees on payroll.

RECEIVED & READ

SIGNATURE DATE

Item 2: Procedures

- Dues/Fees/Mortgage payments are always received as checks, not cash.
- Vouchers/supporting records are stamped "PAID" when checks are signed. If records are kept electronically, there is a system in place to indicate that a check has been issued to prevent duplication.
- Anyone authorized to fire or hire association employees is prohibited from distributing payroll. If there is no payroll, this question does not apply.
- Volunteers (other than Directors & Officers) are prohibited from handling bank accounts or fee/mortgage payments. If there are no other volunteers, aside from Directors & Officers, this does not apply.

SIGNATURE DATE

Item 3: Oversight/Reconciliation

- Are the associations' bank accounts and credit card statements are reconciled monthly by someone not authorized to deposit, withdraw, initiate electronic funds transfer, or use an association credit card?
- If Association utilizes Traditional Banking, countersignatures are required on all checks over \$500
- If Association utilizes Electronic Banking, they must meet the following:
 - The board approves all checks/expenditures and also verifies the completion/receipt of purchased services or goods.
 - The employee creating the check or payment request does not also sign or approve.
 - The board receives a monthly statement directly from the bank (via mail in a sealed envelope or via e-mail directly from the bank's website) and reviews it on a monthly basis.

Confirmation acknowledges that the mentioned insured meets all underwriting criteria as outlined above Yes

INSURING AGREEMENTS, LIMITS OF INSURANCE AND DEDUCTIBLES:

| Insuring Agreement | Limit of Insurance Per Occurrence | Deductible Amount Per Occurrence |
|--|--------------------------------------|-------------------------------------|
| 1. Employee Dishonesty | \$50,000 | \$1,000 |
| 2. Forgery or Alteration | Not Covered N/A | Not Covered N/A |
| 3. Inside the Premises | Not Covered N/A | Not Covered N/A |
| 4. Outside the Premises | Not Covered N/A | Not Covered N/A |
| 5. Computer Fraud | Not Covered N/A | Not Covered N/A |
| 6. Money Orders & Counterfeit Paper Currency | Not Covered N/A | Not Covered N/A |
| 8. Funds Transfer Fraud | Not Covered N/A | Not Covered N/A |

IF ANY OF THE ABOVE INFORMATION IS INCORRECT, THIS POLICY IS NULL & VOID AND MUST BE RETURNED TO OUR OFFICE FOR FURTHER REVIEW AND POSSIBLE RE-ISSUANCE.

IF A LOSS IS DISCOVERED AFTER THE RECEIPT OF THIS DOCUMENT AND PRIOR TO THE EFFECTIVE DATE, WE RESERVE THE RIGHT TO ADJUST TERMS OR POSSIBLY NON-RENEW THE POLICY.

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD AN INSURANCE COMPANY OR OTHER PERSON

FILES THIS QUESTIONNAIRE CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND WHICH MAY RESULT IN CIVIL OR CRIMINAL FINES OR PENALTIES.

If you or your insured do not wish to accept this Renewal Policy, please log into the broker portal or send a formal request for cancellation to your underwriter via e-mail or fax.

(In order to flat cancel, this request must be received on or before the effective date of this renewal.)

THE SURETY & FIDELITY ASSOCIATION OF AMERICA

MEMORANDUM CRIME PROTECTION POLICY, APRIL 1, 2012

The Surety & Fidelity Association of America ("SFAA") has revised the Crime Protection Policy ("CPP"). This memorandum provides an explanation of the revisions in the CPP.

Crime Protection Policy

The 2012 edition of the Crime Protection Policy includes certain revisions that have been made to the Financial Institution Bonds over the past few years. In addition, some provisions have been refined to express in greater detail the intent of coverage. As a general matter, the revisions provide clarification rather than expand or reduce coverage compared to the 2000 edition of the CPP.

Declarations

- A paragraph was added to Item 3 to clarify that the insertion of "Not Covered" opposite an insuring agreement or a blank space next to the insuring agreement indicate that such insuring agreement is not provided to the Insured. This provision accounts for the different ways an insurer can express in the CPP that a particular coverage is not provided.
- The line for a countersignature has been deleted, as a countersignature is no longer a common requirement. However, the space in which the countersignature line was deleted is still available for the insurer to insert signatures (original or facsimile) that it may require as part of its policy issuance process.

Consideration Clause

- A phrase was added to the Consideration Clause to clarify that the "loss" indicated in the Clause refers to a loss covered by an Insuring Agreement of the CPP.

Insuring Agreements

Insuring Agreement 1

- Insuring Agreement 1 contains the concept of an "improper financial benefit" (rather than "financial benefit"), which is in the revised edition of the Financial Institution Bonds. Also, the phrase regarding benefits "earned in the normal course of employment" is replaced by benefits "received" by the Employee. The purpose of the change is to strengthen the effect of the language, to preclude an argument that wages, salaries or commissions generated through a dishonest scheme were not in the normal course of employment and therefore not excluded from the meaning of an "improper financial benefit."
- Similar to the fidelity insuring agreement in the Financial Institution Bonds, Insuring Agreement 1 covers "loss" generally (rather than loss of money, securities and other property). This formulation has worked well in the Financial Institution Bonds and reflects

more fully the intent of the fidelity insuring agreement -- to protect the insured against loss directly caused by employee dishonesty. From a practical perspective, the revision likely will not alter coverage because the insured's loss will involve "money, securities and other property."

Insuring Agreement 2

- The last sentence of paragraph b. was revised to make explicit that the payment referenced in the sentence is payment for legal expenses.

Insuring Agreement 3

- Insuring Agreement 3 includes the requirement that a perpetrator of a theft must be physically present on the premises at the time of the loss. This requirement is included in the recent editions of the Financial Institution Bonds.
- The scope of coverage has been amended from loss of "money" to loss of "cash", which is a newly defined term. The risks under Insuring Agreement 3 and Insuring Agreement 4 contemplate in-person events, rather than electronic transactions. Thus "cash" (defined as paper money and coins) would be the item lost under these insuring agreements, rather than "money" (as more broadly defined).

Insuring Agreement 5

- Insuring Agreement 5 (Computer Fraud) has been revised to express the risk being covered in a more detailed manner. The exposure intended to be covered is fraudulent transfers involving a "computer to computer" transaction. The coverage is not intended to extend to any loss that involves a computer, even tangentially. In addition, a few new exclusions hone the coverage: a confidential information exclusion, a data breach costs exclusion, a debit/credit card exclusion and an exclusion for failure to follow security procedures.

Definitions

- The definition of "banking premises" has been revised to recognize that institutions in addition to banking institutions maintain accounts holding money and securities. Thus, the term references a "financial institution" with which the insured has an account.
- The definition of "money" has been revised to make explicit that the meaning does not refer exclusively to paper bills and coins. "Money" is defined to consist of "cash" (a newly defined term- paper currency and coins), deposits on account and travelers checks, register checks and money orders.
- The definition of "employee" includes persons furnished to the insured on a short term or seasonal basis. The definition also excludes persons leased to the insured by a labor leasing firm. As originally drafted, the definition might suggest that the exclusion "swallows" the temporary employee part of the definition, because such persons typically are leased to the insured by a labor leasing firm. This was not the intent. The exclusion was meant to refer to persons providing services to the insured on a long-term basis that are usually provided by an employee (such as bookkeeping services). Persons intended to be covered are those furnished temporarily or on a short term basis under the conditions under paragraph b. Therefore, the definition has been revised to add an exception to the exclusion.

- The definition of "funds" has been deleted and moved to the Funds Transfer Fraud insuring agreement, which uses this term.
- The definition of "occurrence" incorporates the endorsement that revised the definition (SE 01 45).
- As noted in the discussion regarding Insuring Agreement 5, certain exclusions were added to define the scope of coverage further, including an exclusion for failure to follow security procedures. "Security Procedure" is a newly defined term, which includes procedures to verify a "payment order". "Payment order" is also a defined term and is based on the definition set forth in the Uniform Commercial Code (§ 4A-103).

Exclusions (Applicable to All Insuring Agreements)

- Similar to the revisions made to the nuclear exclusion in the Financial Institution Bond, chemical and biological contamination has been added to the exclusion.
- Losses related to the theft, disappearance and destruction of confidential information are excluded. This is an exclusion that is common on company forms. Because confidential information conceivably could be used to access the insured's computer system, the exclusion includes a statement that the use of such information is not a basis to exclude an otherwise covered loss under Insuring Agreement 5.
- An exclusion for data breach costs was added. As electronic commerce expands and electronic transactions become more prevalent, an increasing exposure for companies is the costs incurred when the company's computer system (or the computer system of the bank) is breached. When a system is breached, federal and state privacy laws require the company to take certain measures, such as notifying customers that their personal information has been stolen. Although a breach may cause a loss that is covered under the CPP's Insuring Agreements, the CPP is not intended to cover the compliance costs incurred as a result of the breach. Coverage for these costs can be obtained by other insurance that is commercially available.

Exclusions Applicable to Specific Insuring Agreements

- As noted above, an exclusion for failure to follow security procedures has been added and is applicable to Insuring Agreement 5 (Computer Fraud). Crime insurance coverage contemplates strong internal controls and security measures and is not intended to compensate for the insured's lax security measures. Therefore, losses under Insuring Agreement 5 that result from the insured's failure to follow agreed upon or offered security procedures are excluded,
- A debit and credit card exclusion has been added and is applicable to Insuring Agreement 5 (Computer Fraud). Current technology could allow a person to conduct transactions electronically by accessing a company's system and use debit and credit cards to make a purchase. However, a loss arising from such a transaction was not intended to be covered as a Computer Fraud loss.

Conditions

- The inclusion of property "for which the Insured is legally liable" in the Ownership of Property Condition has led to claims that the legal liability of the Insured is covered. This Condition is amended to "codify" cases, such as *Lynch Properties Inc. v. Potomac Ins. Co.*, 140 F3d 622 (5th Cir. 1998), which correctly hold that the Insured must be responsible for the property prior to the events giving rise to the loss.

- The Recoveries Condition tracks the Financial Institution Bond language.
- Some courts have mistakenly thought that an insurer does not have recovery rights until it performs under the policy. Thus there were no rights to impair. In light of these decisions, the Transfer of Your Rights Condition has been revised to refer to "our actual or potential rights of recovery." An insured is obligated to protect the insurer's potential recovery rights, even those that arise only after the insurer pays a loss under the policy.
- Similar to the language in the Financial Institution Bond, the Cancellation as to Any Employee Condition (applicable to Insuring Agreement 1) states that the policy is cancelled as to an employee upon discovery of a dishonest act, whether the discovery occurred prior to or after the commencement of the policy.
- The Facsimile Signatures Condition (applicable to Insuring Agreement 2) has been revised to track language similar to the language in the forgery insurance agreements in the Financial Institution Bonds. Using current technology, a copy of a signature is not necessarily created mechanically, but rather through copiers and scanners. Therefore, "a reproduction of a handwritten signature" reflects this technology. In addition, the reproduction is intended to be a copy on paper. Thus, signatures in electronic form are not treated as a handwritten signature.

CRIME PROTECTION POLICY DECLARATIONS

| Item 1. | NAMED INSURED AND ADDRESS | Item 2. | Policy Period: |
|----------------|------------------------------------|----------------|---|
| | Mission Villas - Bowers Avenue HOA | | 12:01 A.M. Standard Time at the address if the Named Insured shown at left. |
| | 6370 BERRYBUSH CT | | From: 01/23/2016 |
| | GILROY, CA 95020-3419 | | To: 01/23/2017 |

Insurance is afforded by
Great American Insurance Company
(a capital stock corporation, hereinafter called the Company)

If "Not Covered" is inserted above opposite any specified Insuring Agreement, or if no amount is inserted, such Insuring Agreement and any other reference thereto in this Policy shall be deemed to be deleted.

| Item 3. | INSURING AGREEMENTS, LIMITS OF INSURANCE AND DEDUCTIBLES | |
|--|---|---|
| Insuring Agreement | Limit of Insurance Per Occurrence | Deductible Amount Per Occurrence |
| 1. Employee Dishonesty | \$50,000 | \$1,000 |
| 2. Forgery or Alteration | Not Covered N/A | Not Covered N/A |
| 3. Inside the Premises | Not Covered N/A | Not Covered N/A |
| 4. Outside the Premises | Not Covered N/A | Not Covered N/A |
| 5. Computer Fraud | Not Covered N/A | Not Covered N/A |
| 6. Money Orders & Counterfeit Paper Currency | Not Covered N/A | Not Covered N/A |

If added by Endorsement, Insuring Agreement(s):

| | |
|-----------------|-----------------|
| Not Covered N/A | Not Covered N/A |
| Not Covered N/A | Not Covered N/A |

If "Not Covered" is inserted above opposite any specified Insuring Agreement, or if no amount is inserted, such Insuring Agreement and any other reference thereto in this Policy shall be deemed to be deleted.

Item 4. **FORMS AND ENDORSEMENTS** applicable to all Coverage Parts are made part of this policy at time of issue are listed on the attached Forms Schedule IL 88 01 (11/85)

Item 5. **CANCELLATION OF PRIOR INSURANCE**

By acceptance of this Policy you give us notice canceling prior policy Nos.

BUSINESSPRO FORMS AND ENDORSEMENTS SCHEDULE

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

| Form and Edition | ST | Date Added* | Form Description |
|------------------|----|-------------|---|
| | | | CrimeCoverageDetails |
| | | | ClarificationMemo |
| SP 00 01 (04/12) | | | PolicyDeclarations |
| IL 88 01 (11/85) | | | FormsandEndorsementSchedule |
| IL 88 02 (11/85) | | | PremiumEndorsement |
| SP 00 01 (04/12) | | | PolicyForm |
| | | | CoverageForFundsTransfer |
| SE 00 11 (03/00) | | | IncludeSpecifiedNonCompensatedOfficersAsEmplo yees |
| SE 00 16 (03/00) | | | IncludeVolunteerWorkersOtherThanFundSolicitors AsEmployees |
| SE 00 63 (03/00) | | | IncludeDesignatedAgentsAsEmployeesCoveredFor EmployeeDishonestyOnlyEndorsement |
| SE 01 61 (07/13) | | | ConfidentialAndDataBreach |
| SA 71 50 (06/14) | | | MediumsOfExchange |
| IL 72 68 (09/09) | | | InWitnessClause |
| IL 73 24 (08/12) | | | EconomicAndTradeSanctions |
| SDM 683 (03/12) | | | ImportantNoticeFidelity |

*If not at inception

BUSINESSPRO (Reg. U.S. Pat. Off.)

Administrative Offices
80 Walnut Steet, Cincinnati, Ohio 45202

BUSINESSPRO GENERAL ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

PREMIUM ENDORSEMENT

This Endorsement modifies Crime Protection Policy No. SSA-392-56-74-00093-03 and is added to the Schedule of Forms IL 88 01 (11/85)

It is agreed that:

1. The basic premium charged for the attached policy for the period:

From: 01-23-2016

To: 01-23-2017

Is

Premium \$310.00

Taxes/Fees: \$0.00

CRIME PROTECTION POLICY

TABLE OF CONTENTS

| | |
|--|----------|
| A. CONSIDERATION CLAUSE | 6 |
| B. INSURING AGREEMENTS | |
| 1. Employee Dishonesty | 6 |
| 2. Forgery or Alteration | 6 |
| 3. Inside the Premises | 7 |
| 4. Outside the Premises | 7 |
| 5. Computer Fraud | 7 |
| 6. Money Orders and Counterfeit Paper Currency | 7 |
| C. DEFINITIONS | |
| 1. Banking premises | 8 |
| 2. Cash | 8 |
| 3. Counterfeit | 8 |
| 4. Custodian | 8 |
| 5. Employee | 8 |
| 6. Employee benefit plan(s) | 9 |
| 7. Forgery | 9 |
| 8. Messenger | 9 |
| 9. Money | 9 |
| 10. Occurrence | 9 |
| 11. Other property | 9 |
| 12. Payment order | 9 |
| 13. Premises | 9 |
| 14. Robbery | 9 |
| 15. Safe burglary | 10 |
| 16. Securities | 10 |

| | |
|----------------------------------|----|
| 17. Security procedure | 10 |
| 18. Theft | 10 |
| 19. Watchperson | 10 |

D. EXCLUSIONS

Applicable to All Insuring Agreements, Except as Indicated

| | |
|--|----|
| 1. Acts Committed by You or Your Partners | 10 |
| 2. Acts of Employees, Directors, Trustees or Representatives | 10 |
| 3. Fire | 10 |
| 4. Governmental Action | 11 |
| 5. Indirect Loss | 11 |
| 6. Legal Expenses | 11 |
| 7. Nuclear Chemical or Biological | 11 |
| 8. War and Similar Actions | 11 |
| 9. Confidential Information | 11 |
| 10. Data Breach Costs | 11 |

Applicable to Specific Insuring Agreements

| | |
|--|----|
| 1. Under Insuring Agreement 1 | |
| Employee Canceled Under Prior Insurance | 12 |
| 2. Under Insuring Agreements 1 and 5 | |
| Inventory Shortages | 12 |
| 3. Under Insuring Agreements 3 and 4 | |
| Accounting or Arithmetical Errors or Omissions | 12 |
| Money Operated Devices | 12 |
| Transfer or Surrender of Property | 12 |
| Vandalism | 12 |
| 4. Under Insuring Agreement 4 | |
| Motor Vehicles or Equipment and Accessories | 13 |

| | |
|--|-----------|
| 5. Under Insuring Agreements 3, 4 and 6 | |
| Exchanges or Purchases | 13 |
| Voluntary Parting of Title to or Possession of Property | 13 |
| 6. Under Insuring Agreement 5 | |
| Failure to Follow Security Procedures | 13 |
| Debit and Credit Cards | 13 |

E. CONDITIONS

Applicable to All Insuring Agreements

| | |
|--|-----------|
| 1. Cancellation | 13 |
| 2. Changes | 14 |
| 3. Concealment, Misrepresentation or Fraud | 14 |
| 4. Consolidation and Merger | 14 |
| 5. Deductible | 14 |
| 6. Discovery of Loss | 15 |
| 7. Duties in the Event of Loss | 15 |
| 8. Employee Benefit Plan(s) | 15 |
| 9. Extended Period to Discover Loss | 15 |
| 10. Joint Insured | 16 |
| 11. Legal Action Against Us | 16 |
| 12. Liberalization | 16 |
| 13. Limit of Insurance | 16 |
| 14. Loss Covered Under More Than One Coverage | 16 |
| 15. Non-Cumulation of Limit of Insurance | 17 |
| 16. Other Insurance | 17 |
| 17. Ownership of Property, Interests Covered | 17 |
| 18. Records | 17 |
| 19. Recoveries | 17 |
| 20. Territory | 18 |

21. Transfer of Your Rights and Duties Under This Policy 18

22. Transfer of Your Rights of Recovery Against Others to Us 18

23. Valuation - Settlement 18

Applicable to Specific Insuring Agreements

1. Insuring Agreement 1

 Cancellation as to Any Employee 19

2. Insuring Agreement 2

 Deductible 20

 Facsimile Signatures 20

 Proof of Loss 20

 Territory 20

3. Insuring Agreements 3 and 4

 Special Limit of Insurance for Specified Property 20

 Duties in the Event of Loss 20

4. Insuring Agreement 5

 Special Limit of Insurance for Specified Property 21

 Duties in the Event of Loss 21

 Territory 21

5. Insuring Agreement 6

 Duties in the Event of Loss 21

CRIME PROTECTION POLICY

Throughout this Policy the words "you" and "your" refer to the Insured(s) shown in the Declarations. The words "we," "us" and "our" refer to the Company providing this insurance. Read the entire Policy carefully to determine rights, duties and what is or is not covered. Words and phrases defined in the Policy are in **bold** type.

A. CONSIDERATION CLAUSE

In return for the payment of the premium, and subject to the Declarations, Insuring Agreements, Definitions, Exclusions, Conditions and other terms of this Policy, we will pay for loss covered by an Insuring Agreement of this Policy that you sustain resulting directly from acts committed or events occurring at any time and discovered by you during the policy period shown in the Declarations or during the period of time provided in the Extended Period to Discover Loss, Condition **E.9**.

B. INSURING AGREEMENTS

1. Employee Dishonesty

We will pay for loss resulting directly from dishonest acts committed by an **employee**, whether identified or not, acting alone or in collusion with other persons, with the manifest intent to:

- a. cause you to sustain loss; and
- b. obtain an improper financial benefit for:
 - (1) the **employee**; or
 - (2) any person or organization intended by the **employee** to receive that benefit.

As used in this Insuring Agreement, an improper financial benefit does not include any employee benefits received in the course of employment, including: salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions.

2. Forgery or Alteration

- a. We will pay for loss resulting directly from **forgery** or alteration of checks, drafts, promissory notes, or similar written promises, orders, or directions to pay a sum certain in **money** that are:
 - (1) made or drawn by or drawn upon you;
 - (2) made or drawn by one acting as your agent;or that purport to have been so made or drawn.
- b. If you are sued for refusing to pay any instrument covered in paragraph **2.a.** on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay for such legal expenses is in addition to the Limit of Insurance applicable to this Insuring Agreement.

3. Inside the Premises

- a. We will pay for loss of **cash** and **securities** inside the **premises** or **banking premises** resulting directly from **theft**, disappearance or destruction. Provided, however, in the case of **theft**, the **theft** was committed by a person physically present in the **premises** or **banking premises** at the time of loss of such **cash** or **securities**.
- b. We will pay for loss of, and loss from damage to, **other property**:
 - (1) inside the **premises** resulting directly from an actual or attempted **robbery** of a **custodian**; or
 - (2) inside the **premises** in a safe or vault, resulting directly from an actual or attempted **safe burglary**.
- c. We will pay:
 - (1) for loss from damage to the **premises** or its exterior; or
 - (2) for loss of, and loss from damage to, a locked safe, vault, cash register, cash box or cash drawer located in the **premises**;resulting directly from an actual or attempted **theft**, **robbery** or **safe burglary**, if you are the owner of the **premises** or are liable for damage to it.

4. Outside the Premises

We will pay for loss of, and loss from damage to, **cash**, **securities** and **other property** outside the **premises** while in the care and custody of a **messenger** or armored motor vehicle company:

- a. for **cash** and **securities** resulting from **theft**, disappearance or destruction; and
- b. for **other property** resulting from actual or attempted **robbery**.

5. Computer Fraud

We will pay for loss resulting directly from the use of any computer to impersonate you, or your authorized officer or **employee**, to gain direct access to your computer system, or to the computer system of your financial institution, and thereby fraudulently cause the transfer of **money**, **securities** or **other property** from your **premises** or **banking premises** to a person, entity, place or account outside of your control.

6. Money Orders and Counterfeit Paper Currency

We will pay for loss resulting directly from your having accepted in good faith and in the regular course of business, in exchange for merchandise, **money** or services:

- a. money orders issued by any post office, express company or bank in the United States or Canada that are not paid upon presentation; or
- b. **counterfeit** United States or Canadian paper currency.

C. DEFINITIONS

1. **Banking premises** means the interior of that portion of any building occupied by a financial institution with which you have an account or which has custody of your **money** or **securities**.
2. **Cash** means United States or Canadian bills and coins in current use and having a face value that are accepted by the United States or by the government of Canada as legal tender for the payment of debts.
3. **Counterfeit** means an imitation of an actual valid original which is intended to deceive and to be taken as the original.
4. **Custodian** means you, any of your partners or any **employee** while having care and custody of property inside the **premises**, excluding any person while acting as a **watchperson** or janitor.
5. **Employee** means:
 - a. Any natural person:
 - (1) while in your service or for 30 days after termination of service; and
 - (2) whom you compensate directly by salary, wages or commissions; and
 - (3) whom you have the right to direct and control while performing services for you.
 - b. Any natural person who is furnished temporarily to you to:
 - (1) substitute for a permanent **employee** as defined in (a) above who is on leave; or
 - (2) meet seasonal or short-term workload conditions;while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the **premises**.
 - c. Any natural person who is:
 - (1) a trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any **employee benefit plan(s)** insured under this insurance; and
 - (2) your director or trustee while that person is handling **funds** or **other property** of any **employee benefit plan(s)** insured under this insurance.
 - d. **Employee** does not mean any:
 - (1) agent, broker, person leased to you by a labor leasing firm (except when furnished on a temporary basis under the circumstances set forth in Definition 5.b.), factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (2) director or trustee except while performing acts within the scope of the usual duties of an employee.

6. **Employee benefit plan(s)** means any welfare or pension benefit plan listed in the Declarations that is subject to the Employee Retirement Income Security Act of 1974 (ERISA).
7. **Forgery** means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
8. **Messenger** means you, any of your partners or **employees** while having care and custody of property outside the **premises**.
9. **Money** means:
 - a. **Cash**;
 - b. Demand and savings deposits at financial institutions; and
 - c. travelers checks, register checks and money orders held for sale to the public.
10. **Occurrence** means:
 - a. As respects Insuring Agreement 1., all loss or losses caused by, or involving, any one **employee**, acting alone or in collusion with others.
 - b. As respects Insuring Agreement 2., all loss or losses caused by any person or in which that person is involved, whether the loss involves one or more instruments.
 - c. As respects all other Insuring Agreements, all loss or losses caused by:
 - (1) any number of acts, involving one person whether acting alone or in collusion with others;
 - (2) any number of acts involving a group of persons acting together; or
 - (3) an act or event, or any number of related acts or events, not involving any identifiable person.
11. **Other property** means any tangible property other than **money** and **securities** that has intrinsic value but does not include any property excluded under this insurance.
12. **Payment order** means an instruction of a sender to a receiving bank, transmitted orally, electronically, or in writing, to pay, or to cause another bank to pay, a fixed or determinable amount of money to another person.
13. **Premises** means the interior of that portion of any building you occupy in conducting your business.
14. **Robbery** means the taking of property from the care and custody of a person by one who has:
 - a. caused or threatened to cause that person bodily harm; or
 - b. in the presence of that person, caused or threaten to cause bodily harm to someone else.

15. **Safe burglary** means the taking of:

- a. property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
- b. a safe or vault on the **premises** by a person without your permission.

16. **Securities** mean negotiable and nonnegotiable instruments or contracts representing either **money** or property and includes:

- a. tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- b. evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include **money**.

17. **Security procedure** means a procedure established by agreement of the Insured and its customer or financial institution for the purpose of (i) verifying that a **payment order** is that of the Insured, or (ii) detecting error in the transmission or the content of the **payment order** or communication. A **security procedure** may require the use of algorithms or other codes, identifying words or numbers, encryption, callback procedures, or similar security devices.

18. **Theft** means any act of stealing.

19. **Watchperson** means any person you retain specifically to have care and custody of property on the **premises** and who has no other duties.

D. **EXCLUSIONS Applicable to All Insuring Agreements, Except as Indicated**

We will not pay for loss as specified below:

1. **Acts Committed by You or Your Partners**

Loss resulting from any dishonest act committed by you or any of your partners whether acting alone or in collusion with other persons.

2. **Acts of Employees, Directors, Trustees or Representatives**

We will not pay for loss resulting from any dishonest act committed by any of your **employees**, directors, trustees or authorized representatives:

- a. acting alone or in collusion with other persons; or
- b. while performing services for you or otherwise;

except when covered under Insuring Agreement 1.

3. **Fire**

Loss from damage to the **premises** resulting from fire, however caused.

4. Governmental Action

Loss resulting from seizure or destruction of property by order of governmental authority.

5. Indirect Loss

Loss that is an indirect result of any act or **occurrence** covered by this Policy including, but not limited to, loss resulting from:

- a. your inability to realize income that you would have realized had there been no loss;
- b. payment of damages of any type for which you are legally liable unless you establish that the act or acts that gave rise to the damages involved conduct which caused a covered loss of **money, securities or other property** which was in your custody and control and for which you were responsible prior to the loss; or
- c. payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

6. Legal Expenses

Expenses related to any legal action, except when covered under Insuring Agreement 2.

7. Nuclear Chemical or Biological

Loss resulting from nuclear reaction, nuclear radiation or radioactive, chemical or biological contamination, or any related act or incident.

8. War and Similar Actions

Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

9. Confidential Information

Loss resulting from the theft, disappearance, destruction or disclosure of confidential information including, but not limited to, trade secrets, personal information, customer lists and intellectual property. For purposes of Insuring Agreement 5, confidential information cannot itself be the **other property** transferred, but a loss otherwise covered under Insuring Agreement 5 shall not be excluded by the fact that confidential information was used to gain access to your computer system or to the computer system of your financial institution, in order to cause the fraudulent transfer.

10. Data Breach Costs

Expenses related to your obligations to comply with federal and state privacy laws and Payment Card Industry Data Security Standards (if applicable) arising from a data security breach, including, but not limited to, expenses related to notifying affected individuals when the affected individual's personally identifiable financial or medical information was stolen, accessed, downloaded or misappropriated while in your care, custody or control, forensic audit expenses and fines and penalties.

Applicable to Specific Insuring Agreements

We will not pay for loss as specified below:

1. Under Insuring Agreement 1

Employee Canceled Under Prior Insurance

Loss caused by any **employee** of yours, or predecessor in interest of yours, for whom similar prior insurance has been canceled and not reinstated since the last such cancellation.

2. Under Insuring Agreements 1 and 5

Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- a. an inventory computation; or
- b. a profit and loss computation.

3. Under Insuring Agreements 3 and 4

a. Accounting or Arithmetical Errors or Omissions

Loss resulting from accounting or arithmetical errors or omissions.

b. Money Operated Devices

Loss of property contained in any **money** operated device unless the amount of **money** deposited in it is recorded by a continuous recording instrument in the device.

c. Transfer or Surrender of Property

- (1) Loss of property after it has been transferred or surrendered to a person or place outside **the premises** or **banking premises**:

- (i) on the basis of unauthorized instructions; or

- (ii) as a result of a threat to do:

- (a) bodily harm to any person; or

- (b) damage to any property.

- (2) But, this exclusion does not apply under Insuring Agreement 4. to loss of **money**, **securities** and **other property** while outside the **premises** or **banking premises** in the care and custody of a **messenger** if you:

- (i) had no knowledge of any threat at the time the conveyance began; or

- (ii) had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

d. Vandalism

Loss from damage to any safe, vault or **other property**, or to the **premises** or its exterior, by vandalism or malicious mischief.

4. Under Insuring Agreement 4

Motor Vehicles or Equipment and Accessories

Loss of motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.

5. Under Insuring Agreements 3 and 4

a. Exchanges or Purchases

Loss resulting from the giving or surrendering of property in any exchange or purchase.

b. Voluntary Parting of Title to or Possession of Property

Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to part voluntarily with title to or possession of any property.

6. Under Insuring Agreement 5

a. Failure to Follow Security Procedures

- (1) loss resulting from your failure to follow **security procedures** agreed to in writing with your customer or your financial institution;
- (2) loss that would have been avoided if you had accepted and followed commercially reasonable **security procedures** that your financial institution made available for your account or accounts involved in the loss; or
- (3) loss resulting from your failure to comply with **security procedures** that you represented to us you would follow.

b. Debit and Credit Cards

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, or other cards.

E. CONDITIONS

Applicable to All Insuring Agreements

1. Cancellation

- a. The first Named Insured shown in the Declarations may cancel this Policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this Policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this Policy is canceled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

2. Changes

This Policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized on behalf of all insureds to agree with us on changes in the terms of this Policy. If the terms are changed, the changes will be shown in an endorsement issued by us and made a part of this Policy.

3. Concealment, Misrepresentation or Fraud

This Policy is void in any case of fraud by you as it relates to this Policy at any time. It is also void if any insured, at any time, intentionally conceals or misrepresents a material fact concerning:

- a. this insurance;
- b. the covered property;
- c. your interest in the covered property; or
- d. a claim under this insurance.

4. Consolidation and Merger

If through consolidation or merger with, or purchase or acquisition of assets or liabilities of, some other entity any additional persons become **employees** or you acquire the use and control of any additional **premises**:

- a. you must give us written notice and obtain our written consent to extend this Policy to such additional **employees** or **premises**. We may condition our consent upon payment of an additional premium; but
- b. for the first 60 days after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities, any insurance afforded for **employees** or **premises** also applies to these additional **employees** or **premises** for acts committed or events occurring within said 60 day period.

5. Deductible

- a. We will not pay for loss in any one **occurrence** unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We then will pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance. In the event more than one Deductible Amount could apply to the loss, only the highest Deductible Amount will be applied.
- b. For losses covered under Insuring Agreement 1. you must:

(1) give us notice as soon as possible even though the loss falls entirely within the Deductible Amount; and

(2) upon our request, give us a statement describing the loss.

c. The deductible does not apply to loss sustained by any **employee benefit plan(s)**.

6. Discovery of Loss

Discovery of loss occurs when you first become aware of facts 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 the loss may not then be known.

Discovery also occurs when you receive notice of an actual or potential claim against you alleging facts that if true would constitute a covered loss under this insurance.

7. Duties in the Event of Loss

After you discover a loss or a situation that may result in a loss you must:

a. notify us as soon as possible;

b. submit to examination under oath at our request and give us a signed statement of your answers;

c. give us a detailed, sworn proof of loss within 120 days; and

d. cooperate with us in the investigation and settlement of any claim.

8. Employee Benefit Plan(s)

a. If any **employee benefit plan(s)** is insured jointly with any other entity under this insurance, you or the plan administrator must select a Limit of Insurance for Insuring Agreement 1. that is sufficient to provide a Limit of Insurance for each plan that is at least equal to that required if each plan were separately insured.

b. If the first Named Insured is an entity other than a plan, any payment we make to that Insured for loss sustained by any plan will be held by that Insured for the use and benefit of the plan(s) sustaining the loss.

c. If two or more plans are insured under this insurance, any payment we make for loss:

(1) sustained by two or more plans; or

(2) of commingled **funds** or **other property** of two or more plans;

that arises out of one **occurrence**, is to be shared by each plan sustaining loss in the proportion that the Limit of Insurance required for each such plan bears to the total of those limits.

9. Extended Period to Discover Loss

a. We will pay for loss that you sustained prior to the effective date of termination or cancellation of this insurance, which is discovered by you

- (1) within 60 days following the date of termination or cancellation; and
 - (2) as respects any **employee benefit plan(s)**, within one year following the date of termination or cancellation.
- b. However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by you replacing in whole or in part the insurance afforded by this Policy whether or not such insurance provides coverage for loss sustained prior to its effective date.

10. Joint Insured

- a. The first Named Insured shown in the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums we pay.
- b. If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes related to this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- c. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- d. An **employee** of any Insured is considered to be an **employee** of every Insured.
- e. If this Policy or any of its coverage is canceled or terminated as to any Insured, Condition **E.9. Extended Period to Discover Loss** applies separately to that Insured.
- f. We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

11. Legal Action Against Us

You may not bring any legal action against us involving loss:

- a. unless you have complied with all the terms of this Policy; and
- b. until 90 days after you have filed proof of loss with us; and
- c. unless brought within 2 years from the date you discover the loss.

12. Liberalization

If we adopt any revision that would broaden the coverage under this Policy without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this insurance.

13. Limit of Insurance

The most we will pay for loss in any one **occurrence** is the applicable Limit of Insurance shown in the Declarations.

14. Loss Covered Under More Than One Coverage

If two or more coverages of this Policy apply to the same loss, we will pay the lesser of:

- a. the actual amount of loss; or

- b. the highest single Limit of Insurance applicable to those coverages.

15. Non-Cumulation of Limit of Insurance

Regardless of the number of years this Policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or policy period to policy period.

16. Other Insurance

- a. This Policy does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this Policy will apply to that part of the loss, other than that falling within any Deductible Amount, not recoverable or recovered under the other insurance or indemnity. However, this Policy will not apply to the amount of loss that is more than the applicable Limit of Insurance shown in the Declarations.
- b. Under Insuring Agreement 4., we will pay only for the amount of loss that you cannot recover:
 - (1) under your contract with the armored motor vehicle company; and
 - (2) from any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

17. Ownership of Property, Interests Covered

The property covered under this Policy is limited to property:

- a. that you own or hold; or
- b. that is owned and held by someone else under circumstances that made you responsible for the property prior to, and independent of, the loss.

However, this Policy is for your benefit only. It provides no rights or benefits to any other person or organization.

18. Records

You must keep records of all covered property so we can verify the amount of any loss.

19. Recoveries

- a. Recoveries, whether effected by you or us, shall be applied, net of the expense of such recovery, in the following manner and order:
 - (1) to the satisfaction of your loss which would otherwise have been paid under this Policy but for the fact that it is in excess of the Limit of Insurance and the Deductible Amount, if any;
 - (2) then to us, until we are reimbursed for the settlement made;
 - (3) then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any;
 - (4) then to you for any loss not covered by this Policy.

- b. Recoveries do not include any recovery from insurance, suretyship, reinsurance, security or indemnity taken for our benefit.
- c. If original securities are recovered after duplicates of such securities have been issued, the original securities shall be surrendered to us.

20. Territory

This Policy covers only acts committed or events occurring within the United States of America, U.S. Virgin Islands, Puerto Rico or Canada. In addition, under Insuring Agreement 1., we will pay for loss caused by any **employee** while temporarily outside of said territories for a period of not more than 90 days.

21. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this Policy may not be transferred without our written consent except in the case of death of an individual Named Insured. If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

22. Transfer of Your Rights of Recovery Against Others to Us

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You also must do everything necessary to secure those rights and do nothing after loss to impair our actual or potential rights of recovery.

23. Valuation - Settlement

- a. Subject to the applicable Limit of Insurance provision we will pay for:
 - (1) Loss of **money** but only up to and including its face value. We may, at our option, pay for loss of **money** issued by any country other than the United States of America:
 - (i) at face value in the **money** issued by that country; or
 - (ii) in the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.
 - (2) Loss of **securities** but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:
 - (i) pay the value of such **securities**, or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those **securities**; or
 - (ii) pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the **securities**. However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - (a) value of the **securities** at the close of business on the day the loss was discovered; or

(b) Limit of Insurance.

- (3) Loss of, or loss from damage to, **other property** or loss from damage to the **premises** or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:
- (i) the Limit of Insurance applicable to the lost or damaged property;
 - (ii) the cost to replace the lost or damaged property with property;
 - (a) of comparable material and quality; and
 - (b) used for the same purpose; or
 - (iii) the amount you actually spend that is necessary to repair or replace the lost or damaged property.
- (4) We will not pay on a replacement cost basis for any loss or damage:
- (i) until the lost or damaged property actually is repaired or replaced; and
 - (ii) unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

- b. We may, at our option, pay for loss of, or loss from damage to, property other than **money**:
- (1) in the **money** of the country in which the loss occurred; or
 - (2) in the United States of America dollar equivalent of the **money** of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.
- c. Any property that we pay for or replace becomes our property.

Applicable to Specific Insuring Agreements

1. Insuring Agreement 1

Cancellation as to Any Employee

Coverage under this Policy is canceled as to any **employee**:

- a. Immediately upon discovery by:
- (1) you; or
 - (2) any of your partners, officers or directors not in collusion with the employee; or

- (3) as to **Employee benefit plan(s)**, any trustee, fiduciary or plan administrator not in collusion with the **employee**;

of any dishonest act committed by that **employee** whether before or after becoming employed by you. Whether such discovery occurs prior to or after commencement of this Policy, there is no coverage under Insuring Agreement 1. for loss or losses resulting from acts committed by that **employee** after the date of such discovery.

- b. On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing. The mailing of notice to you at the last mailing address known to us will be sufficient proof of notice. Delivery of notice is the same as mailing.

2. Insuring Agreement 2

a. Deductible

The deductible does not apply to legal expenses paid under Insuring Agreement 2.

b. Facsimile Signatures

We will treat a reproduction of a handwritten signature the same as handwritten signature. An electronic or digital signature is not treated as a reproduction of a handwritten signature.

c. Proof of Loss

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and an explanation of the absence of the instrument.

d. Territory

We will cover loss you sustain anywhere in the world. The Territory Condition 20 does not apply to Insuring Agreement 2.

3. Insuring Agreements 3 and 4

a. Special Limit of Insurance for Specified Property

We only will pay up to \$5,000 for any one **occurrence** of loss of, and loss from damage to:

- (1) precious metals, precious or semi-precious stones, pearls, furs, or completed or partially completed articles made of or containing such materials that constitute the principal value of such articles; or
- (2) manuscripts, drawings, or records of any kind or the cost of reconstructing them or reproducing any information contained in them.

b. Duties in the Event of Loss

If you have reason to believe that any loss of, or loss from damage to, **money, securities or other property** involves a violation of law, you must notify the police.

4. Insuring Agreement 5

a. Special Limit of Insurance for Specified Property

We only will pay up to \$5,000 for any one **occurrence** of loss of, and loss from damage to, manuscripts, drawings, or records of any kind or the cost of reconstructing them or reproducing any information contained in them.

b. Duties in the Event of Loss

If you have reason to believe that any loss of, or loss from damage to, **money, securities** or **other property** involves a violation of law, you must notify the police.

c. Territory

We will cover loss you sustain anywhere in the world. The Territory Condition 20 does not apply to Insuring Agreement 5.

5. Insuring Agreement 6

a. Duties in the Event of Loss

You must notify the police if you have reason to believe you have accepted a **counterfeit** money order or **counterfeit** paper currency.

IN WITNESS WHEREOF, we have caused this Policy to be executed on the Declarations Page.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCLUDE COVERAGE FOR FUNDS TRANSFER FRAUD

A. Coverage

We will pay for loss of **funds** resulting directly from a **fraudulent instruction** directing financial institution to transfer, pay or deliver **funds** from your **transfer account**.

B. Limit of Insurance and Deductible

The Limit of Insurance and Deductible Amount are shown in the Declarations.

C. Definitions

As used in this Insuring Agreement:

a. Fraudulent instruction means:

- (1) An electronic, telegraphic, cable, teletype, telefacsimilie or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
- (2) A written instruction (other than those described in Insuring Agreement 2.) issued by you, which was forged or altered by someone other than you without your knowledge or consent, or which purports to have been issued

by you, but was in fact fraudulently issued without your knowledge or consent; or

- (3) An electronic, telegraphic, cable, teletype, telefacsimilie, telephone or written instruction initially received by you which purports to have been transmitted by an Employee but which was in fact fraudulently transmitted by someone else without your or the Employee's knowledge or consent.

b. Transfer account means:

An account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of **funds**:

- (1) By means of electronic, telegraphic, cable, teletype, telefacsimilie or telephone instructions communicated directly or through an electronic funds transfer system; or
- (2) By means of written instructions (other than those described in Insuring Agreement 2.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.

c. Funds means money and securities.

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

INCLUDE SPECIFIED NON-COMPENSATED OFFICERS AS EMPLOYEES

This Endorsement modifies Crime Protection Policy No. SSA-392-56-74-00093-03

1. **Employee** also includes your following non-compensated officers:

ALL NON-COMPENSATED OFFICERS AND MEMBERS OF THE BOARD OF DIRECTORS

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

**INCLUDE VOLUNTEER WORKERS OTHER THAN
FUND SOLICITORS AS EMPLOYEES**

This Endorsement modifies Crime Protection Policy No. SSA-392-56-74-00093-03

Employee also includes any non-compensated natural person, other than one who is a fund solicitor, while performing services for you that are usually the duties of an **employee**.

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

**INCLUDE DESIGNATED AGENTS AS EMPLOYEES
COVERED FOR EMPLOYEE DISHONESTY ONLY**

This Endorsement modifies Crime Protection Policy No. SSA-392-56-74-00093-03

1. For Purposes of Insuring Agreement **1.** only, **Employee** also includes each natural person, partnership, or corporation you appoint in writing to act as your agent in the capacity enumerated below while acting on your behalf or while in possession of property which you own or for which your are legally liable.

Each such agent and the partners, officers and employees of that agent are considered to be collectively, one **employee** for the purposes of this insurance. However, Condition **1. Cancellation** of the Conditions Applicable to Insuring Agreement **1.** applies individually to each of them.

2. The most we will pay under this policy for loss caused by an agent included as an employee by this Endorsement is the Limit of Insurance shown below. That Limit of Insurance is part of, not in addition to, the Limit of Insurance shown in the Declartions as applicable to Insuring Agreement **1.**
3. The capacity of the agent and corresponding Limit of Insurance for this Endorsement are:

Capacity of Agent

Property Manager

Limit of Insurance

Same as Policy Limit of Insurance
Per Occurrence and Deductible
Amount Per Occurrence
For Insuring Agreement **1.**



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND CONFIDENTIAL INFORMATION AND DATA BREACH COSTS EXCLUSIONS

This endorsement modifies Crime Protection Policy No. - .

1. The **Confidential Information** exclusion of the Exclusions Applicable to All Insuring Agreements is deleted and replaced by the following:

Confidential Information

Loss resulting from the theft, disappearance, destruction or disclosure of confidential information including, but not limited to, trade secrets, intellectual property, personal customer information, customer lists, and a customer's personally identifiable financial or medical information, whether such confidential information is owned by you or held by you in any capacity including concurrently with another person. For purposes of Insuring Agreement 5, confidential information cannot itself be the **other property** transferred, but a loss otherwise covered under Insuring Agreement 5 shall not be excluded by the fact that confidential information was used to gain access to your computer system, or to the computer system of your financial institution, in order to cause the fraudulent transfer.

2. The **Data Breach Costs** exclusion of the Exclusions Applicable to All Insuring Agreements is deleted and replaced by the following:

Data Breach Costs

Expenses related to your obligations arising from a data security breach, including, but not limited to, forensic audit expenses, fines, penalties, expenses to comply with federal and state laws and Payment Card Industry Data Security Standards (if applicable) and expenses related to notifying affected individuals when the affected individuals' personally identifiable financial or medical information was stolen, accessed, downloaded or misappropriated while in the insured's care, custody or control.



Administrative Offices
301 E 4th Street
Cincinnati OH 45202-4201
513 369 5000 ph

SA 71 50 (Ed. 06 14)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT NO.

VIRTUAL OR ON-LINE PEER TO PEER MEDIUMS OF EXCHANGE EXCLUSION

This Endorsement applies to Crime Protection Policy No. -

The following is added to **D. EXCLUSIONS**:

Applicable to all Insuring Agreements, Except as Indicated

We will not pay for loss as specified below:

Loss of virtual or on-line peer to peer mediums of exchange.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, limitations or provisions of the attached Policy other than as above stated.



Administrative Offices
301 E 4th Street
Cincinnati OH 45202-4201
513 369 5000 ph

IL 72 68
(Ed. 09 09)

In Witness Clause

In Witness Whereof, we have caused this Policy to be executed and attested, and, if required by state law, this Policy shall not be valid unless countersigned by our authorized representative.

A handwritten signature in black ink, appearing to read "D. L. C.", followed by a horizontal line.

President

A handwritten signature in black ink, appearing to read "Eve Cutler Rosen".

Secretary



Administrative Offices
301 E 4th Street
Cincinnati, OH 45202-4201
513 369 5000 ph

IL 73 24 (Ed. 08 12)

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

ECONOMIC AND TRADE SANCTIONS CLAUSE

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

IL 73 24 (Ed. 08/12)



Administrative Offices
301 E 4th Street
Cincinnati, OH 45202-4201
513 369 5000 ph

**IMPORTANT NOTICE
FIDELITY CRIME DIVISION CLAIMS**

Should this account have a potential claim situation, please contact:

**Fidelity & Crime Claims Department
Great American Insurance Group
Five Waterside Crossing
Windsor, CT 06095**

**(860) 298-7330
(860) 688-8188 fax**

CrimeClaims@gaic.com



Administrative Offices
301 E 4th Street
Cincinnati, OH 45202-4201
513 369 5000 ph

IMPORTANT INFORMATION TO POLICYHOLDERS CALIFORNIA

TO OBTAIN INFORMATION OR TO MAKE A COMPLAINT

In the event you need to contact someone about this Policy for any reason please contact your agent. If you have additional questions, you may contact the insurance company issuing this Policy at the following address and telephone number:

Great American Insurance Group
Administrative Offices
301 E 4th Street
Cincinnati, OH 45202-4201

Or you may call the toll-free telephone number for information or to make a complaint at:

1-800-221-7274

If you have a problem with your insurance company, its agent or representative that has not been resolved to your satisfaction, please call or write to the Department of Insurance.

California Department of Insurance
Consumer Services Division
300 South Spring Street, South Tower
Los Angeles, California 90013

1-800-927-4357
213-897-8921 (if calling from within the Los Angeles area)
1-800-482-4833 (TDD Number)

Written correspondence is preferable so that a record of your inquiry can be maintained. When contacting your agent, company or the Bureau of Insurance, have your Policy Number available.

ATTACH THIS NOTICE TO YOUR POLICY

This notice is for information only and does not become a part or condition of the attached document.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA ESCROW AGENT

This Endorsement modifies Crime Protection Policy No. - .

1. The definition of **Employee** is amended to also include:
 - a. any officer, director or employee of yours who is not compensated when performing acts coming within the scope of the usual duties of an officer or employee of yours; or
 - b. any member of any of your committees duly elected or appointed to examine or audit or have custody of your property.
 - c. the Commissioner of Corporations, State of California, during the time said Commissioner, including his or her authorized representative, has possession of your property and business as provided in Chapter 6 (commencing with Section 17621) of Division 6 of the Financial Code.

The ownership of all or a portion of the shares of the Named Insured by an **employee** shall not be a defense to any suit, action or other legal proceeding against us.

2. Paragraph **a(2)** of the definition of **Employee** is deleted and replaced by the following:

(2) whom you compensate; and
3. Exclusion **1. Acts Committed by You or Your Partners** of the Exclusions Applicable to All Insuring Agreements is deleted if you are licensed as an escrow agent by the Commissioner of Corporations of the State of California.
4. An additional Condition is added as follows:

Notice of Cancellation: No cancellation of the Policy or any Insuring Agreement, whether at your request or our request, shall take effect prior to the expiration of 30 days after written notice of such cancellation has been filed with the Commissioner of Corporations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies Crime Protection Policy No. - .

For purposes of all Insuring Agreements except Insuring Agreements 1, 2 and 7.

1. Condition 1. **Cancellation** of the **Conditions Applicable to all Insuring Agreements** is deleted and replaced by the following:

- a. The first Named Insured shown in the Declarations may cancel this Policy by mailing or delivering to us advance written notice of cancellation.

b. All Policies In Effect for 60 Days or Less

If this Policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this Policy by mailing or delivering to the first Named Insured at the mailing address shown in the Policy and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

- (1) 10 days before the effective date of cancellation if we cancel for:

(a) nonpayment of premium; or

(b) discovery of fraud by:

(i) any insured or his or her representative in obtaining this insurance; or

(ii) you or your representative in pursuing a claim under this Policy.

- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. All Policies In Effect for More than 60 Days

If this Policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this Policy only upon the occurrence, after the effective date of the Policy, of one or more of the following:

- (1) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

- (2) Discovery of fraud or material misrepresentation by:

(a) any insured or his or her representative in obtaining this insurance; or

(b) you or your representative in pursuing a claim under this Policy.

- (3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

- (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
- (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
- (6) A determination by the Commissioner of Insurance that the:
 - (a) loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
 - (b) Continuation of the Policy coverage would:
 - (i) place us in violation of California law or the laws of the state where we are domiciled; or
 - (ii) threaten our solvency.
- (7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a material added risk, or a materially increased or changed risk, unless the added, increased or changed risk is included in the Policy.

We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the Policy, and to the producer of record, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium or discovery of fraud, or 30 days before the effective date of cancellation if we cancel for any other reason listed in paragraph c.

2. The following is added and supersedes any provisions to the contrary:

Nonrenewal

a. Subject to the provisions of paragraph 2.b. below, if we elect:

- (1) not to renew this Policy, or
- (2) to condition renewal upon reductions of limits, elimination of coverages, increase in deductibles, or increase of more than 25% in the rate upon which the premium is based.

We will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured at the mailing address shown in the Policy, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration of anniversary date. We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the Policy.

b. We are not required to send notice of nonrenewal in the following situations:

- (1) If the transfer or renewal of a policy, without any changes in terms, conditions, or rates, is between us and a member of our insurance group.
- (2) If the Policy has been extended for 90 days or less, provided that notice has been given in accordance with paragraph 2.a.
- (3) If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the Policy, to obtain that coverage.

- (4) If this Policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
- (5) If the first Named Insured requests a change in the terms or conditions or risks covered by the Policy within 60 days of the end of the policy period.
- (6) If we have made a written offer to the first Named Insured, in accordance with the time frames shown in paragraph 2.a., to renew the Policy under changed terms or conditions or at a changed premium rate. As used in this paragraph, "terms or conditions" includes, but is not limited to, a reduction in limits, elimination of coverages, or an increase in deductibles.