



Administrative Offices
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CR 78 43 (Ed. 07 11)

Policy No. GVT 206-25-69 - 04

GOVERNMENT CRIME POLICY DECLARATIONS

<p>NAMED INSURED AND MAILING ADDRESS: STATE OF NEBRASKA 1526 K STREET, SUITE 220 P.O. BOX 94974 LINCOLN, NE 68509</p>	<p>POLICY PERIOD: 12:01 A.M. Standard Time at the address of the Named Insured. From: 07/01/2014 To: 07/01/2015</p>
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IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL TERMS AND CONDITIONS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE STATED IN THIS POLICY

AGENT'S NAME AND ADDRESS:
AON RISK SERVICES NE INC
199 WATER ST.
NEW YORK, NY 10038

Insurance is afforded by the Company indicated below, a Capital Stock Corporation:
GREAT AMERICAN INSURANCE COMPANY

Coverage is Written:

() Primary (X) Excess () Coindemnity () Concurrent

Employee Benefit Plan(s) included as insureds:
N/A

Insuring Agreements	Limit of Insurance Per Occurrence	Deductible Amount Per Occurrence
1. Employee Theft - Per Loss Coverage	\$ 10,000,000	\$ 1,025,000
2. Employee Theft - Per Employee Coverage	\$ NOT COVERED	\$ N/A
3. Forgery Or Alteration	\$ NOT COVERED	\$ N/A
4. Inside The Premises - Theft Of Money and Securities	\$ 10,000,000	\$ 1,025,000
5. Inside The Premises - Robbery Or Safe Burglary Of Other Property	\$ 10,000,000	\$ 1,025,000
6. Outside The Premises	\$ 10,000,000	\$ 1,025,000
7. Computer Fraud	\$ NOT COVERED	\$ N/A
8. Funds Transfer Fraud	\$ NOT COVERED	\$ N/A
9. Money Orders And Counterfeit Money	\$ NOT COVERED	\$ N/A

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

If Added by Endorsement:

Insuring Agreement(s)	Limit of Insurance Per Occurrence	Deductible Amount Per Occurrence
N/A	\$	\$

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 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 collu-

sion 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 of your or 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; or

(2) the use 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 non-public 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. 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 semi-trailers 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) But, 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" 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 conceal 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.

I. 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 repairs 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

This Insuring Agreement terminates 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.

9. "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution."**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, telegraphic, cable, teletype, 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.

(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.

(3) A computer, telegraphic, cable, teletype, telefacsimile, telephone or other electronic or written instruction initially received by you, which instruction purports to have been issued by an "employee," but which in fact was fraudulently issued by someone else without your or the "employee's" knowledge or consent.

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

A computer, telegraphic, cable, teletype, 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 non-negotiable 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, telegraphic, cable, teletype, 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.



Administrative Offices
 301 E 4th Street
 Cincinnati, Ohio 45202-4201
 Tel: 1-513-369-5000

BUSINESSPRO FORMS AND ENDORSEMENTS SCHEDULE

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

	Form and Edition	Date Added*		Form Description
		ST	Date Deleted	
1.	CR7843	07/11	NE	GOVERNMENT CRIME POLICY DEC
2.	CR0026	08/13	NE	GOV'T CRIME POLICY - DISCOVERY FORM
3.	CR2510	10/10	NE	INCL VOL OTHR FUND SOLICITOR EMPLE
4.	CR2512	10/10	NE	INCLUDE TREASURES OR TAX COLLECTORS
5.	CR2513	10/10	NE	INCLUDE STUDENTS AS EMPLOYEES
6.	CR2519	10/10	NE	ADD FAITHFUL PERF DUTY COV/GOV EMPS
7.	CR0165	10/10	NE	NE CHANGES - ACTUAL CASH VALUE
8.	CR7941	06/14	NE	VIRTUAL OR ON-LINE PR TO PR
9.	CR0228	10/10	NE	NE CHANGES
10.	IL7324	08/12	NE	ECONOMIC AND TRADE SANCTIONS CLAUSE
11.	IL7273	08/08	NE	LOSS PREVENTION SERVICES
12.	IL7268	09/09	NE	IN WITNESS CLAUSE
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
21.				
22.				

*If not at inception

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

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 definition of "employee" is amended to include any noncompensated natural person other than one who is a fund solicitor, while performing services for you that are usual to the duties of an "employee."

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CR 25 10 (Ed. 10/10) XS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCLUDE TREASURERS OR TAX COLLECTORS AS EMPLOYEES

This endorsement modifies insurance provided under the following:

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

Schedule

Treasurers or Tax Collectors
ALL TREASURERS OR TAX COLLECTORS
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

1. The definition of "employee" is amended to include your treasurers or tax collectors shown in the Schedule.
2. Exclusion **D.2.d. Treasurers or Tax Collectors** is deleted.

CR 25 13
(Ed. 10 10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCLUDE STUDENTS AS 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 Employee Theft Insuring Agreement:

1. The definition of "employee" is amended to include any student enrolled in a school under your jurisdiction while the student is handling or has possession of property or funds in connection with sanctioned student activities.
2. Exclusion D.2.d. **Treasurers or Tax Collectors** is deleted.

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CR 01 65
(Ed. 10 10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEBRASKA CHANGES - ACTUAL CASH VALUE

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

The following is added to the **Valuation - Settlement** Condition:

In our determination of the actual cash value of Covered Property at the time of loss or damage, we will take into account factors such as depreciation, deterioration and obsolescence.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADD FAITHFUL PERFORMANCE OF 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
(X) Employee Theft – Per Loss Coverage	\$ 1,000,000
() Employee Theft – Per Employee Coverage	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

1. 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.

2. 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.

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

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.

4. 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";
- learn 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.
5. The coverage provided by this endorsement does not apply to any employee benefit plan(s) covered under the Employee Theft Insuring Agreement shown in the Schedule.



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT NO. 1

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

This Endorsement applies to Government Crime Policy No. GVT 206 - 25 - 69 - 04

This Endorsement amends **D. Exclusions:**

Applicable to all Insuring Agreements

This Policy does not cover:

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEBRASKA CHANGES

This endorsement modifies insurance provided under the following:

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

A. Paragraphs (2) and (3) of the **Cancellation of Policy** Condition are replaced by the following:

(2) Cancellation of Policies in Effect

(a) 60 Days or Less

If this Policy has been in effect for 60 days or less, we may cancel this Policy for any reason.

(b) More than 60 Days

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

- (i) nonpayment of premium;
- (ii) the policy was obtained through material misrepresentation;
- (iii) any insured has submitted a fraudulent claim;
- (iv) any insured has violated the terms and conditions of this Policy;
- (v) the risk originally accepted has substantially increased;
- (vi) certification to the Director of Insurance of our loss of reinsurance which provided coverage to us for all or a substantial part of the underlying risk insured; or

(vii) the determination by the Director of Insurance that the continuation of the Policy could place us in violation of the Nebraska Insurance Laws.

(c) If we cancel this Policy subject to paragraph (2)(a) or (2)(b) above, we will mail to the first Named Insured a written notice of cancellation, stating the reasons for cancellation, at least:

- (i) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (ii) 60 days before the effective date of cancellation if we cancel for any other reason.

(3) We will mail our notice by first class mail to the first Named Insured's last mailing address known to us. A United States Postal Service Certificate of Mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate of mailing.

B. Paragraph (6) of the **Cancellation of Policy** Condition does not apply.

C. The following is added and supersedes any other provision to the contrary:

Nonrenewal

- 1. If we decide not to renew this Policy, we will mail written notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured, at least 60 days prior to the expiration date of this Policy.

2. Any notice of nonrenewal will be mailed by first class mail to the first Named Insured's last mailing address known to us. A United States Postal Service Certificate of

Mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate of mailing.



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IL 73 24 (Ed. 08 12)

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

ECONOMIC AND TRADE SANCTIONS CLAUSE

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

IL 73 24 (Ed. 08/12)



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IL 72 73
 (Ed. 08 08)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS PREVENTION SERVICES

This endorsement modifies insurance provided under the following:

COMMON POLICY CONDITIONS

The following is added to the **Common Policy Conditions**

G. Loss Prevention Services

At our cost, we may provide or recommend a broad range of loss prevention services designed to improve the acceptability of an insured. These services may require your cooperation to make them effective.

We provide these services based on need as indicated by the size, hazard and experience of your operation. We may elect to provide these services through another entity.

In addition to inspections and surveys, referenced in **D. Inspections and Surveys**, these services may include, but are not limited

to, safety and prevention training, consultations, safety devices, health screenings and analyses of accident causes.

We are not obligated to provide any loss prevention services and 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.

This endorsement does not change any other provision of the Policy.



Administrative Offices
580 Walnut Street
Cincinnati, Ohio 45202
Tel: 1-513-369-5000

IL 72 68
(Ed. 09 09)

In Witness Clause

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

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

President

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

Secretary



Administrative Offices
301 E 4th Street
Cincinnati, Ohio 45202-4201
Tel: 1-513-369-5000

**IMPORTANT NOTICE
FIDELITY CRIME DIVISION CLAIMS**

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

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

(860) 298-7330

(860) 688-8188 fax

CrimeClaims@gaic.com



Administrative Offices
 301 E 4th Street
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2012 CRIME AND FIDELITY MULTISTATE FORMS REVISION ADVISORY NOTICE TO POLICYHOLDERS - GOVERNMENT CRIME

This is a summary of the major changes to your policy. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy or endorsements. You should read your policy and review your Declarations for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

The areas within the policy that broaden or reduce coverage or constitute other changes are highlighted below. This notice does not reference every editorial change made in your policy.

- CR 00 24 - GOVERNMENT CRIME COVERAGE FORM (DISCOVERY FORM)
- CR 00 25 - GOVERNMENT CRIME COVERAGE FORM (LOSS SUSTAINED FORM)
- CR 00 26 - GOVERNMENT CRIME POLICY (DISCOVERY FORM)
- CR 00 27 - GOVERNMENT CRIME POLICY (LOSS SUSTAINED FORM)

BROADENINGS OF COVERAGE

COMPUTER AND FUNDS TRANSFER FRAUD INSURING AGREEMENT

The separate Computer Fraud and Funds Transfer Fraud coverages are combined into one insuring agreement. This new insuring agreement covers loss resulting directly from a fraudulent entry of "electronic data" or "computer program" into, or change of "electronic data" or "computer program" within, any "computer system" owned, leased or operated by the insured; provided the fraudulent entry or fraudulent change causes "money", "securities" or "other property" to be transferred, paid or delivered; or the insured's account at a "financial institution" to be debited or deleted. The new insuring agreement emphasizes that loss resulting from the incidental use of a computer, for example to generate false documents, is not intended to be covered.

OWNERSHIP OF PROPERTY; INTERESTS COVERED CONDITION

We revised the Ownership condition to emphasize in paragraph (2) that property held by the insured in any capacity is covered.

DEFINITION OF "EMPLOYEE"

We enhanced the "employee" definition provisions (2) and (6) by removing the restriction for persons having care and custody outside the premises.

DEFINITION OF "FINANCIAL INSTITUTION"

We replaced the "bank" definition with the broader "financial institution" definition to cover insured property in both depository institutions and in other financial institutions such as securities dealers and insurers.

DEFINITION OF "FINANCIAL INSTITUTION PREMISES"

We replaced the more restrictive "banking premises" definition with the broader "financial institution premises" definition to cover the interior portion of any building occupied by a "financial institution".

DEFINITION OF "FRAUDULENT INSTRUCTION"

This definition was enhanced by delineating which of its provisions apply specifically to the Computer And Funds Transfer Fraud insuring agreement's computer fraud coverage and which apply specifically to its funds transfer fraud coverage. The definition has several new provisions in which "fraudulent instruction" is further defined as an instruction directing a "financial institution" to debit the insured's "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account". Finally, to track with an update to the Funds Transfer Fraud coverage, the definition explicitly covers a "fraudulent instruction" issued by a computer software contractor to an "employee" of the insured who is not in collusion with the software contractor.

DEFINITION OF "MONEY"

We expanded the definition of "money" to include deposits in an insured's "financial institution" account in addition to tangible types of "money" such as currency and coin.

NO IMPACT ON COVERAGE**FUNDS TRANSFER FRAUD INSURING AGREEMENT**

This insuring agreement was removed since it is no longer needed with the addition of the Computer and Funds Transfer Fraud Insuring Agreement.

CONFIDENTIAL OR PERSONAL INFORMATION EXCLUSION

This exclusion was renamed Confidential Or Personal Information to emphasize its original intent to exclude both the insured's confidential information and the personal information of others.

DATA SECURITY BREACH EXCLUSION

Since these types of expenses are the indirect consequence of loss, they are not intended to be covered under a government crime policy; they are more appropriately covered under cyber-insurance policies. This exclusion has no impact since it emphasizes that data security breach expenses, like other kinds of expenses, are not considered to be within the scope of this insurance. However, this new exclusion may be considered to be a reduction of coverage in any jurisdictions where a court has decided data breach expenses are covered under government crime coverage forms and policies.

DUTIES IN THE EVENT OF LOSS CONDITION

In addition to restructuring, we included a new duty regarding the insured's responsibility at the time of "discovery" of loss to secure all of its rights of recovery against any person or organization who is responsible for such loss and to do nothing to impair those rights.

OWNERSHIP OF PROPERTY; INTERESTS COVERED CONDITION

We revised paragraph (3) to explicitly state that the insured's legal liability for property of others must have existed prior to loss for that theft to be covered.

DEFINITION OF "BANKING PREMISES"

This definition was removed since it was no longer needed with the addition of the "financial institution premises" definition.

DEFINITION OF "COMPUTER PROGRAM"

Under this new definition, "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".

DEFINITION OF "COMPUTER SYSTEM"

Under this new definition, "computer system" means "computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components; systems and applications software; and related communications networks; by which "electronic data" is collected, transmitted, processed, stored or retrieved".

DEFINITION OF "ELECTRONIC DATA"

This new definition of "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."

DEFINITION OF "FUNDS"

This definition was removed since it was no longer needed with the new definition of "money".

REDUCTIONS OF COVERAGE

AUTHORIZED ACCESS EXCLUSION

This new exclusion applies to loss under the Computer And Funds Transfer Fraud insuring agreement due to "the fraudulent entry of, or change to, "electronic data" or a "computer program", by a person or organization authorized to access the insured's computer system, except for computer software contractors".

EXCHANGES OR PURCHASES EXCLUSION

This exclusion, which applies to loss from the giving or surrendering of covered property in any purchase or exchange, originally applied only to the inside and outside the premises insuring agreements **A.4.**, **A.5.** and **A.6.** It now also applies to the new Computer And Funds Transfer Fraud Insuring Agreement **A.7.** for purchase and exchange transactions done by computer.

TRANSFER OR SURRENDER OF PROPERTY EXCLUSION

The phrase, "including but not limited to" has been added to the exclusion as an all encompassing statement. A new type of extortion threat "to disseminate, divulge or utilize confidential or personal information of another person or organization" has been added.

CR 00 30 - GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY (DISCOVERY FORM)

CR 00 31 - GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY (LOSS SUSTAINED FORM)

BROADENINGS OF COVERAGE

DEFINITION OF "EMPLOYEE"

We enhanced the "employee" definition provisions **(2)** and **(6)** by removing the restriction for persons having care and custody outside the premises.

DEFINITION OF "MONEY"

We expanded the definition of "money" to include deposits in an insured's "financial institution" account in addition to tangible types of "money" such as currency and coin.

NO IMPACT ON COVERAGE**CONFIDENTIAL OR PERSONAL INFORMATION EXCLUSION**

This exclusion was renamed Confidential Or Personal Information to emphasize its original intent to exclude both the insured's confidential information and the personal information of others.

DATA SECURITY BREACH EXCLUSION

Since these types of expenses are the indirect consequence of loss, they are not intended to be covered under a government employee theft and forgery policy; they are more appropriately covered under cyber-insurance policies. This exclusion has no impact since it emphasizes that data security breach expenses, like other kinds of expenses, are not considered to be within the scope of this insurance. However, this new exclusion may be considered to be a reduction of coverage in any jurisdictions where a court has decided data breach expenses are covered under government employee theft and forgery policies.

DUTIES IN THE EVENT OF LOSS CONDITION

In addition to restructuring, we included a new duty regarding the insured's responsibility at the time of "discovery" of loss to secure all of its rights of recovery against any person or organization that is responsible for such loss and to do nothing to impair those rights.

OWNERSHIP OF PROPERTY; INTERESTS COVERED CONDITION

We revised paragraph (3) to explicitly state that the insured's legal liability for stolen property of others must have existed prior to loss for that theft to be covered.

DEFINITION OF "FUNDS"

This definition was removed since it was no longer needed with the new definition of "money".