CRIME TERMS AND CONDITIONS

PLEASE READ ALL TERMS AND CONDITIONS CAREFULLY

CONSIDERATION CLAUSE

IN CONSIDERATION of the payment of the premium stated in the Declarations, and subject to the Declarations and pursuant to all the terms, conditions, exclusions and limitations of this Crime Policy, the Company will pay the Insured for direct loss that the Insured sustains which is directly caused by a Single Loss taking place at any time and which is Discovered by the Insured during the Policy Period or during the Extended Period to Discover Loss pursuant to the terms set forth in Section V. CONDITIONS A. GENERAL CONDITIONS 3. Extended Period to Discover Loss.

I. INSURING AGREEMENTS

This Crime Policy provides coverage under each of the following Insuring Agreements. Notwithstanding the aforesaid, if ITEM 5 of the Declarations indicates that any Insuring Agreement is “Not Covered,” then such Insuring Agreement and any other reference thereto is deemed to be deleted from this Crime Policy.

A. FIDELITY

1. Employee Theft

The Company will pay the Insured for the Insured’s direct loss of, or direct loss from damage to, Money, Securities and Other Property directly caused by Theft or Forgery committed by an Employee, whether identified or not, acting alone or in collusion with other persons.

2. ERISA Fidelity

The Company will pay the Insured for direct loss of, or direct loss from damage to, Money, Securities and Other Property that belongs to an Employee Benefit Plan, directly caused by Theft or Forgery committed by a Fiduciary, whether identified or not, acting alone or in collusion with other persons.

3. Employee Theft of Client Property

The Company will pay the Insured for direct loss of, or direct loss from damage to, Money, Securities and Other Property sustained by the Insured’s Client, directly caused by Theft or Forgery committed by an identified Employee.

B. FORGERY OR ALTERATION

The Company will:

1. pay the Insured for the Insured’s direct loss directly caused by Forgery or alteration of, on or in any written Covered Instruments that are:
a. made by, drawn by, or drawn upon, the Insured, or purport to have been so made or drawn; or

b. made or drawn by one acting as the Insured’s agent, or purport to have been so made or drawn; and

2. reimburse the Insured for reasonable legal defense expenses that the Insured has paid if the Insured is sued for refusing to pay any written Covered Instrument under this Insuring Agreement B. on the basis that it has been Forged or altered. Reimbursement of such legal expenses is conditioned upon the Insured’s receipt of the Company’s prior written consent to defend against such suit. The amount of any legal expenses reimbursed under Insuring Agreement B. is in addition to the applicable Single Loss Limit of Insurance for Insuring Agreement B.

A signature that is a mechanical or electronic reproduction of a handwritten signature produced by a mechanical check-writing machine or a computer printer is treated the same as a handwritten signature. An Electronic Signature is not treated the same as a mechanical or electronic reproduction of a handwritten signature and is not a Forgery under this Insuring Agreement B.

For purposes of this Insuring Agreement B., the term “check” includes a “substitute check” as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.

C. ON PREMISES

The Company will pay the Insured for:

1. the Insured’s direct loss of Money or Securities located inside the Premises or Financial Institution Premises directly caused by Theft, committed by a person present inside such Premises or Financial Institution Premises;

2. the Insured’s direct loss of Money or Securities located inside the Premises or Financial Institution Premises directly caused by disappearance, damage or destruction;

3. the Insured’s direct loss of, or direct loss from damage to, Other Property located inside the Premises:
   a. directly caused by an actual or attempted Robbery; or
   b. in a safe or vault, directly caused by an actual or attempted Safe Burglary; and

4. the Insured’s direct loss from damage to the Premises or its exterior resulting directly from an actual or attempted Theft, Robbery or Safe Burglary, if the Insured is the owner of the Premises or is liable for damage to it; or

5. the Insured’s direct loss of, or loss from 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, Robbery or Safe Burglary, if the Insured is the owner of the locked safe, vault, cash register, cash box or cash drawer or is liable for damage thereto.

D. IN TRANSIT

1. The Company will pay the Insured for the Insured’s direct loss of Money or Securities directly caused by Theft, disappearance, damage or destruction while in transit outside the Premises and in the care and custody of:
a. a Messenger, including while temporarily within the living quarters of a Messenger; or  
b. an armored motor vehicle company.

2. The Company will pay the Insured for the Insured's direct loss of, or the Insured's direct loss from damage to, the Insured's Other Property directly caused by an actual or attempted Robbery while in transit outside the Premises and in the care and custody of:

a. a Messenger; or  
b. an armored motor vehicle company.

3. The Company will pay the Insured for the Insured's direct loss of, or direct loss from damage to, the Insured's Other Property directly caused by an actual or attempted Theft of the Insured's Other Property while it is temporarily within the living quarters of a Messenger.

Coverage under this Insuring Agreement D. begins immediately upon receipt of the Money, Securities or Other Property by the transporting party and ends immediately upon delivery to the designated recipient or its agent.

E. MONEY ORDERS AND COUNTERFEIT MONEY

The Company will pay the Insured for the Insured's direct loss directly caused by the Insured's good faith acceptance of:

1. original money orders, issued or purportedly issued by any post office, express company or bank located in the United States of America, its territories and possessions, Canada, or any other country in which the Insured maintains a physical Premises, that are not paid upon presentation; or  
2. Counterfeit Money, of the United States of America, its territories and possessions, Canada, or any other country in which the Insured maintains a physical Premises that is acquired during the regular course of business;  

in exchange for merchandise, Money or services.

F. COMPUTER CRIME

1. Computer Fraud

The Company will pay the Insured for the Insured's direct loss of, or direct loss from damage to, Money, Securities and Other Property directly caused by Computer Fraud.

2. Computer Program and Electronic Data Restoration Expense

The Company will pay the Insured for reasonable Restoration Expense that the Insured incurs to restore or replace damaged or destroyed Computer Programs or Electronic Data stored within the Insured's Computer System directly caused by a Computer Violation.

For purposes of this Insuring Agreement F.2., a Single Loss involving Computer Program and Electronic Data Restoration Expense applies to reasonable Restoration Expense incurred by the Insured between the time the Insured Discovers the damage or destruction and the time the
Insured’s Computer Program or Electronic Data is restored to the level of operational capability that existed immediately preceding a Computer Violation. Recurrence of the same Computer Virus after the Insured's Computer Program or Electronic Data has been restored constitutes a separate Single Loss.

Payment of reasonable Restoration Expense applies:

a. only to Computer Programs and Electronic Data which the Insured owns or leases, or for which the Insured is legally liable; and
b. only if the Insured is unable to reproduce such Computer Programs or Electronic Data from back-up data copies.

Payment of reasonable Restoration Expense will be made to the Insured upon the completion of the restoration of the damaged or destroyed Computer Programs or Electronic Data.

If a Single Loss is covered under both Insuring Agreements F.1. and F.2., then only the Retention for a Single Loss under Insuring Agreement F.1. will be applicable and the payment of Restoration Expense under Insuring Agreement F.2. will be part of, and not in addition to, the Single Loss Limit of Insurance for Insuring Agreement F.1.

G. FUNDS TRANSFER FRAUD

The Company will pay the Insured for the Insured's direct loss of Money and Securities contained in the Insured’s Transfer Account directly caused by Funds Transfer Fraud.

H. PERSONAL ACCOUNTS PROTECTION

1. Personal Accounts Forgery or Alteration

The Company will pay the Insured, on behalf of the Insured’s Management Staff Member, for loss incurred by the Insured’s Management Staff Member, directly caused by Forgery or alteration of, on or in any written Covered Personal Instruments that are:

a. drawn upon personal accounts of the Insured’s Management Staff Member, or purported to have been so drawn; or
b. made or drawn by one acting as an agent of the Insured’s Management Staff Member, or purported to have been so made or drawn.

A signature that is a mechanical or electronic reproduction of a handwritten signature produced by a mechanical check-writing machine or a computer printer will be treated the same as a handwritten signature. An Electronic Signature is not treated the same as a mechanical or electronic reproduction of a handwritten signature and is not a Forgery under this Insuring Agreement H.

For purposes of this Insuring Agreement H.1. the term “check” includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.

2. Identity Fraud Expense Reimbursement

The Company will reimburse the Insured, on behalf of the Insured’s Management Staff Member, for Identity Fraud Expense incurred by the Insured’s Management Staff Member as a direct result of any Identity Fraud.
I. CLAIM EXPENSE

The Company will pay the Insured for reasonable Claim Expenses incurred and paid by the Insured to establish the existence, amount and preparation of the Insured’s proof of loss in support of a covered claim for loss under any Insuring Agreement of this Crime Policy.

The following conditions specifically apply to this Insuring Agreement I.:

1. any Claim Expenses payable to the Insured are only applicable to any covered loss which exceeds the Single Loss Retention for the Insuring Agreement that is the subject of a claim under this Crime Policy.

2. Claim Expenses that are payable to the Insured are in addition to the Single Loss Limit of Insurance for the Insuring Agreement that is the subject of a claim under this Crime Policy; and

3. Claim Expenses payable to the Insured will be paid to the Insured at the same time as the payment of the valid and collectible loss under the Insuring Agreement that is the subject of a claim under this Crime Policy.

II. GENERAL AGREEMENTS

A. JOINT INSURED

1. If the Insured consists of more than one entity, then the First Named Insured acts for itself and for every other Insured for all purposes of this Crime Policy.

2. If any Insured, or a partner or Management Staff Member of that Insured, has knowledge of any information relevant to this Crime 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. The Company will not pay the Insured more for loss or losses sustained by more than one Insured than the amount the Company would pay if all loss or losses had been sustained by one Insured.

5. Payment by the Company to the First Named Insured for loss sustained by any Insured, or payment by the Company to the Employee Benefit Plan for loss sustained under Insuring Agreement A.2, fully releases the Company on account of such loss.

6. If this Crime Policy or any of its Insuring Agreements are canceled or terminated as to any Insured, loss sustained by that Insured is covered only if Discovered by the Insured during the period of time provided in the Extended Period To Discover Loss pursuant to the terms set forth in Section V. CONDITIONS A. GENERAL CONDITIONS 3. Extended Period to Discover Loss; provided, 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 Crime Policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

B. ADDITIONAL OFFICES

If the Insured establishes any additional offices, other than by consolidation with, merger with, purchase of, or acquisition of assets or liabilities of another organization while this Crime Policy is in effect, such offices are automatically covered by this Crime Policy from the date of such establishment without the requirement of notice to the Company or the payment of additional premium for the remainder of the Policy Period.
C. CONSOLIDATION, MERGER OR PURCHASE OF ASSETS

If, during the **Policy Period**, the **Insured** merges with, purchases or acquires the assets or liabilities of another entity, this **Crime Policy** will provide coverage for that merged, purchased, or acquired entity, subject to all other terms and conditions herein, but only for loss **Discovered** by the **Insured** after the effective date of such merger, purchase, or acquisition; provided, the **Insured** gives the Company written notice of such merger, purchase, or acquisition, and specific application has been submitted on the Company's form in use at the time, together with such documentation and information as the Company may require, all within 90 days after the effective date of such merger, purchase, or acquisition. Coverage for the merged, purchased, or acquired entity will not be afforded following such 90-day period unless the Company has agreed to provide such coverage, subject to any additional terms and conditions as the Company may require, and the **Insured** has paid the Company any additional premium as may be required by the Company. Any **Employee Benefit Plan** or **Sponsored Plan** acquired as above will be included as **Insureds** as specified in Item 1 of the Declarations.

The 90-day notice requirement and the 90-day limitation of coverage will not apply, provided: (1) the assets of the merged, purchased, or acquired entity do not exceed 30% of the total assets of all **Insureds** as reflected in the **Insured's** most recent fiscal year-end financial statement, or (2) the merger, purchase, or acquisition occurs less than 90 days prior to the end of the **Policy Period**.

D. ACQUISITIONS

If, during the **Policy Period**, the **Insured** acquires a **Subsidiary**, this **Crime Policy** will provide coverage for such **Subsidiary** and its respective **Management Staff Members**, **Employee Benefit Plans**, and **Sponsored Plans**, subject to all other terms and conditions of this **Crime Policy**, provided written notice of such acquisition has been given to the Company, and specific application has been submitted on the Company's form in use at the time, together with such documentation and information as the Company may require, all within 90 days after the effective date of such acquisition. Coverage for such **Subsidiary** will not be afforded following such 90-day period unless the Company has agreed to provide such coverage, subject to any additional terms and conditions as the Company may require, and the **Insured** has paid the Company any additional premium as may be required by the Company.

The 90-day notice requirement and the 90-day limitation of coverage will not apply provided that: (1) the assets of the acquired **Subsidiary** do not exceed 30% of the **Insured's** total assets as reflected in the **Insured's** most recent fiscal year-end financial statement; or (2) the acquisition occurs less than 90 days prior to the end of the **Policy Period**.

E. CHANGE OF CONTROL – NOTICE REQUIREMENTS

When the **Insured** learns that a **Change of Control** has taken place as to any **Insured**, or will take place during the **Policy Period**, the **Insured** must give the Company written notice within 90 days of the effective date of such **Change of Control**.

III. DEFINITIONS

Wherever appearing in this **Crime Policy**, the following words and phrases appearing in bold type have the meanings set forth in this Section III. DEFINITIONS:

A. **Change of Control** means:

1. the acquisition of any **Insured**, or of all or substantially all of its assets, by another entity, or the merger or consolidation of any **Insured** into or with another entity such that the **Insured** is not the surviving entity; or
2. the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate more than 50% of the board of directors or board of managers or to exercise a majority control of the board of directors, board of managers, or a functional equivalent thereof of any **Insured**.
B. **Claim Expenses** means reasonable fees, costs and expenses of outside accountants, attorneys, consultants or experts retained by the **Insured** to determine the amount and extent of loss covered under this **Crime Policy**. The reasonableness of such expenses will be determined by the Company. The phrase does not mean or include any of the **Insured's** internal corporate fees, costs (direct or indirect), obligations or **Employee** wages and salaries.

C. **Client** means an entity designated as a **Client** by endorsement to this **Crime Policy** for which the **Insured** performs services as specified in a written agreement, but only while the written agreement is in effect.

D. **Client's Premises** means the interior of that portion of any building the **Insured's Client** occupies in conducting its business.

E. **Computer Fraud** means:

The use of any computer to fraudulently cause a transfer of **Money**, **Securities** or **Other Property** from inside the **Premises** or **Financial Institution Premises**:

1. to a person (other than a **Messenger**) outside the **Premises** or **Financial Institution Premises**; or
2. to a place outside the **Premises** or **Financial Institution Premises**.

F. **Computer Program** means a set of related electronic instructions that direct the operations and functions of a **Computer System** or devices connected to it that enable the **Computer System** or devices to receive, process, store, retrieve, send, create or otherwise act upon **Electronic Data**.

G. **Computer System** means a computer and all input, output, processing, storage and communication facilities and equipment that are connected to such a device and that the operating system or application software used by the **Insured** are under the direct operational control of the **Insured**. Off-line media libraries are deemed to be part of such **Computer System**.

H. **Computer Violation** means:

1. a **Computer Virus** designed to damage or destroy a **Computer Program** or **Electronic Data**; or
2. vandalism by a natural person, including an **Employee**, who has gained unauthorized electronic access to the **Insured's Computer System**.

I. **Computer Virus** means a set of unauthorized instructions, programmatic or otherwise:

1. directed solely against the **Insured**; and
2. that propagate themselves through the **Computer System** or networks;

provided such instructions were maliciously introduced by a natural person.

J. **Counterfeit** means an imitation of **Money** that is intended to deceive and to be taken as genuine.

K. **Covered Instruments** means:

1. checks, drafts, promissory notes, bills of exchange or similar written promises, orders or directions to pay a sum certain in **Money**; and
2. written instruments required in conjunction with any transaction involving any **Credit, Debit or Charge Card** issued to the **Insured**, the **Insured's Employees** or the **Insured's Management Staff Members** for business purposes.

L. **Covered Personal Instruments** means:

1. checks, drafts, promissory notes or similar written promises, orders or directions to pay a sum certain in **Money**; and
2. written instruments required in conjunction with any transaction involving any Credit, Debit or Charge Card issued to a Management Staff Member for personal use.

M. Credit, Debit or Charge Card means any card, plate or other similar device used for the purpose of obtaining Money, property, labor or services on credit or for immediate payment. The terms do not mean a note, check, draft, money order or other negotiable instrument.

N. Crime Policy means, collectively, the Declarations, the application, the Crime Terms and Conditions, and any endorsements attached thereto.

O. Digital Signature means an electronic identifier created by computer, within, attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

P. Discover, Discovered, or Discovery means the moment when the Insured, any partner in the Insured, or Management Staff Member:

1. first become(s) aware of facts that would cause a reasonable person to assume that a loss of a type covered by this Crime Policy has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact details of loss may not then be known; or

2. first receive(s) notice of a claim against the Insured alleging facts which, if true, would constitute a loss under this Crime Policy, whichever occurs first.

Q. Electronic Data means facts or information converted to a form:

1. usable in a Computer System;

2. that does not provide instructions or directions to a Computer System; or

3. that is stored on electronic processing media for use by a Computer Program.

R. Electronic Signature means a Digital Signature, an electronic sound, symbol or process, within, attached to, or logically associated with a record and executed or adopted by a person with the intent to sign the record.

S. Employee means:

1. any natural person:

   a. while in the Insured's service or for 60 days after termination of service, unless such termination is due to Theft or Forgery or any other dishonest act committed by the Employee;

   b. who the Insured compensates directly by salary, wages or commissions; and

   c. who the Insured has the right to direct and control while performing services for the Insured;

2. any natural person who is temporarily furnished to the Insured:

   a. to substitute for an Employee as set forth in paragraph 1. above, who is on medical, military or other leave of absence; or

   b. to meet seasonal or short-term workload conditions;

while that person is subject to the Insured's direction and control and performing services for the Insured; provided, any such natural person who has care and custody of property outside the Premises is specifically excluded from this definition;
3. any natural person, other than a temporary Employee described in paragraph 2. above, who is leased to the Insured under a written agreement between the Insured and a labor leasing firm, while that person is subject to the Insured's direction and control and performing services for the Insured;

4. any natural person:

   a. who is a member of the board of directors, member of the board of trustees or LLC Manager while acting as a member of any of the Insured's elected or appointed committees, including any member of such committee, to perform on the Insured's behalf, specific, as distinguished from general, directorial acts;

   b. who is a non-compensated officer;

   c. other than a non-compensated fund solicitor, while performing services for the Insured that are usual to the duties of an Employee or officer;

   d. while acting as a non-compensated fund solicitor during fund raising campaigns;

   e. who is a former Employee, member of the board of directors, partner, LLC Manager, or member of the board of trustees retained as a consultant while that person is subject to the Insured's direction and control and performing services for the Insured;

   f. who is a guest student or intern pursuing studies or duties in any of the Insured's offices or Premises, while such person is subject to the Insured's direction and control and performing services for the Insured;

   g. who is a volunteer, while such person is subject to the Insured's direction and control and is performing services for the Insured, or

5. any attorney retained by the Insured, and any employee of such attorney, while performing legal services for the Insured.

Employee also means any individual described in paragraphs 1-5 above while such person is on medical, military, or other leave of absence from the Insured. Coverage applies to any such Employee while on leave, regardless of whether such person remains subject to the Insured's direction and control during the time of leave.

Employee does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative or other person of the same general character not specified in paragraphs 1. through 5. above.

T. Employee Benefit Plan means an employee welfare benefit plan or an employee pension benefit plan as more fully set forth in Title 1, Section 3 of the Employee Retirement Income Security Act of 1974 and any amendments thereto (ERISA) and which is solely sponsored by an Employee Benefit Plan Sponsor.

U. Employee Benefit Plan Sponsor means:

1. the First Named Insured,

2. any Subsidiary, or

3. any other entity listed in Item 1. of the Declarations.
V. **Fiduciary** means any natural person who is a trustee, an officer, an Employee or an administrator of any Employee Benefit Plan; and any person, or a member of the board of directors, an officer, an Officer-Shareholder, a member of the board of trustees, an LLC Manager, or an Employee while that person is handling Money, Securities and Other Property that belongs to any Employee Benefit Plan.

Fiduciary does not mean any agent, broker, independent contractor, broker/dealer, registered representative, investment advisor, custodian or other person or entity of the same general character.

W. **Financial Institution** means:

1. a bank, trust company, savings bank, credit union, savings and loan association or similar thrift institution; or
2. a stock brokerage firm, mutual fund, liquid assets fund or similar investment institution.

X. **Financial Institution Premises** means the interior of that portion of any building occupied by a Financial Institution (including any night depository chute and any safe maintained by such Financial Institution), transfer agent or registrar or similarly recognized place of safe deposit.

Y. **First Named Insured** means the entity first named in ITEM 1 of the Declarations.

Z. **Forgery**, or **Forged** means the signing of the name of another person or organization with a handwritten signature physically affixed directly to a Covered Instrument or Covered Personal Instrument, without authority and with the intent to deceive; it does not mean a signature that consists in whole or in part of one’s own name signed with or without authority in any capacity, for any purpose.

AA. **Funds Transfer Fraud** means:

1. an electronic, telegraphic, cable, teletype or telephone instruction fraudulently transmitted to a Financial Institution directing such institution to debit a Transfer Account and to transfer, pay or deliver Money or Securities from the Transfer Account which instruction purports to have been transmitted by the Insured, but was in fact fraudulently transmitted by someone other than the Insured without the Insured’s knowledge or consent;
2. a fraudulent written instruction, other than one covered under Insuring Agreement B., issued to a Financial Institution directing such Financial 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 written instruction purports to have been issued by the Insured but was in fact fraudulently issued, Forged or altered by someone other than the Insured without the Insured’s knowledge or consent; or
3. an electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by the Insured, which purports to have been transmitted by an Employee, but which was in fact fraudulently transmitted by someone else without the Insured’s or the Employee’s consent.

BB. **Identity Fraud** means the act of knowingly transferring or using, without lawful authority, a means of identification of a Management Staff Member with the intent to commit, aid, or abet any unlawful activity that constitutes a violation of federal law or a felony under any applicable jurisdiction.

CC. **Identity Fraud Expense** means:

1. costs for notarizing fraud affidavits or similar documents for credit agencies, financial institutions, merchants or other credit grantors that have required that such affidavits be notarized;
2. costs for certified mail to law enforcement agencies, credit agencies, financial institutions, merchants or other credit grantors;
3. costs for long distance telephone calls to law enforcement agencies, credit agencies, financial institutions, merchants or other credit grantors to report or discuss any actual Identity Fraud;

4. lost wages, up to a maximum payment of $1,000 per week for a maximum period of five (5) weeks, as a result of absence from employment:
   a. to communicate with law enforcement agencies, legal counsel, credit agencies, financial institutions, merchants or other credit grantors;
   b. to complete fraud affidavits or similar documents; or
   c. due to wrongful incarceration arising solely from someone having committed a crime in the Management Staff Member’s name; provided, that lost wages will not apply in the case of wrongful incarceration absent all charges being dismissed or an acquittal;

5. loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information;

6. reasonable attorney fees incurred, with the Company’s prior written consent, for:
   a. defense of lawsuits brought against the Insured’s Management Staff Member by financial institutions, merchants, other credit grantors or their collection agencies;
   b. the removal of any criminal or civil judgments wrongly entered against the Insured’s Management Staff Member; or
   c. challenging the accuracy or completeness of any information in a consumer credit report; and

7. costs for daycare and eldercare incurred solely as a direct result of any Identity Fraud Discovered during the Policy Period.

Identity Fraud Expense does not include any expense or loss not listed in paragraphs 1. through 7. of this Definition CC..

DD. Insured means:

1. for the purposes of Insuring Agreement A.2., any and all Employee Benefit Plans;
   a. which have been established or maintained by an Employee Benefit Plan Sponsor as of the inception date of this Crime Policy, or
   b. which have been created or acquired by an Employee Benefit Plan Sponsor after the inception date of this Crime Policy, subject to the provisions of General Agreements C and D.

or

2. for the purposes of all other Insuring Agreements:
   a. the First Named Insured,
   b. any Subsidiary,
   c. any Sponsored Plan, or
   d. any other entity listed in Item 1. of the Declarations.

EE. LLC Manager means any natural person who was, is or becomes a manager, member of the board of managers, or a functionally equivalent executive of a limited liability company.

FF. LLC Member means any natural person who has an ownership interest in a limited liability company.
GG. **Management Staff Member** means the **Insured**'s proprietor, natural person partner, member of the board of directors, member of the board of trustees, officer, risk manager, in-house general counsel, LLC Manager, or LLC Member.

HH. **Messenger** means any **Management Staff Member**, or relative thereof, any **Officer-Shareholder**, or any **Employee**, duly authorized, while having care and custody of covered property outside the **Premises**.

II. **Money** means a medium of exchange in current use and authorized or adopted by a domestic or foreign government, including currency, coins, bank notes, bullion, travelers’ checks, registered checks and money orders held for sale to the public.

JJ. **Officer-Shareholder** means any officer who has a 25% or greater ownership interest in any one or more **Insureds**.

KK. **Other Property** means any tangible property other than **Money** and **Securities** that has intrinsic value.

LL. **Policy Period** means the period from the Inception Date to the Expiration Date set forth in ITEM 2 of the Declarations. In no event will the **Policy Period** continue past the effective date of cancellation or termination of this **Crime Policy**.

MM. **Premises** means the interior of that portion of any building the **Insured** occupies in conducting the **Insured's** business.

NN. **Restoration Expense** means reasonable costs incurred by the **Insured** to reproduce **Computer Programs** or **Electronic Data** and enable the **Insured** to restore the **Insured's Computer System** to the level of operational capability that existed immediately preceding a **Computer Violation**.

Restoration Expense does not include:

1. the **Insured's** internal corporate costs and expenses, including **Employee** remuneration and any costs related to any legal action;
2. expenses incurred as a result of the reconstruction of **Computer Programs** and **Electronic Data** recorded on media, including magnetic or optical media if there are no analyses files, specifications or backups of **Computer Programs** or **Electronic Data** held outside the **Premises**;
3. expenses incurred as a result of the reconstruction of **Computer Programs** and **Electronic Data** if the **Insured** knowingly used illegal copies of programs;
4. expenses incurred to render the **Computer Programs** and **Electronic Data** usable by replacement processing equipment;
5. expenses incurred to design, update or improve **Computer Programs** or **Electronic Data** or to perfect their operation or performance;
6. expenses incurred as a result of alteration in **Computer Programs** and **Electronic Data** held on magnetic media due to the effect of magnetic fields, incorrect usage of the **Computer Programs** and **Electronic Data**, or the obsolescence of the **Computer System**;
7. the **Insured's** lost revenue, sales or profits; or
8. expenses incurred by any customer.

OO. **Robbery** means the unlawful taking of **Money**, **Securities** and **Other Property** from the care and custody of the **Insured**, the **Insured's** partners or any other person (except any person acting as a watchperson or janitor) by one who has:

1. caused or threatened to cause that person bodily harm; or
2. committed an unlawful act witnessed by that person.

PP. **Safe Burglary** means the unlawful taking of:

1. **Money**, **Securities** and **Other 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.

QQ. **Securities** means written negotiable and non-negotiable instruments or contracts representing **Money** or property including:

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 any **Credit, Debit or Charge Card**, which cards are not issued by the **Insured**;

but does not include **Money**.

RR. **Single Loss** means:

1. for purposes of Insuring Agreement A.:
   a. an individual act;
   b. the combined total of all separate acts; or
   c. a series of related acts;

   committed by an **Employee** or committed by more than one **Employee** acting alone or in collusion with other persons both during and before the **Policy Period**;

2. for purposes of Insuring Agreements B. and H.1., all loss caused by any person, or loss in which that person is involved, whether the loss involves one or more written **Covered Instruments** or **Covered Personal Instruments**; and

3. for purposes of all other Insuring Agreements:
   a. any act or series of related acts or events involving one or more persons; or
   b. any act, acts or events involving a person or group of persons acting together;

   whether identified or not, both during and before the **Policy Period**.

SS. **Sponsored Plan** means any employee benefit plan or employee pension benefit plan solely sponsored by any **Insured** that is not subject to the terms of ERISA.

TT. **Subsidiary** means:

1. any corporation, partnership, limited liability company or other entity, organized under the laws of any jurisdiction in which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Insured** owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to elect, appoint, or exercise a majority control over such entity's board of directors, board of trustees, board of managers, natural person general partners, or functional equivalent; or

2. subject to the provisions set forth in Section II. GENERAL AGREEMENTS D. ACQUISITIONS, of the Crime Terms and Conditions, any entity that the **Insured** acquires or forms during the **Policy Period** in which the **Insured** owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to elect, appoint or exercise a majority control over such entity's board of directors, board of trustees, board of managers, natural person general partners, or functional equivalent.

**Subsidiary** does not include any entity in which any **Insured** is engaged as a participant in any type of joint venture unless such entity is specifically scheduled as an additional **Insured** by endorsement to this **Crime Policy**.

UU. **Theft** means:
1. under Insuring Agreement A.3., the intentional unlawful taking of Money, Securities and Other Property to the deprivation of a Client;
2. under Insuring Agreements C. or D., the intentional unlawful taking of Money and Securities to the Insured’s deprivation.
3. under all other Insuring Agreements, the intentional unlawful taking of Money, Securities and Other Property to the Insured’s deprivation.

VV. Transfer Account means an account maintained by the Insured at a Financial Institution from which the Insured can initiate the transfer, payment or delivery of Money or Securities:

1. by means of electronic, telegraphic, cable, teletype, telefacsimile 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 Agreements B. and H.1.) establishing the conditions under which such transfers are to be initiated by such Financial Institution through an electronic funds transfer system.

IV. EXCLUSIONS

A. This Crime Policy will not apply to loss resulting directly or indirectly from war, whether or not declared; civil war; insurrection; rebellion or revolution; military, naval or usurped power; governmental intervention, expropriation or nationalization; or any act or condition related to any of the foregoing.

B. This Crime Policy will not apply to loss resulting directly or indirectly from seizure or destruction of property by order of governmental authority.

C. This Crime Policy will not apply to loss resulting directly or indirectly from any fraudulent, dishonest or criminal act committed by the Insured, the Insured’s natural person partners, any LLC Member or Officer-Shareholder, whether acting alone or in collusion with others; provided, this Exclusion C. will not apply to loss covered under Insuring Agreement A.2..

D. This Crime Policy will not apply to loss resulting directly or indirectly from any fraudulent, dishonest or criminal act committed by any Employee or Fiduciary whether acting alone or in collusion with others, unless covered under Insuring Agreements A.1., A.2., A.3., F.2., or H..

E. This Crime Policy will not apply to loss resulting directly or indirectly from any Funds Transfer Fraud, unless covered under Insuring Agreements A.1., A.2., A.3., or G..

F. This Crime Policy will not apply to loss resulting directly or indirectly from the Insured’s acceptance of money orders or Counterfeit Money, unless covered under Insuring Agreements A.1., A.2., A.3. or E..

G. This Crime Policy will not apply to loss or damages resulting directly or indirectly from the input of Electronic Data by a natural person having the authority to enter the Insured’s Computer System, unless covered under Insuring Agreements A.1., A.2., A.3., F.2. or G..

H. This Crime Policy will not apply to loss resulting directly or indirectly from forged, altered or fraudulent documents or written instruments used as source documentation in the preparation of Electronic Data, unless covered under Insuring Agreements A.1., A.2., A.3..

I. This Crime Policy will not apply to any expenses incurred by the Insured in establishing the existence or the amount of any loss covered under this Crime Policy, unless covered under Insuring Agreement I..

J. This Crime Policy will not apply to loss of income, whether or not earned or accrued, or potential income, including interest and dividends, not realized by the Insured as the result of any loss covered under this Crime Policy.

K. This Crime Policy will not apply to damages of any type, except the Insured’s direct compensatory damages resulting from a loss covered under this Crime Policy.
L. This Crime Policy will not apply to indirect or consequential loss of any nature, including fines, penalties, multiple or punitive damages.

M. This Crime Policy will not apply to loss resulting directly or indirectly from any Theft, disappearance, damage, destruction or disclosure of any intangible property or confidential information including:
   1. trade secret information, confidential processing methods or other confidential information or intellectual property of any kind, or Electronic Data unless otherwise covered under Insuring Agreement F.2.; or
   2. Computer Programs.

N. This Crime Policy will not apply to loss resulting directly or indirectly from any Theft, disappearance, damage, destruction or disclosure of any intangible property or confidential information including:
   1. trade secret information, confidential processing methods or other confidential information or intellectual property of any kind, or Electronic Data unless otherwise covered under Insuring Agreement F.2.; or
   2. Computer Programs.

O. This Crime Policy will not apply to loss of, or damage to, manuscripts, records, accounts, microfilm, tapes or other records, whether written or electronic, or the cost of reproducing any information contained in such lost or damaged records, except when covered under Insuring Agreements C., D., or F.2.

P. This Crime Policy will not apply to loss resulting directly or indirectly from trading whether or not in the name of the Insured or whether or not in a genuine or fictitious account, unless covered under Insuring Agreement A.1, A.2. or A.3.

Q. This Crime Policy will not apply to loss resulting directly or indirectly from fire, except:
   1. loss of or damage to Money or Securities; or
   2. damage to any safe or vault caused by the application of fire thereto in connection with any actual or attempted Safe Burglary when covered under Insuring Agreement C.

R. This Crime Policy will not apply to loss resulting directly or indirectly from the giving or surrendering of Money, Securities or Other Property in any exchange or purchase, whether or not fraudulent, with any other party not in collusion with an Employee, except when covered under Insuring Agreement E.

S. This Crime Policy will not apply to loss of Money, Securities or Other Property while in the custody of any Financial Institution, trust company, or similarly recognized place of safe deposit or armored motor vehicle company unless the loss is in excess of the amount recovered or received by the Insured under the Insured's contract if any, with, or insurance carried by, any of the aforementioned.

T. This Crime Policy will not apply to loss of Money, Securities or Other Property held by an armored motor vehicle company for the Insured, and which is stored by such company overnight inside buildings used in the conduct of its business.

U. This Crime Policy will not apply to loss resulting directly or indirectly from nuclear reaction, nuclear radiation, radioactive contamination, biological or chemical contamination or to any related act or incident.

V. This Crime Policy will not apply to loss of Money, Securities or Other Property resulting directly or indirectly from kidnap, extortion or ransom payments (other than Robbery) surrendered to any person as a result of a threat.

W. This Crime Policy will not apply to loss resulting directly or indirectly from Forgery or alteration, except when covered under Insuring Agreements A.1., A.2., A.3., B., or H.

X. This Crime Policy will not apply to loss resulting directly or indirectly from Computer Fraud, except when covered under Insuring Agreements A.1., A.2., A.3., F.1., or H.1.
Y. This Crime Policy will not apply to loss under Insuring Agreements C. or D. resulting directly or indirectly from:

1. an accounting or arithmetical error or omission;
2. the loss of property from within any money operated device, unless the amount of Money deposited in it is recorded by a continuous recording device;
3. anyone, acting on the Insured’s express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property;
4. damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them; or
5. damage to the Premises or its exterior or to containers of covered property by vandalism or malicious mischief.

Z. This Crime Policy will not apply to loss resulting directly or indirectly from the diminution in value of Money, Securities or Other Property.

AA. This Crime Policy will not apply to loss arising from any Credit, Debit or Charge Card if the Insured, the Insured’s Employee or Management Staff Member has not fully complied with the provisions, conditions or other terms under which any card was issued.

BB. This Crime Policy will not apply to loss sustained by any Subsidiary or related Employee Benefit Plan or Sponsored Plan, occurring at any time during which such entity was not a Subsidiary or related Employee Benefit Plan or Sponsored Plan.

CC. This Crime Policy will not apply to loss sustained by the Insured or any Subsidiary to the extent it results in a benefit, gain or transfer to the Insured or any Subsidiary, except to the extent that such loss is covered under Insuring Agreement A.2.

V. CONDITIONS

A. GENERAL CONDITIONS

1. Territory Covered

   Except as indicated in Item 5. of the Declarations,
   
   a. the Company will cover loss the Insured sustains anywhere in the world, and
   
   b. the Company will cover all of the Insured’s offices and Premises, including any additional offices or Premises pursuant to Sections II. GENERAL AGREEMENTS B. ADDITIONAL OFFICES, C. CONSOLIDATION, MERGER OR PURCHASE OF ASSETS, and D. ACQUISITIONS in this Crime Policy.

2. Cooperation

   The Insured must cooperate with the Company in all matters pertaining to this Crime Policy as stated in its terms, conditions and limitations.

3. Extended Period to Discover Loss

   The Company will pay the Insured for loss that the Insured sustained prior to the effective date of cancellation or termination of this Crime Policy, which is Discovered by the Insured:

   a. no later than 90 days from the date of cancellation or termination; and
   
   b. as respects any Employee Benefit Plan, no later than one (1) year from the date of cancellation or termination.
Notwithstanding the above, this extended period to Discover loss terminates immediately upon the effective date of any other insurance obtained by the Insured replacing in whole or in part the insurance afforded by this Crime Policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

4. Other Insurance

This Crime Policy applies only as excess insurance over, and will not contribute with: (1) any other valid and collectible insurance available to any Insured unless such insurance is written specifically excess of this Crime Policy by reference in such other policy to the Policy Number of this Crime Policy; and (2) indemnification to which any Insured is entitled from any other entity other than any Insured. As excess insurance, this Crime Policy will not apply or contribute to the payment of any loss to the Insured until the amount of such other insurance or indemnity has been exhausted by loss covered thereunder. If the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this Crime Policy will apply to that part of the loss not recoverable or recovered under the other insurance or indemnity. This Crime Policy will not be subject to the terms of any other insurance.

Any loss that is applicable to this Condition A.4. is subject to both the applicable Single Loss Limit of Insurance and applicable Single Loss Retention shown in ITEM 5 of the Declarations.

If this Crime Policy replaces prior insurance that provided the Insured with an extended period of time after the termination or cancellation of such prior insurance in which to Discover loss, then, and only with respect to loss Discovered during such extended period but sustained prior to the termination of such prior insurance, the coverage afforded by this Crime Policy applies as follows:

a. the Company will have no liability for such loss, unless the amount of such loss exceeds the limit of insurance of that prior insurance, provided, that in such case, the Company will pay the Insured for the excess of such loss subject to the terms and conditions of this Crime Policy; and

b. any payment the Company makes to the Insured for such excess loss will not be greater than the difference between the limit of insurance of the Insured's prior insurance and the applicable Single Loss Limit of Insurance of this Crime Policy. The Company will not apply the applicable Single Loss Retention to such excess loss.

5. Ownership of Property; Interests Covered

a. The property covered under this Crime Policy except as provided in 5.b. below is limited to property:
   i. that the Insured owns or leases;
   ii. that the Insured holds for others:
       (a) on the Insured's Premises or the Insured's Financial Institution Premises; or
       (b) while in transit and in the care and custody of a Messenger; or
   iii. for which the Insured is legally liable, except for property located inside the Insured's Client's Premises or the Insured's Client's Financial Institution Premises.

Notwithstanding the above, this Crime Policy is for the Insured's benefit only and provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this Crime Policy must be presented by the Insured.

b. If ITEM 5 of the Declarations indicates that coverage under Insuring Agreement A.3. Employee Theft of Client Property has been purchased, then the property covered under Insuring Agreement A.3. is limited to property:
i. that the **Insured’s Client** owns or leases;

ii. that the **Insured’s Client** holds for others;

iii. for which the **Insured’s Client** is legally liable;

while the property is inside the **Insured’s Client’s Premises** or the **Insured’s Client’s Financial Institution Premises**.

Notwithstanding the above, this **Crime Policy** is for the **Insured’s** benefit only and provides no rights or benefits to any other person or organization, including the **Insured’s Client**. Any claim for loss by the **Insured’s Client** that is covered under this **Crime Policy** must be presented by the **Insured**.

6. **Representation, Concealment, Misrepresentation or Fraud**

No statement made by the **Insured**, whether contained in the application, underwriting information or otherwise, is deemed to be a warranty of anything except that it is true to the best of the knowledge and belief of the person making the statement.

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

a. this **Crime Policy**;

b. the **Money, Securities or Other Property**;

c. the **Insured’s** interest in the **Money, Securities or Other Property**;

d. a claim under this **Crime Policy**.

7. **Premiums**

The **First Named Insured** is responsible for the payment of all premiums and will be the payee for any return premiums the Company pays.

8. **Transfer of Rights and Duties Under this Crime Policy**

Rights and duties under this **Crime Policy** may not be transferred without the Company’s written consent except in the case of the death of a natural person **Insured**. If such person dies, then the decedent’s rights and duties will be transferred to the decedent’s legal representative, but only while acting within the scope of duties as the decedent’s legal representative. Until a legal representative is appointed, anyone having proper temporary custody of the decedent’s property will have all rights and duties but only with respect to that property.

**B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT**

1. **Limit of Insurance**

a. **Policy Aggregate Limit of Insurance**

If ITEM 5 of the Declarations indicates that this **Crime Policy** includes a Policy Aggregate Limit of Insurance, then the Company’s total liability for all loss **Discovered** during the **Policy Period** will not exceed such Policy Aggregate Limit of Insurance. The Policy Aggregate Limit of Insurance will be reduced by the amount of any payment made under the terms of this **Crime Policy**. If the Policy Aggregate Limit of Insurance is exhausted by any payment made for loss **Discovered** during the **Policy Period**, the Company will have no further liability for loss regardless of when **Discovered** and whether or not previously reported to the Company.
If applicable, the Policy Aggregate Limit of Insurance will be reinstated to the extent of any net recovery pursuant to Condition B.6. that is received by the Company during the **Policy Period** and before the Crime Policy Aggregate Limit of Insurance is exhausted. Recovery from reinsurance or indemnity, or both, for the Company’s benefit will not be deemed a recovery as used herein. In the event that a loss of **Securities** is settled by the Company through the use of a Lost Securities Bond, such loss will not reduce the Crime Policy Aggregate Limit of Insurance, but any payment under the Lost Securities Bond reduces the Policy Aggregate Limit of Insurance under this **Crime Policy**.

The provisions of this Condition B.1.a. will not be applicable to Insuring Agreement A.2.

If ITEM 5 of the Declarations indicates that this **Crime Policy** does not include a Crime Policy Aggregate Limit of Insurance, then payment of loss under this **Crime Policy** will not reduce the Single Loss Limit of Insurance for other **Single Losses**.

**b. Single Loss Limit of Insurance**

The maximum Single Loss Limit of Insurance for each Insuring Agreement will not exceed the applicable amount set forth in ITEM 5 of the Declarations for such Insuring Agreement.

**c. Special Limit of Insurance for Specified Other Property**

The Company’s liability for loss under Insuring Agreements C. and D. is limited as follows:

i. the lesser of $25,000. or the amount shown as the Single Loss Limit of Insurance for any **Single Loss** involving precious metals, precious or semi-precious stones, pearls, furs, or completed articles made of or containing such enumerated materials that constitute more than half the value of such articles;

ii. the lesser of $25,000. or the amount shown as the Single Loss Limit of Insurance for any **Single Loss**, including damage to manuscripts, drawings or records of any kind, or the cost of reconstructing them or reproducing any information contained in them;

The Special Limit of Insurance for Specified Other Property is part of, and not in addition to, any applicable limit of liability.

**d. Identity Fraud Expense Reimbursement Single Loss Limit of Insurance**

The maximum limit of insurance per the **Insured’s Management Staff Member** for each **Identity Fraud** covered under Insuring Agreement H.2. will not exceed the applicable Single Loss Limit of Insurance stated in ITEM 5 of the Declarations. All acts incidental to an **Identity Fraud**, any series of **Identity Frauds**, and all **Identity Frauds** arising from the same method of operation, whether committed by one or more persons, will be deemed to arise out of one act and will be treated as one **Identity Fraud**. If an act causes a covered loss under Insuring Agreement H.2. to more than one **Management Staff Member**, the applicable Single Loss Limit of Insurance and Retention under Insuring Agreement H.2. applies to each **Management Staff Member** separately.

**e. Loss Covered Under More Than One Insuring Agreement of this **Crime Policy**

Subject to any applicable Crime Policy Aggregate Limit of Insurance, if any **Single Loss** is comprised of loss covered under more than one Insuring Agreement, the most the Company will pay the **Insured** for such **Single Loss** is the lesser of:

i. the actual amount of such **Single Loss**; or
ii. the sum of the Single Loss Limits of Insurance applicable to such Insuring Agreements applying to such loss.

2. Single Loss Retention

The Company will not pay the Insured for any Single Loss unless the amount of such Single Loss exceeds the Single Loss Retention shown in Item 5 of the Declarations. The Company will pay the Insured the amount of any Single Loss in excess of the Single Loss Retention, up to the Single Loss Limit of Insurance for the applicable Insuring Agreement.

If more than one Single Loss Retention applies to the same Single Loss, then only the highest Single Loss Retention will be applied.

No Single Loss Retention applies to any legal expenses paid to the Insured solely under Insuring Agreement B.

3. The Insured’s Duties in the Event of a Loss

After the Insured Discovers a loss or a situation that may result in loss of or loss from damage to Money, Securities or Other Property that exceeds 25% of the Single Loss Retention, the Insured must:

a. notify the Company as soon as possible;

b. notify law enforcement authorities if the Insured has reason to believe that any loss, except for loss covered under Insuring Agreements A.1., A.2., A.3., or F.2., involves a violation of law;

c. submit to examination under oath at the Company’s request and give the Company a signed statement of the Insured’s answers;

d. give the Company a detailed, sworn proof of loss within 120 days; and

e. cooperate with the Company in the investigation and settlement of any claim.

Proof of loss under Insuring Agreement B. and H.1. must include: (1) an affidavit of Forgery setting forth the amount and cause of loss; and (2) the original written Covered Instruments or Personal Covered Instruments or a copy of such written instruments.

4. Valuation / Settlement

Subject to the applicable limit of insurance provision (Section V. CONDITIONS B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT 1. Limit of Insurance) the Company will pay the Insured for:

a. loss of Money but only up to and including its face value, and, at the Company’s 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 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, and at the Company’s option:

   i. pay the Insured the value of such Securities or replace them in kind, in which event the Insured must assign to the Company all the Insured’s rights, title and interest in those Securities; or
ii. pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the Securities; provided, the Company will be liable only for the cost of the Lost Securities Bond as would be charged for a bond having a penalty not exceeding the lesser of the value of the Securities at the close of business on the day the loss was Discovered;

c. loss of, or loss from damage to, Other Property or Premises including its exterior for the replacement cost without deduction for depreciation; provided, the Company will pay the Insured the lesser of the following:

i. the applicable Single Loss Limit of Insurance;

ii. the cost to replace Other Property or Premises including its exterior with property of comparable material and quality, and used for the same purpose; or

iii. the amount the Insured actually spends that is necessary to repair or replace such property;

provided, the Company will, at its option, pay the Insured for loss of, or loss from damage to, Other Property or Premises including its exterior, in the Money of the country in which the loss occurred, or 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.

The Company will not pay the Insured on a replacement cost basis for any loss or damage until such property is actually repaired or replaced, and 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, the Company will pay the Insured actual cash value on the day the loss was Discovered.

Any property that the Company pays the Insured for or replaces becomes the Company’s property.

5. Records

The Insured must keep records of all Money, Securities, and Other Property under this Crime Policy so the Company can verify the amount of any loss.

6. Recoveries

a. All recoveries for payments made under this Crime Policy should be applied, after first deducting the costs and expenses incurred in obtaining such recovery, in the following order of priority:

i. first, to the Insured to reimburse the Insured for loss sustained that would have been paid under this Crime Policy but for the fact that it is in excess of the applicable Single Loss Limit(s) of Insurance;

ii. second, to the Company in satisfaction of amounts paid or to be paid to the Insured in settlement of the Insured’s covered claim;

iii. third, to the Insured in satisfaction of any Single Loss Retention; and

iv. fourth, to the Insured in satisfaction of any loss not covered under this Crime Policy.

b. The value of all property received by the Insured from any source whatever and whenever received, in connection with any matter from which a loss has arisen, will be valued as of the date received and will be deducted from the covered loss.
c. Recoveries do not include any recovery:

i. from insurance, suretyship, reinsurance, security or indemnity taken for the Company's benefit; or

ii. of original Securities after duplicates of them have been issued.

7. Transfer of the Insured’s Rights of Recovery Against Others to the Company

The Insured must transfer to the Company all the Insured's rights of recovery against any person or organization for any loss the Insured sustained and for which the Company has paid or settled. The Insured must also do everything necessary to secure those rights and do nothing after loss to impair them.

8. Legal Action Against the Company

The Insured may not bring any legal action against the Company involving loss:

a. unless the Insured has complied with all the terms of this Crime Policy;

b. until 90 days after the Insured has filed proof of loss with the Company; and

c. unless brought within two (2) years from the date the Insured Discovers the loss.

If any limitation in this Condition B.8. is deemed to be inconsistent with applicable law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

9. Liberalization

If the Company adopts any revision to the Crime Terms and Conditions of this Crime Policy that would broaden coverage and such revision does not require an additional premium or endorsement and the revision is adopted within 45 days prior to or during the Policy Period, the broadened coverage will apply to this Crime Policy as of the date the revision is approved for general use by the applicable department of insurance.

C. EMPLOYEE BENEFIT PLAN PROVISIONS – INFLATION GUARD

In compliance with certain provisions of ERISA:

1. if any Employee Benefit Plan is insured jointly with any other entity under this Crime Policy, the Insured must select a Single Loss Limit of Insurance for Insuring Agreement A.2. that is sufficient to provide an amount of insurance for each Employee Benefit Plan that is at least equal to that required if each Employee Benefit Plan were insured separately;

2. if the Insured is an entity other than an Employee Benefit Plan, any payment the Company makes to the Insured for loss sustained by any Employee Benefit Plan will be held by such Insured for the use and benefit of the Employee Benefit Plan(s) sustaining the loss; and

3. if two or more Employee Benefit Plans are covered under this Crime Policy, any payment the Company makes for loss:

   a. sustained by two or more Employee Benefit Plans; or
b. of commingled Money, Securities or Other Property of two or more Employee Benefit Plans;

that arises out of a Single Loss is to be shared by each Employee Benefit Plan sustaining loss, in the proportion that the limit of insurance required under ERISA for each such Employee Benefit Plan, bears to the total of those limits of insurance.

4. If, at the inception date of this Crime Policy, or a preceding policy written by the Company that provided ERISA fidelity coverage for Employee Benefit Plans, the Insured has or had a Single Loss Limit of Insurance under such ERISA fidelity coverage for Employee Benefit Plans that is or was equal to or greater than the limit of insurance required under ERISA, the Single Loss Limit of Insurance under Insuring Agreement A.2. will equal the greater of the amount of the limit of insurance required by ERISA or the Single Loss Limit of Insurance set forth in Item 5. of the Declarations for Insuring Agreement A.2.

D. CANCELLATION OR TERMINATION

1. The Insured may cancel:

   a. this Crime Policy in its entirety;
   
   b. an Insuring Agreement; or
   
   c. coverage for any Insured;

by mailing or delivering to the Company advance written notice of cancellation.

2. The Company may cancel:

   a. this Crime Policy in its entirety;
   
   b. an Insuring Agreement; or
   
   c. coverage for any Insured;

by mailing or delivering to the First Named Insured written notice of cancellation at least 20 days before the effective date of cancellation if the Company cancels for nonpayment of premium; or 60 days before the effective date of cancellation if the Company cancels for any other reason.

The Company will mail or deliver the Company’s notice to the First Named Insured’s last mailing address known to the Company. Notice of cancellation will state the effective date of cancellation and the Policy Period will end on that date. If this Crime Policy or an Insuring Agreement is cancelled, the Company will send the First Named Insured any premium refund due. If the Company cancels this Crime Policy, the refund will be pro rata. If the Insured cancels, the earned premium will be computed in accordance with the customary short rate table and procedure. The cancellation will be effective even if the Company has not made or offered a refund. If notice is mailed, proof of mailing will be sufficient proof of notice.

3. This Crime Policy terminates:

   a. in its entirety immediately upon the expiration of the Policy Period;
b. in its entirety immediately upon exhaustion of the Policy Aggregate Limit of Insurance, if applicable; provided, that no Crime Policy termination under this Condition D.3.b. will be effective with respect to any Employee Benefit Plan covered under Insuring Agreement A.2.;

c. in its entirety immediately upon the voluntary liquidation or dissolution of the First Named Insured; provided, that no Crime Policy termination under this Condition D.3.c. will be effective with respect to any Employee Benefit Plan covered under Insuring Agreement A.2.; or

d. as to any Subsidiary immediately upon the Change of Control of such Subsidiary.

4. This Crime Policy terminates as to any Employee:

   a. as soon as the Insured’s partner, any of the Insured’s Management Staff Members or any Employee with managerial or supervisory responsibility not in collusion with the Employee becomes aware of any dishonest or fraudulent employment related act involving an amount in excess of $10,000; or

   b. 60 days after the Insured’s partner, any of the Insured’s Management Staff Members or any Employee with managerial or supervisory responsibility not in collusion with the Employee becomes aware of any dishonest or fraudulent non-employment related act; either of which acts were committed by such Employee in the Insured’s service, during the term of employment by the Insured or prior to employment by the Insured, provided such dishonest or fraudulent non-employment related act involved Money, Securities or Other Property is in an amount in excess of $10,000.

E. CHANGES

Only the First Named Insured is authorized to make changes in the terms of this Crime Policy and solely with the Company’s prior written consent. This Crime Policy’s terms can be changed, amended or waived only by endorsement issued by the Company and made a part of this Crime Policy. Notice to any representative of the Insured or knowledge possessed by any agent or by any other person will not effect a waiver or change to any part of this Crime Policy, or estop the Company from asserting any right under the terms, conditions and limitations of this Crime Policy, nor may the terms, conditions and limitations hereunder be waived or changed, except by a written endorsement to this Crime Policy issued by the Company.

F. ENTIRE AGREEMENT

The Declarations, the application, the Crime Terms and Conditions, and any endorsements attached thereto, constitute the entire agreement between the Insured and the Company.

G. HEADINGS

The titles of the various paragraphs of this Crime Policy and its endorsements are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provision to which they relate.