

GOVERNMENT CRIME POLICY DECLARATIONS

In return for the payment of the premium, and subject to all the terms and conditions of this Policy, we agree with you to provide the insurance as stated in this Policy.

Coverage Is Written:

Primary

 Excess

 Coindemnity

 Concurrent

Company Name Area: Allmerica Financial Benefits Insurance Company A Stock Company 440 Lincoln Street Worcester, MA 01653
Producer Name Area: CONNECTICUT INTERLOCAL RISK MANAGEMENT AGENCY
Named Insured: TOWN OF CANTON (Also list any Employee Benefit Plan(s) included as Insureds)
Mailing Address: 4 MARKET ST PO BOX 168 COLLINSVILLE, CT 06022
Policy Period
From: 07/01/2021
To: 07/01/2024 12:01 AM at your mailing address shown above.

Insuring Agreements	Limit Of Insurance Per Occurrence	Deductible Amount Per Occurrence
1. Employee Theft – Per Loss Coverage	\$ 500,000	\$ 5,000
2. Employee Theft – Per Employee Coverage	\$ N/A	\$ N/A
3. Forgery Or Alteration	\$ 50,000	\$ 500
4. Inside The Premises – Theft Of Money And Securities	\$ 50,000	\$ 500
5. Inside The Premises – Robbery Or Safe Burglary Of Other Property	\$ 50,000	\$ 500
6. Outside The Premises	\$ 50,000	\$ 500
7. Computer And Funds Transfer Fraud	\$ 100,000	\$ 1,000
8. Money Orders And Counterfeit Money	\$ 50,000	\$ 500

If "Not Covered" is inserted above opposite any specified Insuring Agreement, such Insuring Agreement and any other reference thereto in this Policy are deleted.

If Added By Endorsement:

Insuring Agreement(s)	Limit Of Insurance Per Occurrence	Deductible Amount Per Occurrence
False Pretense	\$ 15,000	\$ 5,000
Credit, Debit or Charge Card Fraud	\$ 50,000	\$ 500
Destruction of Electronic Data or Computer Programs	\$ 10,000	\$ 1,000
Telephone Toll Fraud	\$ 25,000	\$ 500

Endorsements Forming Part Of This Policy When Issued:

CR DS 04	08 13	Government Crime Declarations
CR 00 26	11 15	Government Crime Policy (Discovery Form)
CR 01 67	10 10	Connecticut Changes
CR 02 29	01 19	Connecticut Changes
CR 04 13	08 13	Destruction of Electronic Data
CR 04 16	08 13	Telephone Toll Fraud
CR 20 22	10 10	Include Designated Person Required to Have Knowledge of Loss (Discovery Form)
CR 20 25	08 13	Loss Reporting Threshold
CR 20 31	08 13	Include As Joint Insured(s)
CR 20 31	08 13	Include As Joint Insured(s)
CR 25 19	08 13	Faithful Performance of Duty
CR 25 20	10 10	Add Credit, Debit or Charge Card Forgery
CR 25 40	08 13	Include Expense Incurred to Establish Amount of Loss
181-1826	10 20	False Pretenses Coverage
181-1839	10 20	Government Crime Advantage
181-1845	10 20	Omnibus ERISA Joint Insured
181-1848	10 20	Prior Theft Or Dishonesty
181-1851	10 20	Amend Computer And Funds Transfer Fraud Insuring Agreement

Cancellation Of Prior Insurance Issued By Us:

By acceptance of this Policy, you give us notice cancelling prior Policy Numbers

BDE 1040887 01 ; the cancellation to be effective at the time this Policy becomes effective.

Countersignature Of Authorized Representative

Name: John C. Roche

Title: President

Signature: 

Date: 07/01/2021

GOVERNMENT CRIME POLICY (DISCOVERY FORM)

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 quotation marks have special meaning. Refer to Section F. Definitions.

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which a Limit Of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place at any time which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition E.1.i.:

1. Employee Theft – Per Loss Coverage

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.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

2. Employee Theft – Per Employee Coverage

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by each "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

3. Forgery Or Alteration

a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you;
or

- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

- b. If you are sued for refusing to pay any instrument covered in Paragraph 3.a., on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay for such legal expenses is in addition to the Limit of Insurance applicable to this Insuring Agreement.

4. Inside The Premises – Theft Of Money And Securities

We will pay for:

- a. Loss of "money" and "securities" inside the "premises" or "financial institution premises":

- (1) Resulting directly from "theft" committed by a person present inside such "premises" or "financial institution premises"; or

- (2) Resulting directly from disappearance or destruction.

- b. Loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

- c. 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" of, or unlawful entry into, those containers.

5. Inside The Premises – Robbery Or Safe Burglary Of Other Property

We will pay for:

- a. Loss of or damage to "other property":
 - (1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or
 - (2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".
- b. Loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.
- c. Loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

6. Outside The Premises

We will pay for:

- a. 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.
- b. 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".

7. Computer And Funds Transfer Fraud

a. We will pay for:

- (1) Loss resulting directly from a fraudulent:
 - (a) Entry of "electronic data" or "computer program" into; or
 - (b) Change of "electronic data" or "computer program" within; any "computer system" owned, leased or operated by you, provided the fraudulent entry or fraudulent change causes, with regard to Paragraphs **7.a.(1)(a)** and **7.a.(1)(b)**:
 - (i) "Money", "securities" or "other property" to be transferred, paid or delivered; or

- (ii) Your account at a "financial institution" to be debited or deleted.

- (2) Loss resulting directly from a "fraudulent instruction" directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that account.

- b. As used in Paragraph **7.a.(1)**, fraudulent entry or fraudulent change of "electronic data" or "computer program" shall include such entry or change made by an "employee" acting, in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a "computer system" covered under this Insuring Agreement.

8. Money Orders And Counterfeit Money

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

- a. Money orders issued by any post office, express company or "financial institution" that are not paid upon presentation; or
- b. "Counterfeit money" that is acquired during the regular course of business.

B. Limit Of Insurance

The most we will pay for all loss resulting directly from an "occurrence" is the applicable Limit Of Insurance shown in the Declarations.

If any loss is covered under more than one Insuring Agreement or coverage, the most we will pay for such loss shall not exceed the largest Limit of Insurance available under any one of those Insuring Agreements or coverages.

C. Deductible

We will not pay for loss resulting directly from an "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.

D. Exclusions

1. This Policy does not cover:

a. Acts Committed By You

Loss resulting from "theft" or any other dishonest act committed by you, whether acting alone or in collusion with other persons.

b. Acts Committed By Your Employees Learned Of By You Prior To The Policy Period

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this Policy and you or any of your officials, not in collusion with the "employee", learned of such "theft" or dishonest act prior to the Policy Period shown in the Declarations.

c. Acts Committed By Your Officials, Employees Or Representatives

Loss resulting from "theft" or any other dishonest act committed by any of your officials, "employees" 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 **A.1.** or **A.2.**

d. Confidential Or Personal Information

Loss resulting from:

- (1) The disclosure or use of another person's or organization's confidential or personal information; or
- (2) The disclosure of your confidential or personal information. However, this Paragraph **1.d.(2)** does not apply to loss otherwise covered under this Policy that results directly from the use of your confidential or personal information.

For the purposes of this exclusion, confidential or personal information includes, but is not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

e. Data Security Breach

Fees, costs, fines, penalties and other expenses incurred by you which are related to the access to or disclosure of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

f. Governmental Action

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

g. Indirect Loss

Loss that is an indirect result of an "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; or
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this Policy.

h. Legal Fees, Costs And Expenses

Fees, costs and expenses incurred by you which are related to any legal action, except when covered under Insuring Agreement **A.3.**

i. Nuclear Hazard

Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

j. Pollution

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

k. Virtual Currency

Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

l. War And Military Action

Loss or damage resulting from:

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
2. Insuring Agreements **A.1.** and **A.2.** do not cover:
- a. Bonded Employees**
Loss caused by any "employee" required by law to be individually bonded.
 - b. Inventory Shortages**
Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - (1) An inventory computation; or
 - (2) 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 actual physical count of inventory in support of the amount of loss claimed.
 - c. Trading**
Loss resulting from trading, whether in your name or in a genuine or fictitious account.
 - d. Treasurers Or Tax Collectors**
Loss caused by any treasurer or tax collector by whatever name known.
3. Insuring Agreements **A.4.**, **A.5.** and **A.6.** do not cover:
- a. Accounting Or Arithmetical Errors Or Omissions**
Loss resulting from accounting or arithmetical errors or omissions.
 - b. Exchanges Or Purchases**
Loss resulting from the giving or surrendering of property in any exchange or purchase.
 - c. Fire**
Loss or damage resulting from fire, however caused, except:
 - (1) Loss of or damage to "money" and "securities"; and
 - (2) Loss from damage to a safe or vault.

d. Money Operated Devices

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

e. Motor Vehicles Or Equipment And Accessories

Loss of or damage to motor vehicles, trailers or semitrailers or equipment and accessories attached to them.

f. Transfer Or Surrender Of Property

- (1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "financial institution premises":
 - (a) On the basis of unauthorized instructions; or
 - (b) As a result of a threat including, but not limited to:
 - (i) A threat to do bodily harm to any person;
 - (ii) A threat to do damage to any property;
 - (iii) A threat to introduce a denial of service attack into any "computer system";
 - (iv) A threat to introduce a virus or other malicious instruction into any "computer system" which is designed to damage, destroy or corrupt "electronic data" or "computer programs" stored within the "computer system"; or
 - (v) A threat to disseminate, divulge or utilize:
 - i. Your confidential information;
 - ii. Confidential or personal information of another person or organization; or
 - iii. Weaknesses in the source code within any "computer system".
- (2) However, this exclusion does not apply under Insuring Agreement **A.6.** to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:
 - (a) Had no knowledge of any threat at the time the conveyance began; or

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

g. Vandalism

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.

h. Voluntary Parting Of Title To Or Possession Of Property

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

4. Insuring Agreement A.7. does not cover:

a. Authorized Access

Loss resulting from a fraudulent:

- (1) Entry of "electronic data" or "computer program" into; or
- (2) Change of "electronic data" or "computer program" within;

any "computer system" owned, leased or operated by you by a person or organization with authorized access to that "computer system", except when covered under Insuring Agreement **A.7.b.**

b. Credit Card Transactions

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

c. Exchanges Or Purchases

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

d. Fraudulent Instructions

Loss resulting from an "employee" or "financial institution" acting upon any instruction to:

- (1) Transfer, pay or deliver "money", "securities" or "other property"; or
- (2) Debit or delete your account;

which instruction proves to be fraudulent, except when covered under Insuring Agreement **A.7.a.(2)** or **A.7.b.**

e. Inventory Shortages

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

- (1) An inventory computation; or
- (2) A profit and loss computation.

E. Conditions

1. Conditions Applicable To All Insuring Agreements

a. Additional Premises Or Employees

If, while this Policy is in force, you establish any additional "premises" or hire additional "employees", such "premises" and "employees" shall automatically be covered under this Policy. Notice to us of an increase in the number of "premises" or "employees" is not required, and no additional premium will be charged for the remainder of the Policy Period shown in the Declarations.

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) 30 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 conceals or misrepresents 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. Cooperation

You must cooperate with us in all matters pertaining to this Policy as stated in its terms and conditions.

f. 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 Agreement **A.1.**, **A.2.** or **A.3.**) involves a violation of law, you must also notify the local law enforcement authorities;
- (2) Give us a detailed, sworn proof of loss within 120 days;
- (3) Cooperate with us in the investigation and settlement of any claim;
- (4) Produce for our examination all pertinent records;
- (5) Submit to examination under oath at our request and give us a signed statement of your answers; and
- (6) Secure all of your rights of recovery against any person or organization responsible for the loss and do nothing to impair those rights.

g. Employee Benefit Plans

The employee benefit plans shown in the Declarations (hereafter referred to as Plan) are included as Insureds under Insuring Agreement **A.1.** or **A.2.**, subject to the following:

- (1) Any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.
- (2) The Deductible Amount applicable to Insuring Agreement **A.1.** or **A.2.** does not apply to loss sustained by any Plan.

h. 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 shown in the Declarations and up to three years afterward.

i. Extended Period To Discover Loss

We will pay for loss that you sustained prior to the effective date of cancellation of this Policy, which is "discovered" by you no later than 60 days from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this Policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

j. 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. We do not 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 j.(1) and j.(2) apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

k. 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 official 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 are cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you no later than 60 days from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under 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 such loss had been sustained by one Insured.

(6) Payment by us to the first Named Insured for loss sustained by any Insured, or payment by us to any employee benefit plan for loss sustained by that Plan, shall fully release us on account of such loss.

l. 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 two years from the date you "discovered" the loss.

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

m. 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 shown in the Declarations, the broadened coverage will immediately apply to this Policy.

n. Other Insurance

If other valid and collectible insurance is available to you for loss covered under this Policy, our obligations are limited as follows:

(1) Primary Insurance

When this Policy is written as primary insurance, and:

(a) You have other insurance subject to the same terms and conditions as this Policy, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.

(b) You have other insurance covering the same loss other than that described in Paragraph n.(1)(a), we will only pay for the amount of loss that exceeds:

(i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or

(ii) The Deductible Amount shown in the Declarations;

whichever is greater. Our payment for loss is subject to the terms and conditions of this Policy.

(2) Excess Insurance

(a) When this Policy is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this Policy.

(b) However, if loss covered under this Policy is subject to a deductible, we will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

o. Ownership Of Property; Interests Covered

The property covered under this Policy is limited to property:

- (1) That you own or lease; or
- (2) That is held by you in any capacity; or
- (3) For which you are legally liable, provided you were liable for the property prior to the time the loss was sustained.

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.

p. Policy Bridge – Discovery Replacing Loss Sustained

(1) If this Policy replaces insurance that provided you with an extended period of time after cancellation in which to discover loss and which did not terminate at the time this Policy became effective:

(a) We will not pay for any loss that occurred during the policy period of that prior insurance which is discovered by you during such extended period to discover loss, unless the amount of loss exceeds the Limit of Insurance and Deductible Amount of that prior insurance. In that case, we will pay for the excess loss subject to the terms and conditions of this Policy.

(b) However, any payment we make for the excess loss will not be greater than the difference between the Limit of Insurance and Deductible Amount of that prior insurance and the Limit Of Insurance shown in the Declarations. We will not apply the Deductible Amount shown in the Declarations to this excess loss.

(2) **Other Insurance Condition E.1.n.** does not apply to this condition.

q. 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.

r. Records

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

s. Recoveries

(1) Any recoveries, whether effected before or after any payment under this Policy, whether made by us or by you, shall be applied net of the expense of such recovery:

- (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this Policy;
- (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
- (c) Third, to you in satisfaction of any Deductible Amount; and
- (d) Fourth, to you in satisfaction of any loss not covered under this Policy.

(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.

t. Territory

This Policy covers loss that you sustain resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions) and Puerto Rico.

u. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this Policy may not be transferred without our written consent.

v. 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.

w. Valuation – Settlement

The value of any loss for purposes of coverage under this Policy shall be determined as follows:

(1) Money

Loss of "money" but only up to and including its face value.

(2) Securities

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:

- (a)** Pay the market 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
- (b)** 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:
 - (i)** Market value of the "securities" at the close of business on the day the loss was "discovered"; or
 - (ii)** Limit of Insurance applicable to the "securities".

(3) Property Other Than Money And Securities

- (a)** 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.
- (b)** We will not pay on a replacement cost basis for any loss or damage to property covered under Paragraph **w.(3)(a)**:
 - (i)** Until the lost or damaged property is actually repaired or replaced; and
 - (ii)** Unless the repair or replacement is 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.
- (c)** Any property that we pay for or replace becomes our property.

2. Conditions Applicable To Insuring Agreements A.1. And A.2.

a. Indemnification

We will indemnify any of your officials who are required by law to give individual bonds for the faithful performance of their duties against loss through "theft" committed by "employees" who serve under them, subject to the applicable Limit of Insurance.

b. Termination As To Any Employee

These Insuring Agreements terminate as to any "employee":

(1) As soon as:

(a) You; or

(b) Any of your officials or employees authorized to manage, govern or control your "employees" not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you; or

(2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 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.

c. Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in Territory Condition **E.1.t.** for a period of not more than 90 consecutive days.

3. Conditions Applicable To Insuring Agreement A.3.

a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement **A.3.**

b. Electronic And Mechanical Signatures

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

c. Proof Of Loss

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

d. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.t.** does not apply to Insuring Agreement **A.3.**

4. Conditions Applicable To Insuring Agreements A.5. And A.6.

a. Armored Motor Vehicle Companies

Under Insuring Agreement **A.6.**, we will only pay for the amount of loss you cannot recover:

(1) Under your contract with the armored motor vehicle company; and

(2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

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 manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable To Insuring Agreement A.7.

a. 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.

b. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.t.** does not apply to Insuring Agreement **A.7.**

F. Definitions

1. "Computer program" means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enable the computer or devices to receive, process, store or send "electronic data".

2. "Computer system" means:

a. Computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components;

b. Systems and applications software; and

c. Related communications networks;

by which "electronic data" is collected, transmitted, processed, stored or retrieved.

3. "Counterfeit money" means an imitation of "money" which is intended to deceive and to be taken as genuine.

4. "Custodian" means you, or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.

5. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this 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 amount or details of loss may not then be known.

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this Policy.

6. "Electronic data" means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

7. "Employee":

a. Means:

(1) Any natural person:

(a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";

(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 7.a.(1), who is on leave; or

(b) To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you;

(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 7.a.(2);

(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; or

(b) Your official while that person is engaged in handling "money", "securities" or "other property" of any employee benefit plan;

(5) Any natural person who is a former official, "employee" or trustee retained by you as a consultant while performing services for you; and

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

b. Does not mean:

Any agent, independent contractor or representative of the same general character not specified in Paragraph 7.a.

8. "Financial institution" means:

a. With regard to Insuring Agreement A.4.:

(1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or

(2) An insurance company.

b. With regard to Insuring Agreement A.7.:

(1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution;

(2) An insurance company; or

(3) A stock brokerage firm or investment company.

c. Other than Insuring Agreements A.4. and A.7., any financial institution.

9. "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution" as defined in Paragraph F.8.a.

10. "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.
11. "Fraudulent instruction" means:
- a. With regard to Insuring Agreement **A.7.a.(2)**:
 - (1) A computer, telefacsimile, telephone or other electronic instruction directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", which instruction purports to have been issued by you, but which in fact was fraudulently issued by someone else without your knowledge or consent; or
 - (2) A written instruction (other than those covered under Insuring Agreement **A.3.**) issued to a "financial institution" directing the "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", through an electronic funds transfer system at specified times or under specified conditions, which instruction purports to have been issued by you, but which in fact was issued, forged or altered by someone else without your knowledge or consent.
 - b. With regard to Insuring Agreement **A.7.b.**:
A computer, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under the Insuring Agreement, which instruction in fact was fraudulently issued by your computer software contractor.
12. "Messenger" means you or any "employee" while having care and custody of property outside the "premises".
13. "Money" means:
- a. Currency, coins and bank notes in current use and having a face value;
 - b. Traveler's checks and money orders held for sale to the public; and
 - c. In addition, includes:
 - (1) Under Insuring Agreements **A.1.**, **A.2.** and **A.3.**, deposits in your account at any "financial institution"; and
 - (2) Under Insuring Agreement **A.7.**, deposits in your account at a "financial institution" as defined in Paragraph **F.8.b.**
14. "Occurrence" means:
- a. Under Insuring Agreement **A.1.**:
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
 - (3) A series of acts whether or not related; committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, before such Policy Period or both.
 - b. Under Insuring Agreement **A.2.**:
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
 - (3) A series of acts whether or not related; committed by each "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, before such Policy Period or both.
 - c. Under Insuring Agreement **A.3.**:
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
 - (3) A series of acts whether or not related; committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, before such Policy Period or both.
 - d. Under all other Insuring Agreements:
 - (1) An individual act or event;
 - (2) The combined total of all separate acts or events whether or not related; or
 - (3) A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, before such Policy Period or both.

15. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include "computer programs", "electronic data" or any property specifically excluded under this Policy.
16. "Premises" means the interior of that portion of any building you occupy in conducting your business.
17. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
 - a. Caused or threatened to cause that person bodily harm; or
 - b. Committed an obviously unlawful act witnessed by that person.
18. "Safe burglary" means the unlawful taking of:
 - a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
 - b. A safe or vault from inside the "premises".
19. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
but does not include "money".
20. "Theft" means the unlawful taking of property to the deprivation of the Insured.
21. "Transfer account" means an account maintained by you at a "financial institution" from which you can initiate the transfer, payment or delivery of "money" or "securities":
 - a. By means of computer, telefacsimile, telephone or other electronic instructions; or
 - b. By means of written instructions (other than those covered under Insuring Agreement A.3.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.
22. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONNECTICUT CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

The words cancelled and cancellation are replaced with the terms cancelled/nonrenewed and cancellation/nonrenewal wherever these words appear in the **Extended Period To Discover Loss** Condition or the **Joint Insured** Condition.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONNECTICUT CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY
KIDNAP/RANSOM AND EXTORTION POLICY

A. The **Cancellation Of Policy** Condition is replaced by the following:

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) Cancellation Of Policies In Effect

(a) Less Than 60 Days

If this Policy has been in effect for less than 60 days and is not a renewal of a policy we issued, we may cancel this Policy for any reason by giving written notice of cancellation at least:

- (i)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (ii)** 30 days before the effective date of cancellation if we cancel for any other reason.

(b) 60 Days Or More

If this Policy has been in effect for 60 days or more or this is a renewal of a policy we issued, we may cancel this Policy by giving you written notice of cancellation at least:

- (i)** 10 days before the effective date of cancellation if we cancel for one or more of the following reasons:
 - i.** Nonpayment of premium;
 - ii.** Conviction of a crime arising out of acts increasing the hazard insured against;

iii. Discovery of fraud or material misrepresentation by you in obtaining the Policy or in perfecting any claim thereunder;

iv. Discovery of any willful or reckless act or omission by you increasing the hazard insured against; or

v. A determination by the Commissioner that continuation of the Policy would violate or place us in violation of the law.

(ii) 60 days before the effective date of cancellation if we cancel for one or more of the following reasons:

i. Physical changes in the property which increase the hazard insured against;

ii. A material increase in the hazard insured against; or

iii. A substantial loss of reinsurance by us affecting this particular line of insurance.

(iii) We may not cancel policies in effect for 60 days or more or renewal policies for any reason other than the reasons described in Paragraph **(b)(i)**.

(iv) If we cancel for nonpayment of premium, you may continue the coverage and avoid the effect of the cancellation by payment in full at any time prior to the effective date of cancellation.

- (v) Notice of cancellation will be delivered or sent by:
 - i. Registered mail;
 - ii. Certified mail; or
 - iii. Mail evidenced by a United States Post Office certificate of mailing.
- (3) We will give notice to you at your last mailing address known to us.
- (4) Notice of cancellation will state the specific reason for the cancellation and 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.

B. The following conditions are added and supersede any other provision to the contrary:

1. Nonrenewal

If we decide not to renew this Policy, we will send notice as provided in Paragraph **B.3.** of this endorsement.

2. Conditional Renewal

- a. If we conditionally renew this Policy under terms or conditions less favorable to the insured than currently provided under this Policy, then we will send notice as provided in Paragraph **B.3.** of this endorsement.
- b. The conditional renewal notice shall clearly state or be accompanied by a statement clearly identifying any:
 - (1) Reduction in coverage limits;
 - (2) Coverage provisions added or revised that reduce coverage; or
 - (3) Increases in deductibles.

3. Notices Of Nonrenewal And Conditional Renewal

- a. If we decide not to renew this Policy or to conditionally renew this Policy as provided in Paragraphs **B.1.** and **B.2.** of this endorsement, we will mail or deliver to you a written notice of nonrenewal or conditional renewal, stating the specific reason for nonrenewal or conditional renewal, at least 60 days before the expiration date of this Policy. The notice will be sent to your address last known to us.
- b. This notice will be delivered or sent by:
 - (1) Registered mail;
 - (2) Certified mail; or
 - (3) Mail evidenced by a certificate of mailing.

If notice is mailed, proof of mailing is sufficient proof of notice.
- c. However, we are not required to send notice of nonrenewal if nonrenewal is due to your failure to pay any advance premium required for renewal.

C. Under the Commercial Crime Policy, Government Crime Policy, Government Employee Theft And Forgery Policy and Employee Theft And Forgery Policy, the **Legal Action Against Us** Condition is replaced by the following:

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 three years from the date you "discover" the loss.

D. Under the Kidnap/Ransom And Extortion Policy, the **Legal Action Against Us** Condition is replaced by the following:

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 three years from the date you reported the loss to us.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESTRUCTION OF ELECTRONIC DATA OR COMPUTER PROGRAMS

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

With regard to this Destruction Of Electronic Data Or Computer Programs endorsement, the provisions of the Coverage Form or Policy to which this endorsement is attached apply, unless modified by this endorsement.

A. The following Insuring Agreement is added to Section A. Insuring Agreements:

We will pay for costs that you incur to restore or replace damaged or destroyed "electronic data" or "computer programs" stored within any "computer system" owned, leased or operated by you resulting directly from:

1. A virus designed to damage or destroy "electronic data" or "computer programs";
2. Vandalism by an "employee"; or
3. Vandalism by a natural person who has gained unauthorized access to your "computer system";

including reasonable costs that you incur to restore your "computer system" to the level of operational capability that existed immediately before the virus or vandalism occurred.

B. Section D. Exclusions:

1. The following exclusions do not apply to loss covered under Paragraph A.2.:
 - a. The Acts Committed By Your Employees, Managers, Directors, Trustees Or Representatives Exclusion in the Commercial Crime Coverage Form and the Commercial Crime Policy; and
 - b. The Acts Committed By Your Officials, Employees Or Representatives Exclusion in the Government Crime Coverage Form and the Government Crime Policy.

2. The following exclusions are added:

This Insuring Agreement does not cover:

- a. Loss resulting from errors or omissions in the design of "computer programs".
- b. Loss resulting from errors or omissions in the programming or processing of "electronic data".

C. Under Section F. Definitions, the following is added to the definition of "occurrence":

1. As respects Paragraph A.1., all covered costs incurred by you between the time the damage or destruction is discovered and the time your "computer system" is restored to the level of operational capability that existed immediately before the virus occurred. Recurrence of the same virus after your "computer system" has been restored shall constitute a separate occurrence.
2. As respects Paragraphs A.2. and A.3.:
 - a. An individual act or event;
 - b. The combined total of all separate acts or events whether or not related; or
 - c. A series of acts or events whether or not related;

committed by an "employee" or other person acting alone or in collusion with others, during the Policy Period shown in the Declarations, before such policy period or both.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TELEPHONE TOLL FRAUD

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

SCHEDULE

Number Of Days: 90
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With regard to this Telephone Toll Fraud endorsement, the provisions of the Coverage Form or Policy to which this endorsement is attached apply, unless modified by this endorsement.

A. The following Insuring Agreement is added to Section A. Insuring Agreements:

We will pay for loss from long distance telephone toll call charges incurred by you resulting directly from fraudulent use or fraudulent manipulation of an "account code" or "system password" required to gain access to your "voice computer system", provided such loss did not result from the failure to:

1. Install and maintain in operating condition a call disconnect feature to terminate a caller's access after three unsuccessful attempts to enter an "account code";
2. Incorporate a "system password"; or
3. Change a "system password" within the number of days shown in the Schedule.

B. The following condition is added to Section E. Conditions:

We will pay for loss resulting from toll call charges made on telephone lines directly controlled by one "voice computer system" occurring for a period of not more than 30 days inclusive of the date on which the first such toll call charges were made.

C. The following definitions are added to Section F. Definitions:

1. "Account code" means a confidential and protected string of characters that identifies or authenticates a person and permits that person to gain access to your "voice computer system" for the purpose of making long distance toll calls or utilizing voice mailbox messaging capabilities or similar functional features of the system.
2. "System administration" means the performance of any security function including, but not limited to:
 - a. Defining authorized persons to access the system;
 - b. Adding, deleting or changing "account codes" or passwords;
 - c. Installing or deleting any system option which directs telephone call routing or adds, drops or moves telephone lines; or
 - d. Any other activity allowed by a hardware- or software-based system option that has been incorporated by a manufacturer or a vendor into a "voice computer system" provided the system is not intended for the sole use of the manufacturer or vendor.

3. "System maintenance" means performing hardware and software installation, diagnostic and correction and similar activities that are performed in the usual custom and practice by a manufacturer or vendor to establish or maintain the basic operational functionality of a "voice computer system".
4. "System password" means a confidential and protected string of characters that identifies or authenticates a person and permits that person to gain access to your "voice computer system" to perform "system administration" or "system maintenance" or a component thereof.
5. "Voice computer system" means a "computer system" installed in one location which functions as a private branch exchange (PBX), voice mail processor, automated call attendant or provides a similar capability used for the direction or routing of telephone calls in a voice communications network.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**INCLUDE DESIGNATED PERSON REQUIRED
TO HAVE KNOWLEDGE OF LOSS
(DISCOVERY FORM)**

This endorsement modifies insurance provided under the Discovery Form version of the following:

- COMMERCIAL CRIME COVERAGE FORM
- COMMERCIAL CRIME POLICY
- EMPLOYEE THEFT AND FORGERY POLICY
- GOVERNMENT CRIME COVERAGE FORM
- GOVERNMENT CRIME POLICY
- GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

SCHEDULE

Position Of Designated Person(s):

Risk Management Department, Human Resource Department, or General Counsel

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

1. The introductory paragraph to Section A. Insuring Agreements is replaced by the following:

Coverage is provided under the following Insuring Agreements for which a Limit Of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place at any time which is "discovered" by a "designated person" during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition.

2. The introductory paragraph of the Duties In The Event Of Loss Condition is replaced by the following:

After a "designated person" "discovers" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property", you must:

3. Under the Commercial Crime Coverage Form, Commercial Crime Policy and Employee Theft And Forgery Policy:

a. The Extended Period To Discover Loss Condition is replaced by the following:

We will pay for loss that you sustained prior to the effective date of cancellation of this coverage form/policy which is "discovered" by a "designated person":

(1) No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this coverage form/policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

(2) No later than one year from the date of that cancellation with regard to any "employee benefit plan".

b. Paragraphs (2) and (4) of the Joint Insured Condition are replaced by the following:

(2) Knowledge possessed or "discovery" made by a "designated person" of any Insured shall constitute knowledge or "discovery" by all Insureds for all purposes of this coverage form/policy.

(4) If this coverage form/policy or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by a "designated person":

(a) No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this coverage form/policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

(b) No later than one year from the date of that cancellation with regard to any "employee benefit plan".

4. Under the Government Crime Coverage Form, Government Crime Policy and Government Employee Theft And Forgery Policy:

a. The **Extended Period To Discover Loss** Condition is replaced by the following:

We will pay for loss that you sustained prior to the effective date of cancellation of this coverage form/policy which is "discovered" by a "designated person" no later than 60 days from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this coverage form/policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

b. Paragraphs (2) and (4) of the **Joint Insured** Condition are replaced by the following:

(2) Knowledge possessed or "discovery" made by a "designated person" of any Insured shall constitute knowledge or "discovery" by all Insureds for all purposes of this coverage form/policy.

(4) If this coverage form/policy or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by a "designated person" no later than 60 days from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this coverage form/policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

5. Paragraph (1) of the **Termination As To Any Employee** Condition is replaced by the following:

(1) As soon as a "designated person" not in collusion with such "employee" learns of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

6. In Section **F. Definitions**:

a. The definition of "discover" or "discovered" is replaced by the following:

"Discovery", "discover" or "discovered" means the time when a "designated person" first becomes aware of facts which would cause a reasonable person to assume that a loss of a type covered by this coverage form/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 amount or details of loss may not then be known.

"Discovery", "discover" or "discovered" also means the time when a "designated person" first receives notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances, which, if true, would constitute a loss under this coverage form/policy.

b. The following definition is added:

"Designated person" means:

- (1) Any insurance risk manager;
- (2) An "employee" in your Human Resources Department or its equivalent;
- (3) Any director, trustee, partner, "member", "official" or "manager";
- (4) Any elected, appointed or otherwise titled officer;
- (5) The highest ranking "employee" at the "premises" where such "employee" performs the majority of his or her duties; or
- (6) Any person in a position shown in the Schedule;
of any Insured.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS REPORTING THRESHOLD

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

The **Duties In The Event Of Loss** Condition is replaced by the following:

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 the Employee Theft Insuring Agreement or the Forgery Or Alteration Insuring Agreement) involves a violation of law, you must also notify the local law enforcement authorities;
- (2)** For losses covered under any Insuring Agreement, we will waive the requirement that you notify us as soon as possible if the amount of loss, in your best estimation, does not exceed the percentage of the Deductible Amount over which losses must be reported as shown in the Declarations. If, however, you later determine that such loss does in fact exceed this percentage, then you shall notify us as soon as possible, not to exceed 15 days from the date such determination was made;
- (3)** Give us a detailed sworn proof of loss within 120 days:
 - (a)** From the date you "discovered" the loss; or
 - (b)** From the date you determined that the loss exceeded the Deductible Amount as provided in Paragraph **(2)**;
- (4)** Cooperate with us in the investigation and settlement of any claim;
- (5)** Produce for our examination all pertinent records;
- (6)** Submit to examination under oath at our request and give us a signed statement of your answers; and
- (7)** Secure all of your rights of recovery against any person or organization responsible for the loss and do nothing to impair those rights.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCLUDE AS JOINT INSURED(S)

This endorsement modifies insurance provided under the following:

- COMMERCIAL CRIME COVERAGE FORM
- COMMERCIAL CRIME POLICY
- EMPLOYEE THEFT AND FORGERY POLICY
- GOVERNMENT CRIME COVERAGE FORM
- GOVERNMENT CRIME POLICY
- GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY
- KIDNAP/RANSOM AND EXTORTION COVERAGE FORM
- KIDNAP/RANSOM AND EXTORTION POLICY

SCHEDULE

Entity(ies)
Town Canton Board of Education
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Entity(ies) shown in the Schedule is/are included as a Named Insured.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCLUDE AS JOINT INSURED(S)

This endorsement modifies insurance provided under the following:

- COMMERCIAL CRIME COVERAGE FORM
- COMMERCIAL CRIME POLICY
- EMPLOYEE THEFT AND FORGERY POLICY
- GOVERNMENT CRIME COVERAGE FORM
- GOVERNMENT CRIME POLICY
- GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY
- KIDNAP/RANSOM AND EXTORTION COVERAGE FORM
- KIDNAP/RANSOM AND EXTORTION POLICY

SCHEDULE

Entity(ies)
Any entity now 50% or more owned, controlled, or operated by any one or more of those named insureds.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Entity(ies) shown in the Schedule is/are included as a Named Insured.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADD FAITHFUL PERFORMANCE DUTY COVERAGE
FOR GOVERNMENT EMPLOYEES**

This endorsement modifies insurance provided under the following:

- GOVERNMENT CRIME COVERAGE FORM
- GOVERNMENT CRIME POLICY
- GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

and applies to the Insuring Agreements designated below:

SCHEDULE

Insuring Agreement		Limit Of Insurance
<input checked="" type="checkbox"/>	Employee Theft – Per Loss Coverage	\$500,000
<input type="checkbox"/>	Employee Theft – Per Employee Coverage	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following is added to the Employee Theft Insuring Agreement designated above:

We will pay for loss or damage to "money", "securities" and "other property" resulting directly from the failure of any "employee" to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your covered property. The most we will pay for loss arising out of any one "occurrence" is the Limit Of Insurance shown in the Schedule. That Limit is part of, not in addition to, the Limit Of Insurance shown in the Declarations.

B. The following exclusions are added to Section **D.2. Exclusions:**

- a.** Loss resulting from the failure of any entity acting as a depository for your property or property for which you are responsible.
- b.** Damages for which you are legally liable as a result of:
 - (1)** The deprivation or violation of the civil rights of any person by an "employee"; or
 - (2)** The tortious conduct of an "employee", except the conversion of property of other parties held by you in any capacity.

C. The **Indemnification** Condition is replaced by the following:

Indemnification

We will indemnify any of your officials who are required by law to give bonds for the faithful performance of their duties against loss through the failure of any "employee" under the supervision of that official to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your covered property.

D. Paragraph **(1)** of the **Termination As To Any Employee** Condition is replaced by the following:

(1) As soon as:

- (a)** You; or
- (b)** Any official or employee authorized to manage, govern or control your "employees" not in collusion with the "employee";

learns of any act committed by the "employee" whether before or after becoming employed by you which would constitute a loss covered under the terms of the Employee Theft Insuring Agreement, as amended by this endorsement; or

- E. The coverage provided by this endorsement does not apply to any employee benefit plan covered under the Employee Theft Insuring Agreement shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADD CREDIT, DEBIT OR CHARGE CARD FORGERY

This endorsement modifies insurance provided under the following:

- COMMERCIAL CRIME COVERAGE FORM
- COMMERCIAL CRIME POLICY
- EMPLOYEE THEFT AND FORGERY POLICY
- GOVERNMENT CRIME COVERAGE FORM
- GOVERNMENT CRIME POLICY
- GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

and applies to the Forgery Or Alteration Insuring Agreement:

SCHEDULE

Limit Of Insurance	Covered Instruments
\$50,000	<input checked="" type="checkbox"/> Includes written instruments required in conjunction with any credit, debit or charge card issued to you or any "employee" for business purposes
	<input type="checkbox"/> Limited to written instruments required in conjunction with any credit, debit or charge card issued to you or any "employee" for business purposes
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

1. Covered Instruments either includes or is limited to, whichever is indicated as applicable in the Schedule, written instruments required in conjunction with any credit, debit or charge card issued to you or any "employee" for business purposes.
2. The most we will pay in any one "occurrence" is the Limit Of Insurance shown in the Schedule.
3. The following exclusion is added to Section D.:
The Forgery Or Alteration Insuring Agreement does not apply to:
Non-compliance With Credit, Debit Or Charge Card Issuer's Requirements
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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**INCLUDE EXPENSES INCURRED
TO ESTABLISH AMOUNT OF COVERED LOSS**

This endorsement modifies insurance provided under the following:

- COMMERCIAL CRIME COVERAGE FORM
- COMMERCIAL CRIME POLICY
- EMPLOYEE THEFT AND FORGERY POLICY
- GOVERNMENT CRIME COVERAGE FORM
- GOVERNMENT CRIME POLICY
- GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

and applies to the Insuring Agreement(s) designated below:

SCHEDULE

<input checked="" type="checkbox"/> Employee Theft Insuring Agreement	
Costs, Fees Or Other Expenses	
Limit Of Insurance	Covered Loss
\$5,000	\$100 %
<input checked="" type="checkbox"/> Computer And Funds Transfer Fraud Insuring Agreement	
Costs, Fees Or Other Expenses	
Limit Of Insurance	Covered Loss
\$5,000	\$100 %
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

The following condition is added to Paragraph E.
Conditions:

1. We will pay for reasonable costs, fees or other expenses that you incur and pay to an independent accounting, auditing or other service used to determine the amount of loss covered under this insurance.
2. The most that we will pay for reasonable costs, fees or other expenses is limited to the lesser of the:
 - a. Limit of Insurance; or
 - b. Percentage of the Covered Loss; shown in the Schedule.

3. We will pay for reasonable costs, fees or other expenses only after settlement of covered loss.
4. We will have no liability to pay any such costs, fees or other expenses if the amount of the covered loss does not exceed the Deductible Amount of the applicable Insuring Agreement.
5. The amount that we will pay is part of, not in addition to, the Limit of Insurance for the applicable Insuring Agreement.
6. Paragraph (3) of the **Indirect Loss** Exclusion is replaced by the following:
Payment of costs, fees or other expenses you incur in establishing the existence of loss under this insurance.
7. Any reference in this endorsement to the Computer And Funds Transfer Fraud Insuring Agreement does not apply to the Employee Theft And Forgery Policy or the Government Employee Theft And Forgery Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FALSE PRETENSES COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY (DISCOVERY FORM)
GOVERNMENT CRIME POLICY (DISCOVERY FORM)

SCHEDULE

Limit of Insurance Per Occurrence	Deductible Amount Per Occurrence
\$15,000	\$5,000

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With regard to this False Pretenses Coverage endorsement, the provisions of the Policy to which this endorsement is attached apply, unless modified by this endorsement.

A. The following Insuring Agreement is added to A. Insuring Agreements:

False Pretenses

We will pay you for direct loss of “money” or “securities” resulting from “false pretenses” directing an “employee” to transfer, pay or deliver “money” or “securities”. However, this Insuring Agreement does not apply to any loss of “other property” resulting from “false pretense”.

The most we will pay for all loss of “money” or “securities” in any one “occurrence” resulting from “false pretenses” directing an “employee” to transfer, pay or deliver “money” or “securities” is the Limit of Insurance Per Occurrence shown in the **SCHEDULE** subject to the Deductible Amount Per Occurrence shown in the **SCHEDULE**.

B. For the purposes of this endorsement, the following exclusions are added to D. Exclusions, paragraph 1.:

Funds Transfer Fraud

Direct loss of “money” or “securities” resulting from a “fraudulent instruction” directing a financial institution to transfer, pay or deliver “money” or “securities” from your “transfer account”.

Computer Fraud

Direct loss sustained by you of “money”, “securities” and “other property” resulting directly from an unauthorized transfer of “money”, “securities” or “other property” by a natural person, other than an “employee”, who has gained unauthorized access to your “computer system”.

C. For the purposes of this endorsement, the following definitions are added to F. Definitions:

1. “Client” means a natural person or entity for which you perform services for a fee or under written contract while that contract is in effect.
2. “False Pretenses” means the fraudulent misrepresentation of a material fact, including but not limited to social engineering, pretexting, phishing, spear phishing or any other confidence trick by a person purporting to be an “employee”, “vendor” or “client”, to an “employee” who is authorized by you to transfer “money” or “securities”.
3. “Vendor” means a natural person or entity that has provided goods or services to you pursuant to a written agreement or other arrangement. “Vendor” does not mean a financial institution, bank, credit union, asset manager, broker-dealer, or any other financial institution, an armored motor vehicle company or any similar entity.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GOVERNMENT CRIME ADVANTAGE

This endorsement modifies insurance provided under the following:

GOVERNMENT CRIME POLICY (DISCOVERY FORM)

- A. Section E. Conditions, 1. Conditions Applicable To All Insuring Agreements, b. Cancellation Of Policy**, paragraph **(2)(b)** is replaced by the following:
- (b)** 90 days before the effective date of cancellation if we cancel for any other reason.
- B. Section E. Conditions, 1. Conditions Applicable To All Insuring Agreements, f. Duties In The Event Of A Loss**, paragraph **(4)** is replaced by the following:
- (4)** Give us a detailed, sworn proof of loss within 180 days.
- C. Section E. Conditions, 2. Conditions Applicable To Insuring Agreement A.1. And A.2., b. Termination As To Any Employee**, paragraph **(2)** is replaced by the following:
- (2)** On the date specified in a notice mailed to the first Named Insured. That date will be at least 90 days after the date of mailing.
- We will mail or deliver 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.
- D. The following is added to E. Conditions, 1. Conditions Applicable To All Insuring Agreements:**
- Crime Advantage**
- With respect to a loss for which coverage is provided by this Policy and which is sustained partly during the period of other policies providing coverage for such loss issued to you or to any predecessor in interest of yours and terminated or canceled or allowed to expire as of the inception date of this Policy, the amount of the deductible that is applicable to the portion of the loss sustained during this Policy Period shall be reduced, in whole or in part, by:
- (1)** The amount of the loss which is sustained by you during the period of such other policies if such loss is less than the amount of the deductible applicable to that loss under such other policies, or
- (2)** The amount of the deductible applicable to the loss sustained by you during the period of such other policies if the applicable deductible is less than the amount of the loss sustained during such period.
- E. Section F. Definitions, 7. "Employee"**, paragraph **a.(1)(a)** is replaced by the following:
- (a)** While in your service and for the first 90 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";
- F. The following is added to F. Definitions, 7. "Employee" paragraph a.:**
- Any of your directors, trustees or non-compensated officers while performing acts within the scope of the usual duties of an employee";
- Any of your directors or trustees who are members of any of your elected or appointed committees to perform on your behalf specific, as distinguished from general, directorial acts;
- Students gaining work experience;
- Any non-compensated natural person other than one who is a fund solicitor, while performing service for you that are usual to the duties of an "employee";
- Any of your part-time "employees"; and
- Any natural person, whether or not compensated, while performing services for you as the chairman, or a member of any committee.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OMNIBUS ERISA JOINT INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY (DISCOVERY FORM)
GOVERNMENT CRIME POLICY (DISCOVERY FORM)

The Named Insured shown in the Declarations is amended to include the following language:

"All Employee Benefit Plans sponsored by the named Insured whose employees or fiduciaries are required to be bonded by The Employee Retirement Income Security Act of 1974 (ERISA)."

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIOR THEFT OR DISHONESTY

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY (DISCOVERY FORM)
GOVERNMENT CRIME POLICY (DISCOVERY FORM)

SCHEDULE

Prior Theft or Dishonesty Amount: \$25,000

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. With respect to the COMMERCIAL CRIME POLICY (DISCOVERY FORM), E. Conditions, 2. Conditions Applicable To Insuring Agreement A.1., a. Termination As to Any Employee, is replaced by the following:**
- a. Termination As To Any Employee**
- This Insuring Agreement terminates as to any “employee”:
- (1) As soon as:
- (a) You; or
- (b) any of your partners, “members”, “managers”, officers, directors, or trustees not in collusion with the “employee”,
- learn of “theft” or any other dishonest act committed by the “employee” after becoming employed by you; or
- (2) prior to becoming employed by you, provided that such conduct involved loss of “money”, “securities”, or “other property” valued at equal to, or greater than, the amount specified in the **SCHEDULE** above.
- This Insuring Agreement terminates as to any “employee” on the date specified in a notice mailed to the first Named Insured. The date will be at least 30 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. With respect to the GOVERNMENT CRIME POLICY (DISCOVERY FORM), E. Conditions, 2. Conditions Applicable To Insuring Agreements A.1. And A.2., b. Termination As To Any Employee is replaced by the following:**
- b. Termination As To Any Employee**
- These Insuring Agreements terminate as to any “employee”:
- (1) As soon as:
- (a) You; or
- (b) any of your officials or employees authorized to manage, govern or control your “employees” not in collusion with the “employee”;
- learn of “theft” or any other dishonest act committed by the “employee” after becoming employed by you; or
- (2) prior to becoming employed by you, provided that such conduct involved loss of “money”, “securities”, or “other property” valued at equal to, or greater than, the amount specified in the **SCHEDULE** above.
- These Insuring Agreements terminate as to any “employee” on the date specified in a notice mailed to the first Named Insured. The date will be at least 30 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.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND COMPUTER AND FUNDS TRANSFER FRAUD INSURING AGREEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY (DISCOVERY FORM)
GOVERNMENT CRIME POLICY (DISCOVERY FORM)

A. With respect to the **COMMERCIAL CRIME POLICY (DISCOVERY FORM), A. Insuring Agreements, 6. Computer and Funds Transfer Fraud**, is replaced by the following:

6. Computer and Funds Transfer Fraud

a. We will pay for:

- (1) Loss of or damage to "money", "securities" or "other Property" resulting directly from an unauthorized transfer of "money", "securities" or "other Property" by a natural person (other than an "employee") who has gained unauthorized access to your "computer system".
- (2) Loss resulting directly from a "fraudulent instruction" directing your "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that account.

B. With respect to the **GOVERNMENT CRIME POLICY (DISCOVERY FORM), A. Insuring Agreements, 7. Computer and Funds Transfer Fraud**, is replaced by the following:

7. Computer and Funds Transfer Fraud

a. We will pay for:

- (1) Loss of or damage to "money", "securities" or "other property" resulting directly from an unauthorized transfer of "money", "securities" or "other property" by a natural person (other than an "employee") who has gained unauthorized access to your "computer system".
- (2) Loss resulting directly from a "fraudulent instruction" directing your "financial institution" to debit your "transfer account" and to transfer, pay

or deliver "money" or "securities" from that account.

C. For the purposes of this endorsement, **D. Exclusions, 4.a. Authorized Access**, the last portion of the exclusion is replaced by the following:

any "computer system" owned, leased or operated by you or by a person or organization with authorized access to that "computer system".

D. With respect to the **COMMERCIAL CRIME POLICY (DISCOVERY FORM), D. Exclusions, 4.d. Fraudulent Instructions**, the last portion of the exclusion is replaced by the following:

which instruction proves to be fraudulent, except when covered under Insuring Agreement **A.6.a.(2)**.

E. With respect to the **GOVERNMENT CRIME POLICY (DISCOVERY FORM), D. Exclusions, paragraph 4.d. Fraudulent Instructions**, the last portion of the exclusion is replaced by the following:

Which instruction proves to be fraudulent, except when covered under Insuring Agreement **A.7.a.(2)**.

F. With respect to the **COMMERCIAL CRIME POLICY (DISCOVERY FORM), F. Definitions, 12.** "Fraudulent instruction", paragraph **b.** is deleted.

G. With respect to the **GOVERNMENT CRIME POLICY (DISCOVERY FORM), F. Definitions, 11.** "Fraudulent instruction", paragraph **b.** is deleted.

H. For the purposes of this endorsement, **F. Definitions, 2.** "Computer system" is replaced by the following:

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

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.