



CRIME PROTECTION PLUS

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is or is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in **BOLD** have special meaning. Refer to the Definitions Section.

I. INSURING AGREEMENTS

Coverage is provided under the following Insuring Agreements for which a Limit of Insurance is shown in the Declarations:

A1. EMPLOYEE THEFT AND CLIENT PROPERTY

1. We will pay for loss of or damage to **MONEY, SECURITIES** and **OTHER PROPERTY** resulting directly from **THEFT** committed by an **EMPLOYEE**, whether identified or not, acting alone or in collusion with other persons.
2. We will pay for loss of or damage to **MONEY, SECURITIES** and **OTHER PROPERTY** sustained by your **CLIENT** resulting directly from **THEFT** committed by an identified **EMPLOYEE**, acting alone or in collusion with other persons.

A2. ERISA FIDELITY

We will pay for direct loss of and direct loss from damage to **MONEY, SECURITIES** and **OTHER PROPERTY** of any **EMPLOYEE BENEFIT PLAN(S)** sponsored exclusively by the **INSURED** resulting from **THEFT** by an **EMPLOYEE**.

B. FORGERY OR ALTERATION

1. 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:
 - a. Made or drawn by or drawn upon you; or
 - b. Made or drawn by one acting as your agent;
 or that are purported to have been so made or drawn.
2. If you are sued for refusing to pay any instrument covered in Paragraph 1. above, 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 is in addition to the Limit of Insurance applicable to this Insuring Agreement.

3. Credit, Debit, or Charge Card Extension
 - a. Covered instruments in 1. above, checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in **MONEY** includes written instruments required in conjunction with any credit, debit or charge card issued to you or any **EMPLOYEE** for business purposes.
 - b. The most we will pay in any one **OCCURRENCE** is \$25,000. The amount that we will pay is in addition to the Limit of Insurance applicable to this Insuring Agreement.

C. INSIDE THE PREMISES

1. We will pay for loss of **MONEY** and **SECURITIES** inside the **PREMISES** or **BANKING PREMISES** resulting directly from **THEFT**, disappearance or destruction.
2. We will pay for loss of or damage to **OTHER PROPERTY**:
 - a. Inside the **PREMISES** resulting directly from an actual or attempted **ROBBERY** of a **CUSTODIAN**; or
 - b. Inside the **PREMISES** in a safe or vault resulting directly from an actual or attempted **SAFE BURGLARY**.
 - c. We will pay for loss from damage to the **PREMISES** or its exterior resulting from an actual or attempted:
 - (i) **THEFT** of **MONEY** or **SECURITIES**; or
 - (ii) **ROBBERY** or **SAFE BURGLARY** of **OTHER PROPERTY** if the **INSURED** is the owner of the **PREMISES** or is liable for damage to it.
 - d. We will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the **PREMISES** resulting directly from an actual or attempted **THEFT** or unlawful entry into those containers.

D. OUTSIDE THE PREMISES

1. We will pay for loss of **MONEY** and **SECURITIES** outside the **PREMISES** in the care and custody of a **MESSENGER** or an armored motor vehicle company resulting directly from **THEFT**, disappearance or destruction.
2. We will pay for loss of or damage to **OTHER PROPERTY** outside the **PREMISES** in the care and custody of a **MESSENGER** or an armored motor vehicle company resulting directly from an actual or attempted **ROBBERY**.

E. MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, **MONEY** or services:

1. Money orders issued by any post office, express company or bank that are not paid upon presentation; and
2. **COUNTERFEIT** paper currency that is acquired during the regular course of business from any country in which you maintain a physical **PREMISES**.

F. COMPUTER FRAUD AND FUNDS TRANSFER FRAUD

We will pay for loss of or loss from damage to:

1. **MONEY, SECURITIES and OTHER PROPERTY** resulting directly from **COMPUTER FRAUD**, and
2. **MONEY and SECURITIES** contained in a **TRANSFER ACCOUNT** on deposit at a **FINANCIAL INSTITUTION** resulting directly from **FUNDS TRANSFER FRAUD**.

We will pay for loss of **FUNDS** resulting directly from a **FRAUDULENT INSTRUCTION** directing a **FINANCIAL INSTITUTION** to transfer, pay, or deliver **FUNDS** from your **TRANSFER ACCOUNT**.

II. LIMIT OF INSURANCE

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

III. DEDUCTIBLE

We will not pay for loss in any one **OCCURRENCE** unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance. In the event that more than one Deductible Amount could apply to the same loss, only the highest Deductible Amount may be applied.

IV. EXCLUSIONS

This policy does not apply to:

A. Loss resulting from **THEFT** or any other dishonest act committed by:

1. You; or
2. Any of your partners or **MEMBERS**; or
3. Any officer or **EMPLOYEE** who has a 25% interest or greater ownership interest in any one or more of those entities named as **INSUREDS**;

whether acting alone or in collusion with other persons.

B. Loss resulting from **THEFT** or any other dishonest act committed by any of your **EMPLOYEES, MANAGERS**, directors, trustees or authorized representatives:

1. Whether acting alone or in collusion with other persons; or
2. While performing services for you or otherwise;

except when covered under Insuring Agreement A1. or A2.

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

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

1. Your inability to realize income that you would have realized had there been no loss of or damage to **MONEY, SECURITIES** or **OTHER PROPERTY**.
 2. Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this policy.
 3. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this policy.
- E. Expenses related to any legal action, except when covered under Insuring Agreement B.
- F. Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.
- G. Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.
- H. Loss sustained by one **INSURED** to the advantage of any other **INSURED**.
- I. Loss resulting directly or indirectly from contractual or extra contractual liability sustained by the **INSURED** in connection with the issuance of contracts or purported contracts of insurance, indemnity or suretyship.
- J. Loss of trade secrets, confidential processing methods, confidential information or intangible property of any kind.
- K. Insuring Agreements A1. and A2. do not apply to:
1. Loss caused by any **EMPLOYEE** of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation unless the amount of such loss is \$1,000 or less.
 2. 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.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and an actual physical count of inventory in support of the amount of loss claimed.
 3. Loss resulting directly or indirectly from trading, whether in your name or in a genuine or fictitious account.
 4. Loss resulting from the fraudulent or dishonest signing, issuing, cancelling, or failing to cancel, a warehouse receipt or any papers connected with it.
- L. Insuring Agreement B. does not apply to:
1. Loss arising from any credit, debit or charge card if you have not complied fully with the provisions, conditions or other terms under which the card was issued.

M. Insuring Agreements C. and D. do not apply to:

1. Loss resulting from accounting or arithmetical errors or omissions.
2. Loss resulting from the giving or surrendering of property in any exchange or purchase.
3. Loss resulting from fire, however caused, except:
 - a. Loss of or damage to **MONEY** and **SECURITIES**; and
 - b. Loss from damage to a safe or vault.
4. 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.
5. Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.
6. Transfer or Surrender of Property
 - a. Loss of or damage to 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;
 - (ii) As a result of a threat to do bodily harm to any person; or
 - (iii) As a result of a threat to do damage to any property.
 - b. But, this Exclusion does not apply under Insuring Agreement D. to loss of **MONEY**, **SECURITIES** or **OTHER PROPERTY** while outside the **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.
7. Loss from damage to the **PREMISES** or its exterior, or to any safe, vault, cash register, cash box, cash drawer or **OTHER PROPERTY** by vandalism or malicious mischief.
8. Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

N. Insuring Agreement F. does not apply to:

1. Loss resulting from the giving or surrendering of property in any exchange or purchase.
2. 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. Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

V. CONDITIONS

A. Cancellation as to any **EMPLOYEE**

1. This policy is cancelled as to any **EMPLOYEE**:
 - a. Immediately upon discovery by:
 - (i) You; or
 - (ii) Any of your partners, **MEMBERS, MANAGERS**, officers, directors or trustees not in collusion with the **EMPLOYEE**;

of **THEFT** or any other dishonest act committed by the **EMPLOYEE** whether before or after becoming employed by you unless, the amount of such loss is \$1,000 or less.

2. On the date specified in a notice mailed to the first Named Insured. That date will be at least 60 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Cancellation of Policy

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 60 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send 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.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

C. 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 to make changes in the terms

of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

D. 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 you or any other **INSURED**, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This policy;
2. The property covered under this policy;
3. Your interest in the property covered under this policy; or
4. A claim under this policy.

E. Consolidation – 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**:

1. You must give us written notice and obtain our written consent to extend this insurance to such additional **EMPLOYEES** or **PREMISES**. We may condition our consent upon payment of an additional premium;
2. For the first 90 days after the effective date of such consolidation, merger, or purchase or acquisition of assets or liabilities, any insurance afforded for **EMPLOYEES** or **PREMISES** also applies to these additional **EMPLOYEES** or **PREMISES** for acts committed or events occurring within this 90-day period.

However, we agree to automatically extend such coverage, without the payment of an additional premium for the remainder of the policy period, as is afforded under this policy to any consolidation or merger with, or purchase of assets of, some other entity which has less than 15% of your annual revenues, and a three year, loss free Employee Theft claims history.

F. Discovery Option

If the Discovery option in ITEM 4. of the Declarations page is executed, this general condition shall apply.

1. We will pay for loss that you sustain through acts committed or events occurring at any time and discovered by you:
 - a. During the policy period shown in the Declarations; or
 - b. During the period of time provided in V. CONDITION K. Extended Period To Discover Loss.
2. 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 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 policy.

G. Loss Sustained Option

If the Loss Sustained option in ITEM 4. of the Declarations page is executed, this general condition shall apply.

We will pay for loss sustained by you during the policy period stated in ITEM 3. of the Declarations Page.

1. If you, or a predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:
 - a. This insurance became effective at the time of cancellation or termination of the prior insurance; and
 - b. The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.
2. The insurance under this agreement is part of, and not in addition to, the Limits of Insurance applicable to this insurance and is limited to the lesser of the amount recoverable under:
 - a. This insurance as of its effective date; or
 - b. The prior insurance had it remained in effect.

In the event that a loss is covered by this policy and a preceding policy, it is agreed that the Insuring Agreement deductible for this policy shall be reduced by the applicable deductible of the preceding policy.

If any loss is covered partly by this insurance and partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest, the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

H. Duties In The Event Of Loss

After you discover a loss or a situation that may result in loss of or damage to **MONEY**, **SECURITIES** or **OTHER PROPERTY** you must:

1. Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Insuring Agreements A1., A2. or B.) involves a violation of law, you must also notify the local law enforcement authorities.
2. Submit to examination under oath at our request and give us a signed statement of your answers.
3. Give us a detailed, sworn proof of loss within 120 days.
4. Cooperate with us in the investigation and settlement of any claim.

I. Employee Benefit Plan(s)

1. If any one or more **EMPLOYEE BENEFIT PLANS** are insured jointly with any other entity under this policy, you or the plan administrator must select a Limit of Insurance for Insuring Agreement A2. that is sufficient to provide a Limit of Insurance for each Plan, which is at least equal to that required if each Plan were separately insured.
2. If the first Named Insured is an entity other than a Plan, any payments we make to the **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.
3. If two or more Plans are insured under this policy, any payment which we make for loss sustained by two or more Plans, or of commingled **FUNDS** or **OTHER PROPERTY** of two or more Plans, which 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 Plan bears to the total of those limits.
4. This policy insures those Plans, which are named as additional **INSUREDS** in the Declarations or on any attached Schedule for loss through fraud or dishonesty as defined in Section 2580.412-9 of the Employee Retirement Income Security Act (ERISA) as amended. For any Plans not specifically named as **INSUREDS**, this policy is deemed to be in compliance with, and satisfy the bonding requirements of Section 2580.412-11 of the Act. This insurance provides a Limit of Insurance which is equal to 10% of the amount of the **FUNDS** handled or \$500,000., whichever is less, for each Plan bonded and the minimum Limit of Insurance for any Plan shall be \$1,000. The Limit of Insurance available for any Plan loss will be determined by the amount of **FUNDS** handled on the date when any covered loss occurs subject to the foregoing limitations.
5. The Deductible provision which applies to Insuring Agreement A2. ERISA FIDELITY shall not apply to loss which is sustained by any Plan subject to ERISA and which Plan is covered under this insurance.

J. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to 3 years afterward or until any claim made under this policy has been settled, whichever is later.

K. Extended Period to Discover Loss

1. We will pay for loss that you sustained prior to the effective date of termination or cancellation of this policy, which is discovered by you:
 - a. No later than 120 days following termination or cancellation of the Insuring Agreement or termination of this policy as to an **INSURED**; and
 - b. As respects, any **EMPLOYEE BENEFIT PLAN(S)**, no later than twelve months from the date of that termination or cancellation.
2. 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 other insurance provides coverage for loss sustained prior to its effective date.

L. Inspections and Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections nor do we undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. above apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

M. Joint Insured

1. 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 of this policy. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
2. If any **INSURED**, or partner, **MEMBER** or officer of that **INSURED** has knowledge of any information relevant to this policy, that knowledge is considered knowledge of every **INSURED**.
3. An **EMPLOYEE** of any **INSURED** is considered to be an **EMPLOYEE** of every **INSURED**.
4. If this policy or any of its coverages is cancelled or terminated as to any **INSURED**, loss sustained by that **INSURED** is covered only if discovered by you during the period of time provided in V. CONDITION K. Extended Period to Discover Loss.

However, this extended period to discover loss terminates as to that **INSURED** immediately upon the effective date of any other insurance obtained by that **INSURED** replacing in whole or in part the insurance afforded by this policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

5. 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**.

N. Legal Action Against Us

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

1. Unless you have complied with all the terms of this policy;

2. Until 90 days after you have filed proof of loss with us; and
3. Unless brought within 2 years from the date you discover the loss.

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

O. 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 policy.

P. Loss Covered Under More Than One Coverage of this Policy

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

1. The actual amount of loss; or
2. The sum of the Limits of Insurance applicable to those coverages.

Q. 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.

R. Other Insurance

This policy does not apply to loss recoverable or recovered under other insurance or indemnity. 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.

S. Ownership of Property; Interests Covered

The property covered under this policy is limited to property:

1. That you own or lease;
2. That you hold for others; or
3. For which you are legally liable, except for property inside the **PREMISES** of a **CLIENT** of yours.

However, this policy is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this policy must be presented by you.

T. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and

2. Will be the payee for any return premiums we pay.

U. Records

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

V. Recoveries

1. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this policy will be distributed as follows:

- a. To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
- b. Then to us, until we are reimbursed for the settlement made; and
- c. Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.

2. Recoveries do not include any recovery:

- a. From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
- b. Of original **SECURITIES** after duplicates of them have been issued.

W. Territory

This policy applies to loss occurring anywhere in the world.

X. 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.

Y. 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 must also do everything necessary to secure those rights and do nothing after loss to impair them.

Z. Valuation – Settlement

1. Subject to Section II. Limit Of Insurance, we will pay for:

- a. 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) Its 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 published in *The Wall Street Journal* on the day the loss was discovered.
- b. 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.
- c. Loss of or 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 of comparable material and quality and used for the same purpose; or
 - (iii) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

We will not pay on a replacement cost basis for any loss or damage:

- (i) Until the lost or damaged property is actually 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.

2. We may, at our option, pay for loss of or damage to property other than **MONEY**:
 - a. In the **MONEY** of the country in which the loss occurred; or
 - b. 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 published in *The Wall Street Journal* on the day the loss was discovered.
3. Any property that we pay for or replace becomes our property.

AA. Conditions Applicable To Insuring Agreement B.

1. Deductible

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement B.

2. Electronic and Mechanical Signatures

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

BB. Conditions Applicable To Insuring Agreement D.

1. Armored Motor Vehicle Companies

a. Under Insuring Agreement D., we will only pay for the amount of loss you cannot recover:

- (i) Under your contract with the armored motor vehicle company; and
- (ii) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

b. Special Limit of Insurance for Specified Property

We will only pay up to \$5,000 for any one **OCCURRENCE** of loss of or damage to:

- (i) 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
- (ii) Manuscripts, drawings, or records of any kind or the cost of reconstructing them or reproducing any information contained in them.

CC. Conditions Applicable To Insuring Agreement F.

1. Special Limit of Insurance for Specified Property

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

VI. DEFINITIONS

- A. **BANKING PREMISES** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
- B. **CLIENT** means any entity or individual for whom you perform services under a written agreement.
- C. **COMPUTER FRAUD** means **THEFT** of property following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the **PREMISES** or **BANKING PREMISES** to a person (other than a **MESSENGER**) outside those **PREMISES** or to a place outside those **PREMISES**.

D. **COUNTERFEIT** means an imitation of an actual valid original which is intended to deceive and to be taken as the original.

E. **CUSTODIAN** means you, or any of your partners or **MEMBERS**, or any **EMPLOYEE** while having care and custody of property inside the **PREMISES**, excluding any person while acting as a **WATCHPERSON** or janitor.

F. **EMPLOYEE:**

1. Any natural person:

- a. While in your service or for 60 days after termination of service;
- b. Whom you compensate directly by salary, wages or commissions; and
- c. Whom you have the right to direct and control while performing services for you;

2. Any natural person who is furnished temporarily to you:

- a. To substitute for a permanent **EMPLOYEE** as defined in Paragraph 1. above, who is on leave; or
- b. To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the **PREMISES**.

3. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary **EMPLOYEE** as defined in Paragraph 2. above;

4. Any natural person who is:

- a. 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 policy; and
- b. Your director or trustee while that person is handling **FUNDS** or **OTHER PROPERTY** of any **EMPLOYEE BENEFIT PLAN(S)** insured under this policy.

5. Any natural person who is a former **EMPLOYEE**, director, partner, **MEMBER**, **MANAGER**, representative or trustee retained as a consultant while performing services for you; or

6. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the **PREMISES**; or

7. Any natural person who is a **VOLUNTEER** who is not compensated, other than one who is a fund solicitor, while performing services for you that are usual to the duties of an **EMPLOYEE**; or

8. Any natural person who is performing services for you as the chairman, or a member of any committee and whether compensated or not; or

9. Any natural person who is a director or trustee while acting as a member of any of your elected or appointed committees to perform on your behalf, specific, as distinguished from general directorial acts; or
 10. Any natural person who is a non-compensated officer.
- G. **EMPLOYEE** does not mean:
1. Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 2. Any **MANAGER**, director, or trustee except while performing acts coming within the scope of the usual duties of an **EMPLOYEE**.
- H. **EMPLOYEE BENEFIT PLAN(S)** means, any welfare, or pension Plan listed in the Declarations, on an attached schedule or for which automatic coverage is afforded, that is subject to the Employee Retirement Income Security Act (ERISA) of 1974, as amended.
- I. **FINANCIAL INSTITUTION** means:
1. A banking, savings, or thrift institution, or
 2. A stock brokerage firm, mutual fund, liquid assets fund or similar investment institution where the **INSURED** maintains a **TRANSFER ACCOUNT**.
- J. **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.
- K. **FRAUDULENT INSTRUCTION** means:
1. An electronic, telegraphic, cable, teletype, telefacsimile 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 B.) 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, telefacsimile, 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.
- L. **FUNDS** means **MONEY** and **SECURITIES**.
- M. **FUNDS TRANSFER FRAUD** means:
1. Electronic, telegraphic, cable, teletype or telephone instructions fraudulently transmitted to a **FINANCIAL INSTITUTION** directing such institution to debit a **TRANSFER ACCOUNT** and to transfer, pay or deliver **MONEY** or **SECURITIES** from such **TRANSFER ACCOUNT** which instructions purport to have been transmitted by the **INSURED** but were in fact fraudulently transmitted by someone other than the **INSURED** without its knowledge or consent; or

2. Fraudulent written instructions (other than those covered under Insuring Agreement B.) issued to a **FINANCIAL INSTITUTION** directing such institution to debit a **TRANSFER ACCOUNT** and to transfer, pay or deliver **MONEY** or **SECURITIES** from such **TRANSFER ACCOUNT** by use of an electronic funds transfer system at specified intervals or under specified conditions which instructions purport to have been issued by the **INSURED** but were in fact fraudulently issued, forged or altered by someone other than the **INSURED** without its knowledge or consent.
- N. **INSURED** means the Named Insured as stated in the Declarations page and, with respect to Insuring Agreement A2. only, any Welfare Plan or Pension Plan sponsored exclusively by the Named Insured.
- O. **MANAGER** means a person serving in a directorial capacity for a limited liability company.
- P. **MEMBER** means an owner of a limited liability company represented by its membership interest, who also may serve as a **MANAGER**.
- Q. **MESSENGER** means you, or a relative of yours, or any of your partners or **MEMBERS**, or any **EMPLOYEE** while having care and custody of property outside the **PREMISES**.
- R. **MONEY** means:
1. Currency, coins and bank notes in current use and having a face value; and
 2. Travelers checks, register checks and money orders held for sale to the public.
- S. **OCCURRENCE** means:
1. As respects the Employee Theft Insuring Agreement, all loss caused by, or involving, one or more **EMPLOYEES**, whether the result of a single act or a series of acts.
 2. As respects the Forgery or Alteration Insuring Agreement, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
 3. As respects all other Insuring Agreements, an act or series of related acts involving one or more persons; or an act or event or a series of related acts or events not involving any person.
- T. **OTHER PROPERTY** means any tangible property other than **MONEY** and **SECURITIES** that has intrinsic value but does not include any property excluded under this policy.
- U. **PREMISES** means the interior of that portion of any building you occupy in conducting your business.
- V. **ROBBERY** means the unlawful taking of property from the care and custody of a person by one who has:
1. Caused or threatened to cause that person bodily harm; or
 2. Committed an obviously unlawful act witnessed by that person.
- W. **SAFE BURGLARY** means the unlawful taking of:
1. 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

2. A safe or vault from inside the **PREMISES**.
- X. **SECURITIES** means negotiable and non-negotiable instruments or contracts representing either **MONEY** or property and includes:
1. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 2. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
- but does not include **MONEY**.
- Y. **THEFT** means the unlawful taking of **MONEY**, **SECURITIES** or **OTHER PROPERTY** to the deprivation of the **INSURED**.
- Z. **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, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
 2. By means of written instructions (other than those described in Insuring Agreement B.) establishing the conditions under which such transfers are to be initiated by such **FINANCIAL INSTITUTION** through an electronic funds transfer system.
- AA. **WATCHPERSON** means any person you retain specifically to have care and custody of property inside the **PREMISES** and who has no other duties.