

PREMIUM BILL

Date: August 1, 2023

Insured: BROWN FOX, PLLC

Producer: FRANK SWINGLE & ASSOCIATES INC DBA SWINGLE
COLLINS & ASSOCS
13760 NOEL ROAD
SUITE 600
DALLAS, TX 75240

Company: Federal Insurance Company

THIS BILLING IS TO BE ATTACHED TO AND FORM A PART OF THE POLICY REFERENCED BELOW.

Policy Number: J06277718

Policy Period: 08-01-2023 to 08-01-2024

NOTE: PLEASE RETURN THIS BILL WITH REMITTANCE AND NOTE HEREON ANY CHANGES. BILL WILL BE RECEIPTED AND RETURNED TO YOU PROMPTLY UPON REQUEST.

Product	Effective Date	Premium
The ForeFront Portfolio	08-01-2023	\$2,585.00
TOTAL POLICY PREMIUM		\$2,585.00

WHEN REMITTING PLEASE INDICATE POLICY OR CERTIFICATE NUMBER

DECLARATIONS**Policy Number: Jo6277718****FEDERAL INSURANCE COMPANY**

Incorporated under the laws of Indiana, a stock insurance company, herein called the Company

One American Square 202 N Illinois Street, Suite 2600
Indianapolis, IN 46282

NOTICE: THE LIABILITY COVERAGE PARTS PROVIDE CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO "MATTERS" FIRST MADE DURING THE "POLICY PERIOD", OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY TO PAY "LOSS" WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE RETENTION. IN NO EVENT WILL THE COMPANY BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY. READ THE ENTIRE POLICY CAREFULLY.

Item 1. Parent Organization:BROWN FOX, PLLC
8111 PRESTON ROAD, SUITE 300
DALLAS, TX 75225**Item 2. Policy Period:**From: August 1, 2023 To: August 1, 2024
At 12:01 AM local time at the address shown above.**Item 3. Extended Reporting Period:**

- (A) Additional Period: N/A
(B) Additional Premium: N/A

Item 4. Coverage(s) Applicable to this Policy:

- ☐ Directors & Officers and Entity Liability Coverage Part
☐ Employment Practices Liability Coverage Part
☐ Fiduciary Liability Coverage Part
☒ Crime Coverage Part
☐ Kidnap, Ransom & Extortion Coverage Part
☐ Employed Lawyers Liability Coverage Part
☐ Workplace Violence Expense Coverage Part

CRIME COVERAGE PART

	Insuring Clause	Limit of Liability	Retentions
(A)	Employees and Plan Officials		
(1)	Employee Theft	\$1,000,000	\$10,000
(2)	Client Theft	\$1,000,000	\$10,000
(3)	ERISA Fraud or Dishonesty	\$1,000,000	None
(B)	Premises	\$1,000,000	\$10,000
(C)	In Transit	\$1,000,000	\$10,000
(D)	Forgery	\$1,000,000	\$10,000
(E)	Computer System Fraud	\$1,000,000	\$10,000
(F)	Funds Transfer Fraud	\$1,000,000	\$10,000
(G)	Social Engineering Fraud	\$50,000	\$10,000
(H)	Money Orders and Counterfeit Currency Fraud	\$1,000,000	\$10,000
	Claim and Computer Investigation Expense	\$100,000	None

IN WITNESS WHEREOF, the Company issuing this Policy has caused this Policy to be signed by its authorized officers, but it shall not be valid unless also signed by a duly authorized representative of the Company.

Federal Insurance Company


Secretary



President

May 17, 2023

Date



Authorized Representative

SCHEDULE OF FORMS

To be attached to and form part of
Policy Number: JO6277718

Company: Federal Insurance Company

Policy Period :
08-01-2023 to 08-01-2024

Issued to: BROWN FOX, PLLC

<u>Form Number</u>	<u>Edition Date</u>	<u>Form Title</u>
PF-55501D	(07/21)	THE CHUBB ForeFront Insurance Declarations
99-10-0460B	(08/19)	Notice to Policyholders
ALL-20887a	(09/19)	Chubb Producer Compensation Practices and Policies
ALL-21101	(09/19)	Trade or Economic Sanctions Notice
ALL-317454	(03/21)	Social Engineering Tips
ALL-4Y30g	(05/20)	Texas Notice - Information and Complaints
PF-17914a	(04/16)	U.S. Treasury Departments Office of Foreign Assets Control - OFAC - Advisory Notice to Policyholders
General Terms and Conditions		
PF-55501	(07/21)	GENERAL TERMS AND CONDITIONS POLICY FORM
PF-55987	(07/21)	TEXAS AMENDATORY ENDORSEMENT
PF-55107	(07/21)	RENEWAL POLICY ENDORSEMENT
Commercial Crime Coverage Part		
PF-55507	(07/21)	CRIME COVERAGE PART POLICY FORM
PF-54782	(07/21)	TEXAS AMENDATORY ENDORSEMENT
PF-54700	(07/21)	TAX COMPENSATION COVERAGE ENDORSEMENT
PF-54704	(07/21)	LAW FIRM EMPLOYEE ENDORSEMENT
PF-54720	(07/21)	TELEPHONE TOLL FRAUD ENDORSEMENT
PF-54737	(07/21)	CORPORATE CARD COVERAGE ENDORSEMENT

Insuring Company: Federal Insurance Company

Enclosed is your commercial insurance policy from Chubb. The bill that corresponds with this policy has been mailed separately. When you receive the bill, please pay the amount due by the date indicated. Payment should be made directly to Chubb. As always, prompt payment will keep your coverage in place.

If you have any questions about the attached policy or need assistance with additional insurance, contact your agent or broker. For questions about billing, call our Premium Accounting Service Center at 1-800-372-4822. Thank you for insuring through Chubb.



Chubb Producer Compensation Practices & Policies

Chubb believes that policyholders should have access to information about Chubb's practices and policies related to the payment of compensation to brokers and independent agents. You can obtain that information by accessing our website at <http://www.chubbproducercompensation.com> or by calling the following toll-free telephone number:

1-866-512-2862.

TRADE OR ECONOMIC SANCTIONS NOTICE

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of the policy remain unchanged.

Social Engineering Tips Please read!

HAVE YOU BEEN TRICKED INTO WIRE FRAUD? TAKE IMMEDIATE ACTION!

If you believe you have transferred funds to a criminal posing as a legitimate business associate, you should act quickly:

1. Immediately contact the originating bank and **request a recall of the wire transfer** and confirm that recall in writing.
2. Immediately file a **complaint with the FBI** at www.ic3.gov. This reporting triggers the FBI's Recovery Asset Team and the FBI's assistance seeking return of the wire transfer.
3. Preserve **records of the incident**, including emails sent and received *in their original electronic state*. Correspondence and forensic information contained in these electronic files help investigators shed light on the perpetrator(s), and parties responsible for the incident.
4. Once the above steps are complete, **contact Chubb** per the instructions in your policy.

While neither recalling the wire transfer nor reporting to the FBI guarantees the return of your funds, these steps maximize the opportunity to mitigate your loss, assist the FBI in tracing the funds and help establish any insurance claim.

Simple Steps to Prevent Fraudulently Induced Wire Transfers

Email communication is efficient, but it is not a secure method of communication. Regardless of your familiarity with a contact, that contact's **email may be intercepted, altered and fabricated**. You may reduce the chances of fraud by following these best practices:

1. **Verify Email Requests by Telephone:** Require those responsible for paying invoices or changing bank routing information to verify payment details over the phone, rather than by email or documents sent electronically. Making a phone call to a known, pre-existing telephone number remains the single best protection against fraud.
2. **Segregate Wire Transfer Responsibilities:** Establish a standing policy that requires at least three people to review and approve wire transfer requests, pay an invoice or change a business partner's bank account information. Such requests should be entered by the initiator of the wire and verified by two independent signatories.
3. **Turn on MFA for Cloud Email:** Multifactor Authentication is available from all major email providers. It provides a layer of security to email accounts beyond a user's account name and password, making it harder for criminals to impersonate you, your executives and your employees.

This document is for information only. It is offered as a resource to be used together with your professional insurance advisers in maintaining a loss prevention program. No liability is assumed by reason of the information this document contains.

Have a complaint or need help?

If you have a problem with a claim or your premium, call your insurance company or HMO first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company or HMO. If you don't, you may lose your right to appeal.

Chubb

To get information or file a complaint with your insurance company or HMO:

Call: Chubb at 1-800-352-4462

Email: ChubbUSCustomerServices@chubb.com

Mail: Chubb Customer Services, PO Box 1000, Philadelphia, PA 19106-3703

The Texas Department of Insurance

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: www.tdi.texas.gov

Email: ConsumerProtection@tdi.texas.gov

Mail: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

¿Tiene una queja o necesita ayuda?

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros o HMO. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros o HMO. Si no lo hace, podría perder su derecho para apelar.

Chubb

Para obtener información o para presentar una queja ante su compañía de seguros o HMO:

Llame a: Chubb al 1-800-352-4462

Correo electrónico: ChubbUSCustomerServices@chubb.com

Dirección postal: Chubb Customer Services, PO Box 1000, Philadelphia, PA 19106-3703

El Departamento de Seguros de Texas

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439

Presente una queja en: www.tdi.texas.gov

Correo electrónico: ConsumerProtection@tdi.texas.gov

Dirección postal: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091



U.S. Treasury Department's Office Of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders

This Policyholder Notice shall not be construed as part of your policy and no coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

In consideration of payment of the premium and subject to the Declarations and the limitations, conditions, provisions and other terms of this Policy, the Company and the Insureds agree as follows:

I. TERMS AND CONDITIONS

Except for these General Terms and Conditions or unless stated to the contrary in any Coverage Part, the terms and conditions of each Coverage Part apply only to that Coverage Part. If any provision in these General Terms and Conditions is inconsistent or in conflict with the terms and conditions of any Coverage Part, the terms and conditions of such Coverage Part shall control for purposes of that Coverage Part. All bolded terms in these General Terms and Conditions that are not defined under Section II, Definitions shall have the meaning set forth in the applicable Coverage Part.

II. DEFINITIONS

Application means any portion of an application given to the Company for this Policy, including any attachments, written information, representations or materials provided to the Company by, or on behalf of, an **Insured** during the negotiation of this Policy or for the purposes of the Company's underwriting of this Policy.

Foreign Jurisdiction means any jurisdiction, other than the United States of America.

Global Law means:

- (A) United States federal, state, and local statutory law and any rule or regulation promulgated thereunder, all as amended;
- (B) United States common law; and
- (C) with respect to Subsections (A) and (B) above, any equivalent body of law in a **Foreign Jurisdiction**.

Liability Coverage Part means the Directors & Officers and Entity Liability ("D&O"), Employment Practices Liability ("EPL"), Fiduciary Liability ("FL") and Employed Lawyers Liability ("ELL") Coverage Parts, if purchased as set forth in Item 4, Coverage(s) Applicable to this Policy, of the Declarations.

Non-Liability Coverage Part means the Crime ("Crime"), Kidnap, Ransom & Extortion ("KRE") and Workplace Violence Expense ("WPV") Coverage Parts, if purchased as set forth in Item 4, Coverage(s) Applicable to this Policy, of the Declarations.

Organization means the **Parent Organization** and any **Subsidiary**. **Organization** shall also mean any such entity as a debtor in possession or the equivalent thereof in a **Foreign Jurisdiction**.

Parent Organization means the entity named in Item 1 of the Declarations.

Policy Period means the period of time set forth in Item 2 of the Declarations (subject to any termination in accordance with Section XIX, Termination of Policy) and the Extended Reporting Period, if applicable.

Related means based upon, arising from or in consequence of the same or related, or the same or related series of, facts, circumstances, transactions, situations, events or **Wrongful Acts**.

Subsidiary means:

- (A) any entity while the **Parent Organization**, directly or indirectly through one or more **Subsidiaries**:
 - (1) owns or controls more than fifty percent (50%) of the outstanding securities or voting rights representing the present right; or

- (2) has the right, pursuant to either written contract or the by-laws, charter, operating agreement or similar documents of an **Organization**,
to elect, appoint or exercise a majority control over such entity's directors, trustees, manager, member of the Board of Managers, or the functional or foreign equivalent positions of such entity;
- (B) any entity while the **Parent Organization**, directly or indirectly through one or more **Subsidiaries**:
 - (1) owns or controls exactly fifty percent (50%) of the outstanding securities or voting rights representing the present right to elect, appoint or exercise a majority control over such entity's directors, trustees, manager, member of the Board of Managers, or the functional or foreign equivalent positions of such entity; and
 - (2) has the right, pursuant to either written contract or the by-laws, charter, operating agreement or similar documents of an **Organization** to solely control the management and operation of such entity; or
- (C) any foundation or charitable trust while such entity is controlled by the **Parent Organization**;

However, with respect to the D&O for Not-for-Profit Organizations Coverage Part (if purchased), **Subsidiary** shall not include any for-profit entity or chapter of the **Parent Organization** unless added by Endorsement.

III. LIMIT OF LIABILITY

- (A) With respect to the **Liability Coverage Parts**:
 - (1) The Company's maximum aggregate liability for each **Liability Coverage Part** shall be the applicable Aggregate Limit of Liability set forth in Item 4(A) of the Declarations: (a) subject to any Sublimits; and (b) excess of any applicable Retention.
 - (2) Subject to Paragraph (A)(1) above, if the Limit of Liability of any Coverage Part is designated as shared in Item 4(B) of the Declarations ("Shared Coverage Part"), then the Company's Limit of Liability for each Shared Coverage Part shall be part of, and not in addition to, all other Shared Coverage Parts and shall reduce and may exhaust the Limit of Liability for each Shared Limit of Liability.
 - (3) Subject to Paragraphs (A)(1) and (A)(2) above, all **Defense Costs** are part of, and not in addition to, the applicable Aggregate Limit of Liability for each **Liability Coverage Part** and payment by the Company of **Defense Costs** shall reduce and may exhaust such Limits of Liability.
 - (4) If different parts of a **Matter** are subject to different Sublimits under this Policy, then the amount of **Loss** applicable to such Sublimits shall not exceed the largest applicable Sublimit.
 - (B) With respect to the **Non-Liability Coverage Parts**, the Company's maximum liability shall be the applicable Limits of Liability set forth in the Crime, KRE and WPV portions of the Declarations and shall apply as provided in such **Non-Liability Coverage Part**.
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IV. RETENTION

- (A) With respect to the **Liability Coverage Parts**:
 - (1) The Retentions shall apply as set forth in the Declarations and shall only apply to covered **Loss**. Retentions shall be borne uninsured by the **Insureds** and at their own risk.
 - (2) If different parts of a **Matter** are subject to different Retentions in different Insuring Clauses, Coverage Extensions or Coverage Parts, the applicable Retentions shall be applied separately to each part of such **Matter**, but the sum of such Retentions shall not exceed the largest applicable Retention.
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- (3) No Retention shall apply to **Loss** incurred by an **Insured Person** if such **Loss** cannot be indemnified by an **Organization** because such **Organization** is not permitted to indemnify by any **Global Law**, or is permitted or required to indemnify, but is unable to do so by reason of **Financial Impairment**.
 - (4) Except as otherwise provided in this Policy, coverage for any **Matter** (other than a **Claim** or **Derivative Demand Investigation**) shall only apply in excess of the Retention applicable if such **Matter** was a **Claim**.
- (B) With respect to the **Non-Liability Coverage Parts**:
- (1) The Company's liability shall apply only to that part of each covered loss which is in excess of the applicable Retention set forth in the Crime, KRE and WPV portions of the Declarations, if applicable.
 - (2) If an **Insured** receives payment under another insurance policy or bond, after application of any deductible or retention thereunder, for loss also covered hereunder, then the applicable Retention set forth in the Crime, KRE and WPV portions of the Declarations, if applicable, shall be reduced by the amount of the deductible or retention applied to such loss under such other insurance policy or bond.
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V. RELATED MATTERS

With respect to the **Liability Coverage Parts**, all **Matters** that are **Related** shall be deemed a single **Matter** first made on the date the earliest of such **Matters** was either first made, or on the date the earliest of such **Matters** is deemed to have been first made in accordance with the reporting provisions of this Policy or any prior policy.

VI. EXTENDED REPORTING PERIOD

With respect to the **Liability Coverage Parts**:

- (A) If this Policy does not renew or is otherwise terminated for a reason other than for non-payment of premium (each a "Termination of Coverage"), then any **Insured** shall have the right to purchase the Extended Reporting Period for the Additional Period and Additional Premium as set forth in Item 3 of the Declarations.
 - (B) The right to purchase the Extended Reporting Period shall lapse unless written notice of election to purchase the Extended Reporting Period, together with payment of the applicable Additional Premium, is received by the Company within sixty (60) days after the effective date of a Termination of Coverage.
 - (C) If the Extended Reporting Period is purchased, then coverage otherwise afforded by this Policy shall be extended to apply to:
 - (1) any **Matter** that is either first made or deemed to have been first made during the Extended Reporting Period;
 - (2) any **Matter** that is reported to the Company in accordance with the Reporting Section for each applicable **Liability Coverage Part**; and
 - (3) any **Matter** for any **Wrongful Act**, or any **Matter** arising out of facts or circumstances, occurring prior to the earliest of the effective date of a Termination of Coverage or the date of any conversion of coverage described in Section X, Acquisition of The Parent Organization, or Section XI, Acquisition, Creation or Cessation of Subsidiaries or Plans.
 - (D) The Additional Premium for the Extended Reporting Period shall be deemed fully earned at the inception of the Extended Reporting Period.
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- (E) No coverage shall be available under this Section VI for that portion of any **Matter** covered under insurance purchased subsequent to the effective date of a Termination of Coverage. The applicable Limits of Liability including any Sublimits for the Extended Reporting Period are part of, and not in addition to, any applicable Aggregate Limit of Liability for the **Policy Period** immediately preceding the Extended Reporting Period.

VII. BANKRUPTCY

- (A) Bankruptcy or insolvency of any **Insured** shall not relieve the Company of its obligations nor deprive the Company of its rights or defenses under this Policy.
- (B) In the event a liquidation or reorganization proceeding is commenced by or against an **Organization** under United States bankruptcy law or any equivalent body of law in a **Foreign Jurisdiction**, the **Organization** and the **Insured Persons** hereby agree not to oppose or object to any efforts by the Company, the **Organization** or an **Insured Person** to obtain relief from any stay or injunction.

VIII. INDEMNIFICATION, SUBROGATION AND RECOURSE

With respect to the **Liability Coverage Parts**:

- (A) This Policy has been issued to the **Parent Organization** with the understanding and agreement that each **Organization** agrees to fulfill its indemnification obligations to each **Insured Person** to the fullest extent permitted by: (1) any **Global Law**, or (2) any contract or agreement providing an indemnification obligation exceeding any such law. If indemnification is permitted, then coverage shall apply under each **Liability Coverage Part** as if such indemnification has been provided. If the Company pays as **Loss** any indemnification owed to any **Insured Person** by any **Organization**, the Company does not waive or compromise any of its rights to recover such **Loss** from such **Organization**.
- (B) In the event of any payment of **Loss** under this Policy, the Company shall be subrogated to the extent of such payment of **Loss** to all of the **Insureds'** rights of recovery, including any such right to indemnification from any **Organization, Outside Entity**, other insurer or other source. The **Insureds** shall take all reasonable actions to secure and preserve the Company's rights, including any action against any **Organization** for indemnification. It is understood and agreed that the Company shall not subrogate against any **Insured Person**.
- (C) Any recovery of payment made by the Company shall be the sole property of the Company; provided, as of the date the recovery is received by the Company, the applicable Limits of Liability of this Policy shall be reinstated in the amount of such recovery, minus all costs incurred by the Company to obtain such recovery.
- (D) No **Plan** has purchased or paid for this Policy and thus, the right of recourse that is otherwise required under ERISA Section 410(b)(1) is not applicable.

IX. ACTION AGAINST THE COMPANY

No action may be taken against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy. No natural person or entity shall have any right under this Policy to join the Company as a party to any action against any **Insured** to determine such **Insured's** liability nor shall the Company be impleaded by such **Insured** or legal representatives of such **Insured**.

X. ACQUISITION OF THE PARENT ORGANIZATION

- (A) If during the **Policy Period** any of the following events occurs:
- (1) another entity, natural person or group of entities or natural persons acquires:
- (a) more than fifty percent (50%) of the outstanding securities or voting rights representing the present right; or

- (b) the right, pursuant to either written contract or the by-laws, charter, operating agreement or similar documents;
to elect, appoint or exercise a majority control over the **Parent Organization's** directors, trustees, manager, member of the Board of Managers, or the functional or foreign equivalent positions of the **Parent Organization**;
 - (2) the **Parent Organization** emerges from bankruptcy as of the effective date stated in the plan of reorganization; or
 - (3) the acquisition of all or substantially all of the **Parent Organization's** assets, by another entity, natural person or group of entities or natural persons, or the merger of the **Parent Organization** into or with another entity such that the **Parent Organization** is not the surviving entity;
- (B) then:
- (1) any applicable coverage under this Policy with respect to:
 - (a) any **Liability Coverage Part**, shall continue until the expiration of the current **Policy Period**, solely for **Matters for Wrongful Acts**, or **Matters** arising out of facts or circumstances, first occurring prior to such event; or
 - (b) any **Non-Liability Coverage Part**, shall terminate subject to Section XIX, Termination of Policy;
 - (2) the **Parent Organization** shall give written notice of such event to the Company as soon as practicable together with such information as the Company may require; and
 - (3) the entire premium for this Policy shall be deemed fully earned as of the effective date of such event.
- (C) If the **Parent Organization** gives the Company written notice of an acquisition described in Paragraphs (A)(1) or (A)(3) above at least sixty days prior to the date of such acquisition together with all information that the Company may require, the Company shall provide the **Parent Organization** with a quote for up to a six (6) year extension of coverage, solely for **Matters for Wrongful Acts**, or **Matters** arising out of facts or circumstances, first occurring prior to such acquisition (the "Run-Off Quote"). Coverage offered pursuant to the Run-Off Quote may be subject to additional or different terms and conditions and payment of additional premium. If the **Parent Organization** accepts the Run-Off Quote, the extension of coverage provided pursuant to the Run-Off Quote shall replace any extension of coverage that would otherwise be available to the **Insureds** pursuant to Section VI, Extended Reporting Period.

XI. ACQUISITION, CREATION OR CESSATION OF SUBSIDIARIES OR PLANS

- (A) **Acquisition of Another Organization, Sponsored Plan or Employee Benefit Plan**
- (1) With respect to the **Liability Coverage Parts**, if before or during the **Policy Period** an **Organization** acquires:
 - (a) voting rights or appointment rights in another entity, such that the acquired entity becomes a **Subsidiary**; or
 - (b) another plan such that the acquired plan becomes a **Sponsored Plan** (other than an Employee Stock Ownership Plan ("ESOP")),
- then coverage shall be provided for such **Subsidiary, Sponsored Plan**, and any **Insureds** thereof, solely for **Matters for Wrongful Acts**, or **Matters** arising out of facts or circumstances, first occurring after such acquisition.

- (2) With respect to the **Non-Liability Coverage Parts**, if before or during the **Policy Period** an **Insured** acquires, merges or consolidates with another entity, such that the acquired, merged or consolidated entity becomes a **Subsidiary**, then coverage shall be provided for such **Subsidiary** and any **Employee Benefit Plan** thereof for loss **Discovered** after the date the **Insured** acquires, merges or consolidates with such entity, regardless of whether or not the loss was sustained prior to the date of such acquisition, merger or consolidation.

(B) **Acquisition or Creation of ESOP**

If during the **Policy Period** any **Organization** creates or directly or indirectly acquires an ESOP, then with respect to the Fiduciary Liability Coverage Part, the **Organization** shall promptly give to the Company written notice thereof, together with such other information requested by the Company. The Company shall, at the request of the **Organization**, provide to the **Organization** a quotation for coverage for **Matters** based upon, arising from or in consequence of such ESOP, subject to such terms, conditions, and limitations of coverage and such additional premium as the Company, in its sole discretion, may require.

(C) **Cessation of Subsidiaries, Sponsored Plans or Employee Benefit Plans**

If before or during the **Policy Period**:

- (1) an **Organization** ceases to be a **Subsidiary**, then with respect to any:
- (a) **Liability Coverage Part**, coverage for such **Subsidiary** and its **Insureds** shall continue until termination of this Policy for **Matters** for **Wrongful Acts**, or **Matters** arising out of facts or circumstances, first occurring while such **Organization** was a **Subsidiary**; and
 - (b) **Non-Liability Coverage Part**, such **Subsidiary** and any **Employee Benefit Plan** thereof shall cease to be **Insureds** as of the effective date of such cessation and coverage under this Policy shall terminate in accordance with Section XIX, Termination of Policy.
- (2) a **Sponsored Plan** is terminated or otherwise ceases to be a **Sponsored Plan**, then with respect to the Fiduciary Liability Coverage Part coverage for such **Sponsored Plan** and its **Insureds** shall continue until termination of this Policy for **Matters** for **Wrongful Acts**, or **Matters** arising out of facts or circumstances, occurring prior to the earlier of:
- (a) the date that the **Organization** or **Insured Person** ceases to be a fiduciary of such **Sponsored Plan**; or
 - (b) the date that:
 - (i) the **Sponsored Plan** ceases to be a **Sponsored Plan**; or
 - (ii) the final distribution of the assets of such **Sponsored Plan**,
whichever occurs last.
- (3) the Pension Benefit Guaranty Corporation ("PBGC") becomes the Trustee of a **Sponsored Plan**, then with respect to the Fiduciary Liability Coverage Part coverage for such **Sponsored Plan** and its **Insureds** shall continue until termination of this Policy for **Matters** for **Wrongful Acts**, or **Matters** arising out of facts or circumstances, first occurring prior to the effective date the PBGC became the Trustee of such **Sponsored Plan**.

XII. REPRESENTATIONS AND SEVERABILITY

With respect to the **Liability Coverage Parts**:

- (A) The Company, in issuing this Policy, has relied upon the statements, representations and information in the **Application** as being true and accurate. The **Application** is the basis for, and considered incorporated into, this Policy and shall be construed as a separate request for coverage by each **Insured**.
 - (B) The knowledge of an **Insured** shall not be imputed to any **Insured Person**, and only the actual knowledge of the **Control Group** shall be imputed to the **Organization** or **Plan**. The Company shall not be entitled under any circumstances to void or rescind this Policy with respect to any **Insured**.
 - (C) However, in the event that such **Application** contains any misrepresentations made with the actual intent to deceive or contains misrepresentations which materially affect either the acceptance of the risk or the hazard assumed by the Company under this Policy, then no coverage shall be afforded for any **Matter** based upon, arising from or in consequence of any such misrepresentations with respect to:
 - (1) any **Insured Person** who knew of such misrepresentations (whether or not such **Insured Person** knew such **Application** contained such misrepresentations) or any **Organization** or **Plan** to the extent it indemnifies any such **Insured Person**; or
 - (2) any **Organization** or **Plan** if any member of the **Control Group** knew of such misrepresentations (whether or not such individual knew such **Application** contained such misrepresentations).
-

XIII. STATE AMENDATORY INCONSISTENCY

If there is an inconsistency between a state amendatory endorsement attached to this Policy and any other term or condition of this Policy, the Company shall apply, where permitted by law, those terms and conditions either of such state amendatory endorsement or the Policy which are more favorable to the **Insured's** coverage; provided that, with respect to any time period relating to notice of cancellation or non-renewal, the Company shall apply the applicable state law.

XIV. NOTICE

- (A) Notice to the Company of any **Matter, Potential Claim** or circumstances under any **Liability Coverage Part**, or any loss or occurrence that may subsequently result in a covered loss under any **Non-Liability Coverage Part**, shall be deemed notice under the Policy in its entirety.
 - (B) All notices to the Company under this Policy of any **Matter, Potential Claim** or circumstances under any **Liability Coverage Part**, or any loss or occurrence that may subsequently result in a covered loss under any **Non-Liability Coverage Part**, shall be given in writing to one of the following addresses:
 - (1) ChubbClaimsFirstNotice@Chubb.com
 - (2) Attn: Chubb Claims Department
Chubb
P.O. Box 5122
Scranton, PA18505-0544
 - (C) All other notices to the Company under this Policy shall be given in writing addressed to:
 - (1) NA.FinancialLines@Chubb.com
 - (2) Attn: Chubb Underwriting Department
Chubb
202B Hall's Mill Road
Whitehouse Station, NJ 08889
-

- (D) Any notice described in Subsection (B) or (C) above shall be effective on the date of receipt by the Company.

XV. HEADINGS

The descriptions in the headings and sub-headings of this Policy are solely for convenience and form no part of the terms and conditions of coverage.

XVI. SPOUSES, DOMESTIC PARTNERS, ESTATES AND LEGAL REPRESENTATIVES

With respect to the **Liability Coverage Parts**, coverage under this Policy shall extend to **Claims** for **Wrongful Acts** of an **Insured Person** made against:

- (A) the estate, heirs, legal representatives or assigns of such **Insured Person** if such **Insured Person** is deceased, or the legal representatives or assigns of such **Insured Person** if such **Insured Person** is legally incompetent, insolvent or bankrupt; or
- (B) the lawful spouse or domestic partner of such **Insured Person** solely by reason of such spouse's or domestic partner's: (1) status as a spouse or domestic partner, or (2) ownership interest in property which the claimant seeks as recovery for an alleged **Wrongful Act** of such **Insured Person**;

provided that no coverage afforded by this Section XVI shall apply with respect to any loss arising from an act, error or omission by an **Insured Person's** estate, heirs, assigns, lawful spouse or domestic partner.

XVII. ALTERATION AND ASSIGNMENT

No change in, modification of or assignment of interest under this Policy shall be effective except when made by written endorsement to this Policy which is signed by an authorized representative of the Company.

XVIII. COMPLIANCE WITH TRADE SANCTIONS

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

XIX. TERMINATION OF POLICY

- (A) With respect to the **Liability Coverage Parts**, this Policy shall terminate at the earliest of the following times:
 - (1) ten (10) days after receipt by the **Parent Organization** of a written notice of termination from the Company for non-payment of premium;
 - (2) upon expiration of the **Policy Period**;
 - (3) upon receipt by the Company of a written notice of termination from the **Parent Organization**; except with respect to the **Liability Coverage Parts**, this Policy may not be terminated by the **Parent Organization** after the effective date of any event described in Section X, Acquisition of the Parent Organization; or
 - (4) at such other time as may be agreed upon by the Company and the **Parent Organization**.
- (B) With respect to the **Non-Liability Coverage Parts**, this Policy shall terminate at the earliest of following times:
 - (1) upon any event set forth in Subsection (A) above;

- (2) immediately upon any event described in Section X, Acquisition of the Parent Organization;
 - (3) immediately upon the liquidation or dissolution of the **Parent Organization**;
 - (4) as to any **Insured**, immediately upon such **Insured's** liquidation or dissolution;
 - (5) as to any **Insured**, immediately upon any event described in Section XI, Acquisition Creation, Cessation of Subsidiaries or Plans; or
 - (6) as to any **Employee Benefit Plan**, immediately upon the full assumption of responsibilities for the administration of such **Employee Benefit Plan** by another entity or **Insured** that was not the plan sponsor of such **Employee Benefit Plan** as of either the inception date of this Policy or the date such **Employee Benefit Plan** was added to the Policy.
- (C) The Company shall refund the unearned premium on a pro rata basis if this Policy is terminated. Payment or tender of any unearned premium by the Company shall not be a condition precedent to the effectiveness of such termination, but such payment shall be made as soon as practicable.

XX. PAYMENT PRIORITY AND COVERAGE COORDINATION

With respect to the **Liability Coverage Parts**:

- (A) It is understood and agreed that any coverage provided under this Policy is principally intended to protect and benefit the **Insured Persons**. Accordingly, in the event that **Loss** for which an **Insured Person** has not been paid or indemnified; and any other **Loss**, are concurrently due under any **Liability Coverage Part**, the Company shall pay **Loss** as follows:
- (1) first, **Loss** for which an **Insured Person** has not been paid or indemnified;
 - (2) second, if applicable, **Loss** for which an **Insured Person** has been indemnified by the **Organization**; or **Loss** incurred by a **Plan**;
 - (3) third, if applicable, **Loss** incurred by an **Organization**; and
 - (4) with respect to whatever remaining amount of the Limit of Liability is available after payment under Paragraphs (A)(1) through (A)(3) above, any other **Loss** afforded coverage under any Insuring Clause or Coverage Extension.
- (B) Except as otherwise provided in Subsection (A) above, the Company may pay covered **Loss** as it becomes due under this Policy without regard to the potential for other future payment obligations under this Policy.
- (C) Any **Loss** covered under more than one **Liability Coverage Part** shall be first covered under the Employment Practices Liability Coverage Part, if applicable, subject to its terms, conditions and limitations. Any remaining portion of such **Loss** otherwise covered under any other applicable **Liability Coverage Part** which is not paid under the Employment Practices Liability Coverage Part shall be covered under such other **Liability Coverage Part**, subject to the terms, conditions and limitations of such **Liability Coverage Part**.

XXI. VALUATION AND FOREIGN CURRENCY

- (A) With respect to the **Liability Coverage Parts**, all premiums, limits, retentions, **Loss** and other amounts under this Policy are expressed and payable in the currency of the United States of America. Except as otherwise provided in this Policy, if a judgment is rendered, a settlement is denominated or any element of **Loss** under this Policy is stated in a currency other than United States of America dollars, payment under this Policy shall be made in United States of America dollars at the rate of exchange published in *The Wall Street Journal* on the date the judgment

becomes final, the amount of the settlement is agreed upon or any element of **Loss** is due, respectively.

(B) With respect to the **Non-Liability Coverage Parts**:

- (1) In the event of loss involving foreign currency, the Company shall pay the United States of America dollar value of foreign currency based on the rate of exchange published in *The Wall Street Journal* on the day loss involving foreign currency is **Discovered**.
- (2) In the event of a loss of **Securities**, the Company shall value such **Securities** at the closing price of such **Securities** on the business day immediately preceding the day on which a loss is **Discovered**, provided that at its sole discretion, the Company may:
 - (a) pay the value of such **Securities** or purchase replacement **Securities**, in which event the **Insured** must assign the Company all rights, title and interest in and to those **Securities**; or
 - (b) issue its indemnity in the form of, or pay the cost of, a Lost Instrument Bond or similar suretyship, to effect replacement of such **Securities**.
- (3) In the event of a loss of **Property**, other than any loss of precious metals, the Company shall pay without deduction for depreciation, the least of:
 - (a) the cost to repair or replace **Property**, other than precious metals, with that of similar quality and value; or
 - (b) the amount the **Insured** actually spends that is necessary to repair or replace **Property**.

With respect to this Subsection (B)(3):

- (i) the Company shall not pay the cost to repair or replace **Property** until such **Property** is actually repaired or replaced, which must occur within twelve (12) months from the time the **Parent Organization** complies with Section XVI, Notice, of the General Terms and Conditions; and
 - (ii) if the **Property** is not repaired or replaced, the Company will pay the actual cash value of the **Property**.
- (4) In the event of a loss of precious metals, the Company shall pay the United States of America dollar value of any precious metals based on the price published in *The Wall Street Journal*, Cash Prices, Precious Metals, on the day loss involving precious metals is **Discovered**.
- (5) For purposes of this Subsection (B), the term **Securities** shall include both **Securities** as defined in the Crime Coverage Part and securities as referenced in the Kidnap, Ransom & Extortion Coverage Part.

XXII. WORLDWIDE TERRITORY, APPLICATION OF LAW AND LIBERALIZATION

(A) With respect to the **Liability Coverage Parts**:

- (1) This Policy shall apply anywhere in the world.
- (2) If the **Parent Organization** requests a policy for issuance to its foreign **Subsidiaries** in their own countries, the Company or any subsidiary or affiliate of Chubb shall provide a quote to the **Parent Organization** for a GLS policy; provided that Chubb can support or facilitate the issuance of such GLS policy to such foreign **Subsidiary** in such foreign country. Coverage offered pursuant to the issued GLS policy may be subject to additional or different terms and conditions and payment of additional premium. Any coordination of coverage under such policy with coverage under this Policy shall be set forth in an

endorsement attached to this Policy. For the purposes of this Subsection, "GLS policy" means Chubb's current Good Local Standard liability policy, including any mandatory endorsements, sold within such **Foreign Jurisdiction** that provides coverage substantially similar to the coverage afforded under this Policy. "GLS policy" shall not include any partnership management, cyber liability, or professional liability coverages.

- (3) Whether or not a policy is purchased pursuant to Paragraph (B)(1) above, where legally permissible, for **Loss** from that portion of any **Matter** maintained in a **Foreign Jurisdiction** or to which the law of a **Foreign Jurisdiction** is applied, the Company shall apply to such **Matter** those specific definitions and exclusions of the GLS policy in such **Foreign Jurisdiction** that are more favorable to such **Insured** than the comparable definitions and exclusions of this Policy. This Section XXII shall not apply to any policy provision addressing limits of liability (primary, excess or sublimits), retentions, other insurance or excess liability provisions, duty to defend, defense within or outside the limits, taxes, conformance to law, any claims made provisions, and any endorsement to this Policy that excludes or limits coverage for specific events or litigation, or that specifically states that it will have worldwide effect.
- (B) With respect to the **Non-Liability Coverage Parts**:
- (1) Coverage under the Crime Coverage Part, if applicable, shall extend to loss anywhere in the world.
 - (2) Coverage under the Kidnap, Ransom & Extortion Coverage Part and the Workplace Violence Expense Coverage Part, if applicable, shall extend to the Coverage Territory set forth in KRE and WPV portions of the Declarations, if applicable.

XXIII. ROLE OF PARENT ORGANIZATION

By acceptance of this Policy, the **Parent Organization** agrees that it shall be considered the sole agent of, and shall act on behalf of, each **Insured** with respect to:

- (A) the payment of premiums and the receiving of any return premiums that may become due under this Policy;
- (B) the negotiation, agreement to and acceptance of endorsements; and
- (C) the giving or receiving of any notice provided for in this Policy (except the giving of notice to apply for an Extended Reporting Period in accordance with Section VI, Extended Reporting Period, the giving of notice of **Matter**, **Potential Claim** or circumstances in accordance with the Reporting section of the applicable **Liability Coverage Part**).

Each **Insured** agrees that the **Parent Organization** shall act on its behalf with respect to the foregoing.

TEXAS AMENDATORY ENDORSEMENT

Named Insured BROWN FOX, PLLC		Endorsement Number 1
Policy Number JO6277718	Policy Period 08-01-2023 to 08-01-2024	Effective Date of Endorsement August 1, 2023
Issued By Federal Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**The ForeFront Portfolio
General Terms and Conditions**

In consideration of the premium charged, it is agreed that:

1. Subsection (A) of Section VI, Extended Reporting Period, is amended by adding the following parenthetical immediately after the term "Additional Period":

(which period shall be one (1) year or such other period as the **Parent Organization** and the Company agree upon)
2. In addition to the extension of coverage offered in Section VI, Extended Reporting Period, the **Parent Organization** shall have the right to an automatic extended reporting period of thirty (30) days in which to report **Matters** for facts or circumstances first occurring or **Wrongful Acts** before the earlier of the effective date of termination or nonrenewal. The extension of coverage described in Section VI, Extended Reporting Period, if purchased, shall begin after the expiration of the automatic extended reporting period described above and Section XVI. shall be deemed amended to the extent necessary to comply with this paragraph.
3. Section XIX, Termination of Policy is further amended by adding the following at the end of such section:

The Company will deliver or mail written notice of non-renewal to the **Parent Organization** at least sixty (60) days before expiration of this Policy. If the Company does not provide such notice at least sixty (60) days before the expiration of this Policy, coverage will remain in effect until the 61st day after notice is delivered or mailed.
4. This Policy shall not be non-renewed based solely on the fact that the policyholder is an elected official.

The Policy will be deemed to have been amended to the extent necessary to effect the purposes of this Amendatory Endorsement.

The regulatory requirements set forth in this Amendatory Endorsement shall supersede and take precedence over any provisions of the Policy or any endorsement to the Policy, whenever added, that are inconsistent with or contrary to the provisions of this Amendatory Endorsement, unless such Policy or endorsement provisions comply with the applicable insurance laws of the state of Texas.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

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Authorized Representative

RENEWAL POLICY ENDORSEMENT

Named Insured BROWN FOX, PLLC		Endorsement Number 2
Policy Number Jo6277718	Policy Period 08-01-2023 to 08-01-2024	Effective Date of Endorsement August 1, 2023
Issued By Federal Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**The ForeFront Portfolio
General Terms and Conditions**

In consideration of the premium charged, it is agreed that:

(1) This Policy (together with all endorsements attached hereto, the “Renewal Policy”) has been issued as a renewal of Forefront 3.0 Policy Number 82597092 issued to Brown Fox, PLLC by Federal Insurance Company (such policy together with all endorsements attached thereto, the “Expiring Policy”). In the event of a **Matter** first made or deemed to have been made under any **Liability Coverage Part**, or any loss under any **Non-Liability Coverage Part**, the **Parent Organization** may, in its sole discretion, deem the terms and conditions of the Expiring Policy in its entirety to be more favorable to the **Insured**. Accordingly, the **Parent Organization** may, within thirty (30) days of receipt of a coverage letter from the Company evaluating coverage for such **Matter** or loss under the Renewal Policy, request that the Company adjust coverage for such **Matter** or loss pursuant to the terms and conditions of the Expiring Policy. The Company shall then apply the terms and conditions of the Expiring Policy to such **Matter** or loss, provided that:

(a) such **Matter** or loss shall be subject to any applicable Retention and Limit of Liability of the Renewal Policy and, if applicable, the following endorsements of the Renewal Policy:

Endorsement Name	Endorsement Number
N/A	N/A

(b) the following endorsements of the Expiring Policy, if applicable, shall not apply to such **Matter** or loss:

Endorsement Name	Endorsement Number
N/A	N/A

(c) in all events thereafter, such **Matter** and all **Matters** that are **Related** to such **Matter** shall be subject solely to the terms and conditions of the Expiring Policy and any additional terms and conditions set forth in subparagraphs (a) and (b) above.

(2) All obligations of the Company under this Endorsement shall terminate as of August 1, 2024. In the event of any subsequent renewal of this Policy, this Endorsement shall not be included in such subsequent renewal and all obligations of the Company under this Endorsement shall terminate as of August 1, 2024 and be of no other force and effect.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

A handwritten signature in black ink, consisting of a large capital 'P' followed by several loops and a final flourish.

Authorized Representative

In consideration of payment of the premium and subject to the Declarations, General Terms and Conditions, and the limitations, conditions, provisions and other terms of this Coverage Part, the Company agrees to pay for loss any Insured shall sustain at any time prior to the termination of this Coverage Part which is Discovered during the Policy Period in the manner set forth below:

I. INSURING CLAUSES

Insuring Clause (A): Employees and Plan Officials

(1) Employee Theft

The Company shall pay for loss sustained by an **Insured**, other than an **ERISA Plan**, resulting directly from **Theft** committed by an **Employee**, whether identified or not, acting alone or in collusion with others.

(2) Client Theft

The Company shall pay for loss sustained by a **Client** resulting directly from **Theft** committed by an identified **Employee**, acting alone or in collusion with others.

(3) ERISA Fraud or Dishonesty

The Company shall pay for loss sustained by an **ERISA Plan** resulting directly from **Fraud or Dishonesty** committed by a **Plan Official**, whether identified or not, acting alone or in collusion with others.

Insuring Clause (B): Premises

The Company shall pay for loss sustained by an **Insured** resulting directly from:

- (1) Theft** within or from the **Premises** or **Banking Premises** by a person physically present in such **Premises** or **Banking Premises** at the time of the loss;
- (2) Robbery;**
- (3) Safe Burglary;** or
- (4) the actual destruction or disappearance of Money or Securities** within or from the **Premises** or **Banking Premises**;

committed by a **Third Party**.

In the event of loss covered under Subsections (1) through (3) above, this Insuring Clause shall also cover damage to the **Premises** or its exterior, or to a locked safe, vault, cash drawer or cash box within the **Premises** which results directly from actual or attempted **Theft, Robbery** or **Safe Burglary**.

Insuring Clause (C): In Transit

The Company shall pay for loss sustained by an **Insured** resulting directly from:

- (1) Theft** while **In Transit**; or
- (2) the actual destruction or disappearance of Money or Securities** while **In Transit**,

committed by a **Third Party**.

In the event of loss covered under Subsections (1) and (2) above, this Insuring Clause shall also cover damage to or destruction of **Property** or damage to the home of an **Employee** occurring during actual or attempted **Theft** while **In Transit**.

Insuring Clause (D): Forgery

The Company shall pay for loss sustained by an **Insured** resulting directly from **Forgery** or alteration of a **Financial Instrument** committed by a **Third Party**.

Insuring Clause (E): Computer System Fraud

The Company shall pay for loss sustained by an **Insured** resulting directly from the unauthorized:

- (1) transfer, payment, or delivery of **Money** or **Securities**; or
- (2) transfer or delivery of **Property**,

committed by a **Third Party**, after such **Third Party** commits a **Network Intrusion**.

Insuring Clause (F): Funds Transfer Fraud

The Company shall pay for loss sustained by an **Insured** resulting directly from a **Funds Transfer Fraud** committed by a **Third Party**.

Insuring Clause (G): Social Engineering Fraud

The Company shall pay for loss sustained by an **Insured** resulting directly from a **Social Engineering Fraud** committed by a **Third Party**.

Insuring Clause (H): Money Orders and Counterfeit Currency Fraud

The Company shall pay for loss sustained by an **Insured** resulting directly from **Money Orders and Counterfeit Currency Fraud** committed by a **Third Party**.

II. EXPENSES**(A) Claim and Computer Investigation Expense**

The Company shall pay for:

- (1) **Claim Expenses** resulting directly from a loss covered under any Insuring Clause, but solely in the event such covered loss is in excess of the Retention applicable to such covered loss; and
- (2) **Computer Investigation Expenses** resulting directly from a loss covered solely under Insuring Clauses (E), (F), or (G), but solely in the event such covered loss is in excess of the Retention applicable to such covered loss.

The Company's maximum liability for Paragraphs (A)(1) and (A)(2) above shall be the Limit of Liability applicable to Claim and Computer Investigation Expense set forth in Item 4 of the Crime portion of the Declarations, which amount is part of and not in addition to the Limit of Liability for any applicable Insuring Clause related to such **Claim Expenses** or **Computer Investigation Expenses**.

(B) Legal Expense

In addition to the Limits of Liability set forth in Item 4 of the Crime portion of the Declarations, the Company shall reimburse the **Parent Organization** for reasonable court costs and attorneys' fees incurred and paid, with the Company's prior written consent, in defending an **Insured** in any legal proceeding brought against it to enforce payment of a **Financial Instrument** as a result of loss otherwise covered under Insuring Clause (D).

III. DEFINITIONS

For purposes of this Coverage Part:

Banking Premises means the interior portion of a building occupied by, or the night depository chute or safe maintained by, any bank, trust company or similar financial institution.

Certificated Security means a share, participation or other interest in property of the issuer, an enterprise of the issuer, or an obligation of the issuer, which is:

- (A) represented by an instrument issued in bearer or registered form;
- (B) of a type commonly dealt in on securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment; and
- (C) either one of a class or series or by its terms divisible into a class or series of shares, participations, interests or obligations.

Claims Expenses means reasonable expenses incurred by an **Insured** with the Company's prior written consent, solely for an independent accounting firm or other natural persons retained to determine the amount of a covered loss. **Claims Expenses** shall not include an **Insured's** internal corporate costs (such as salaries), attorneys' fees, or expenses incurred by any **Client**.

Client means a customer of an **Insured** to whom an **Insured** provides goods or services under written contract or for a fee.

Computer Investigation Expenses means reasonable expenses incurred by an **Insured** with the Company's prior written consent, for computer forensic services to investigate a covered loss. **Computer Investigation Expenses** shall not include an **Insured's** internal corporate costs (such as salaries), attorneys' fees, or expenses incurred by any **Client**.

Computer System means a device or group of devices and all input, output, processing, storage, off-line media libraries (including third-party hosted computing services accessed across the internet and their associated infrastructure, platform, and software services), and communication facilities, including related communications networks, which are connected directly or indirectly to such device or group of devices and which are leased, owned or operated by an **Insured** or operated for the benefit of an **Insured** by another entity under written agreement with such **Insured**.

Contractual Independent Contractor means any natural person while in the service of an **Insured** and in the ordinary course of such **Insured's** business, whom an **Insured** directly compensates pursuant to a written contract between such **Insured** and such natural person.

Cryptocurrency means a digital or electronic medium of exchange, operating independently of a central bank, in which encryption techniques are used to regulate the generation of units and to verify the transfer of such units.

Customer Communication System means an online portal or mobile application provided by an **Insured** for purposes of accessing a **Client** or customer account maintained by the **Insured**.

Discovery or **Discovered** means knowledge acquired by an **Executive** or **Insurance Representative** of any **Insured** which would cause a reasonable person to believe a covered loss has occurred or an occurrence has arisen that may subsequently result in a covered loss. This includes loss:

- (A) sustained prior to the inception date of any coverage under this Coverage Part;
- (B) which does not exceed the Retention; or
- (C) the exact amount or details of which are unknown.

However, this shall not include knowledge acquired by an **Executive** or **Insurance Representative** of any **Insured** acting alone or in collusion with an **Employee** who is a participant in any **Theft, Forgery, or Fraud or Dishonesty**.

Employee means any:

- (A) natural person, other than an **Executive** or **Plan Official**, while in the regular service of an **Insured** in the ordinary course of such **Insured's** business, whom such **Insured** compensates by salary or wages and has the right to govern and direct in the performance of such service, including any part-time, seasonal, leased or temporary worker, volunteer, intern, or any person formerly meeting this definition while retained by the **Insured** as a consultant pursuant to a written contract;
- (B) **Executive** while performing acts within the scope of the usual duties of an **Employee**;
- (C) **Contractual Independent Contractor**;
- (D) **Plan Official**;
- (E) natural person, as defined in Subsections (A) and (B) of this definition, while on leave for military services, or medical or family reasons, with the consent of the **Insured**; or
- (F) natural person, as defined in Subsections (A) and (B) of this definition, during a period not exceeding sixty (60) days following the termination of such natural person's service with the **Insured**.

Employee Benefit Plan means any pension or welfare benefit plan sponsored by the **Parent Organization** or any **Subsidiary** for the benefit of its **Employees** or former **Employees**, or jointly by such **Parent Organization** or **Subsidiary** and a labor union for the benefit of **Employees** and which existed on or before the inception of this Coverage Part, or which is created or acquired after the inception of this Coverage Part in accordance with Section XI(A), Acquisition of Another Organization, Sponsored Plan, or Employee Benefit Plan, of the General Terms and Conditions.

ERISA means the Employee Retirement Income Security Act of 1974, as amended.

ERISA Plan means any **Employee Benefit Plan** that is subject to **ERISA**.

Executive means any natural person specified below:

- (A) a duly elected or appointed director, officer, trustee, member of the Board of Managers, management committee member or in-house general counsel of an **Insured** incorporated, formed or organized in the United States of America;
- (B) a holder of an equivalent position to those described in Subsection (A) above of an **Insured** incorporated, formed or organized in a **Foreign Jurisdiction**; or
- (C) a natural person partner of an **Insured** while engaged in the regular service of such **Insured**.

Financial Instrument means a check, draft or similar written promise, order or direction to pay a sum certain in **Money** that is made, drawn by or drawn upon an **Insured**, or made or drawn by anyone acting as an **Insured's** agent, or that is purported to have been so made or drawn. For purposes of Insuring Clause (D), Forgery, a substitute check, as defined in the Check Clearing for the 21st Century Act, shall be treated the same as the original check it replaced.

Forgery means:

- (A) affixing the handwritten signature, or a reproduction of the handwritten signature, of another natural person without authorization and with the intent to deceive; or
- (B) affixing the name of an **Insured** as an endorsement to a **Financial Instrument** without authorization and with the intent to deceive,

provided that 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 is not a **Forgery**. An electronic or digital signature is not a reproduction of a handwritten signature. **Forgery** does not include a typed name in any form, including but not limited to an email, letterhead or pre-printed material.

Fraud or Dishonesty means any intentional act of larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, wrongful conversion or willful misapplication, or any other intentional fraudulent or dishonest act. **Fraud or Dishonesty** shall also include any intentional act prohibited by Title 18, Section 1954 of the U.S. Code.

Funds Transfer Fraud means fraudulent electronic, telegraphic, cable, teletype, facsimile, telephone or written instructions (other than **Forgery**), purportedly issued by an **Insured** to a financial institution by a **Third Party** which directs such institution to transfer, pay or deliver **Money** or **Securities** from any account maintained by such **Insured** at such institution, without such **Insured's** knowledge or consent.

Insurance Representative means any member of an **Insured's** Risk Management Department (or functional equivalent) including a risk manager, designated to represent an **Insured** for the purpose of effecting and maintaining insurance.

Insured means:

- (A) the **Parent Organization**;
- (B) any **Subsidiary**;
- (C) any **Employee Benefit Plan**; or
- (D) any **ERISA Plan**.

Insured's Network means:

- (A) a **Computer System**; or
- (B) a **Customer Communication System**.

In Transit means being conveyed outside the **Premises**, from one person or place to another, by an **Insured** within the custody of:

- (A) an **Employee**; or
- (B) an armored vehicle company duly authorized by such **Insured** to have custody of **Money** or **Securities**.

Such conveyance begins immediately upon receipt of **Money** or **Securities** by any natural person or entity described in Subsection (A) or (B) above from such **Insured** and ceases immediately upon delivery to the designated recipient or its agent, provided that such conveyance shall not cease while temporarily in the home of an **Employee** while **In Transit**.

Money means a medium of exchange in current use authorized or adopted by a domestic or foreign government as part of its currency, including coin, bank notes and precious metals in bullion form. **Money** shall not include **Securities** or **Cryptocurrency**.

Money Orders and Counterfeit Currency Fraud means the good faith acceptance by an **Insured**:

- (A) in exchange for merchandise, **Money** or services, of any post office or express company or bank money order, issued or purporting to have been issued by any post office, express company, or bank, if such money order is not paid upon presentation; or
- (B) in the regular course of business, of counterfeit paper currency.

Network Intrusion means:

- (A) unauthorized access; or
- (B) the entry of an unauthorized application or software program,

into the **Network** of an **Insured** by any entity or natural person, except an **Employee** or any authorized representative of the **Insured**.

Plan Official means any natural person while in the service of any **Insured** who is required to be bonded by Title 1 of **ERISA**, including:

- (A) a fiduciary;
- (B) a trustee;
- (C) an administrator;
- (D) an officer;
- (E) any other natural person who handles **ERISA Plan** assets; or
- (F) any natural person described in Subsections (A) through (E) above during a period not exceeding sixty (60) days following the termination of such natural person's service with the **Insured**,

provided that **Plan Official** shall not include any independent contractor, **Contractual Independent Contractor**, or any agent, broker, factor, commission merchant, consignee, or representative of the same general character or employee thereof.

Premises means the interior portion of a building, facility or property occupied by an **Insured** in conducting its business.

Property means tangible property other than **Money** or **Securities**. **Property** shall not include a **Computer System**, computer programs, electronic data or any property specifically excluded under this Coverage Part.

Robbery means the unlawful taking of **Money**, **Securities** or **Property** from the custody of an **Employee**, or other person (except a person acting as a watchman, porter or janitor) duly authorized by an **Insured** to have custody of such **Money**, **Securities** or **Property**, by violence or threat of violence, committed in the presence and cognizance of such **Employee** or other person.

Safe Burglary means the unlawful taking of **Money**, **Securities** or **Property**, by forcible or violent entry evidenced by visible marks, from a locked vault or safe located within the **Premises**.

Securities means any tangible:

- (A) revenue and other stamps in current use;
- (B) gift certificates, gift cards or similar instruments issued by an **Insured**; or
- (C) tokens, chips, tickets in current use,

which represent either **Money** or **Property**.

Securities also includes any **Certificated Security** or **Uncertificated Security** but does not include **Money** or **Cryptocurrency**.

Social Engineering Fraud means the intentional misleading of an **Employee** through misrepresentation of a material fact which is relied upon by such **Employee** believing it to be genuinely committed by a natural person purporting to be:

- (A) a **Vendor**;
- (B) a **Client**; or
- (C) an **Employee** authorized by the **Insured** to instruct other **Employees** to transfer **Money** or **Securities**,

which results in the transfer, payment, or delivery of **Money** or **Securities**.

Theft means the unlawful taking of **Money** or **Securities** to the deprivation of an **Insured** or a **Client**. Solely for the purposes of Insuring Clauses (A)(1) and (A)(2), **Theft** also includes the unlawful taking of **Property**.

Third Party means any natural person or organization other than an **Employee**, **Client**, or any agent, factor, commission merchant, independent contractor, or other authorized representative of an **Insured** or of a **Client**.

Uncertificated Security means a share, participation or other interest in property of the issuer, an enterprise of the issuer, or an obligation of the issuer, which is:

- (A) not represented by an instrument and the transfer of which is registered on books maintained for that purpose by or on behalf of the issuer;
- (B) of a type commonly dealt in on securities exchanges or markets; and
- (C) either one of a class or series or by its terms divisible into a class or series of shares, participations, interests or obligations.

Vendor means any **Third Party** that has provided goods or services to an **Insured** under a legitimate pre-existing arrangement or written agreement. However, **Vendor** does not include any asset manager, broker-dealer, counter party, custodian, or any similar entity.

IV. ERISA PLANS

In compliance with certain provisions of **ERISA**, the following provisions apply:

(A) Discovery Period

Solely with respect to loss covered under Insuring Clause (A)(3), this Coverage Part applies only to loss first **Discovered** by an **Insured**:

- (1) during the **Policy Period**; or
- (2) within one (1) year following the termination of this Coverage Part in its entirety (the "Extended Discovery Period"), provided that:
 - (a) such loss is sustained prior to such termination; and
 - (b) the Extended Discovery Period shall terminate immediately upon the effective date of any other insurance obtained for an **ERISA Plan** which replaces the coverage provided by this Coverage Part for such **ERISA Plan** in an amount no less than the minimum amount required under **ERISA** and provides coverage for loss sustained prior to the effective date of the other insurance.

(B) Limits of Liability

The Company's maximum liability for all loss sustained by each **ERISA Plan** shall not exceed the Limit of Liability applicable to Insuring Clause (A)(3) set forth in Item 4(A)(3) of the Crime portion of the Declarations, unless such Limit of Liability is less than the minimum limit of insurance required by **ERISA**. In such event, the Limit of Liability shall be amended in accordance with **ERISA** as follows:

- (1) if the **ERISA Plan** does not hold employer securities within the meaning of **ERISA**, the Limit of Liability applicable to such covered loss shall be ten percent (10%) of the funds handled by such **ERISA Plan** in the preceding reporting year, up to a maximum limit of liability of \$500,000; or
- (2) if the **ERISA Plan** does hold employer securities within the meaning of **ERISA**, the Limit of Liability applicable to such covered loss shall be ten percent (10%) of the funds

handled by such **ERISA Plan** in the preceding reporting year, up to a maximum limit of liability of \$1,000,000,

provided that, in all events, the Limit of Liability applicable to Insuring Clause (A)(3) set forth in Item 4(A)(3) of the Crime portion of the Declarations shall be never be less than \$1,000.

The payment of any such loss under this Coverage Part shall not reduce the liability of the Company for other losses whenever sustained; except that the total liability of the Company for all loss resulting from any act or any series of acts committed by the same **Plan Official** in which the same **Plan Official** is concerned or implicated, regardless of whether such act or series of acts was committed before or during the **Policy Period**, shall be treated as a single loss and the Limit of Liability applicable to Insuring Clause (A)(3) set forth in Item 4(A)(3) of the Crime portion of the Declarations (or as amended by (B)(1) and (B)(2) above) will apply.

(C) Payover

In compliance with Title 1 of **ERISA** and solely with respect to loss covered under Insuring Clause (A)(3), payment by the Company shall be held by an **Insured** for the benefit of any **ERISA Plan** sustaining a loss. If such payment is in excess of the amount of coverage required by **ERISA** for such **ERISA Plan**, such excess amount shall be held by the **Insured** for the use and benefit of any other named **ERISA Plan** should such **ERISA Plan** also **Discover** loss recoverable hereunder. If **Money, Securities, and Property** of two or more **ERISA Plans** is commingled, recovery hereunder for loss of such **Money, Securities, and Property** shall be shared by such **ERISA Plans** on a pro rata basis in accordance with the amount of coverage each such **ERISA Plan** is required to carry pursuant to **ERISA**.

V. EXCLUSIONS

(A) This Coverage Part does not cover:

(1) Disclosure of Confidential Information

loss resulting directly or indirectly from the disclosure of confidential or personal information while in the care, custody or control of an **Insured**, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, retirement or health savings account information or any similar type of non-public information, except loss that is otherwise covered under this Coverage Part through the use of confidential or personal information to facilitate such loss;

(2) Data Breach Expenses

fees, costs, fines, penalties or any other expenses or liabilities incurred by an **Insured** resulting directly or indirectly from the access to or disclosure of an **Insured's** or another entity's or natural person's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, retirement or health savings account information or any similar type of non-public information;

(3) War

loss resulting directly or indirectly from declared or undeclared war, civil war, insurrection, rebellion, revolution, military, naval or usurped power, governmental intervention, expropriation or nationalization, or any act or condition incident to any of the foregoing;

(4) Nuclear

loss resulting directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination, or any act or condition incident to any of the foregoing;

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- (5) Unrealized Income
loss of income not realized, whether or not as the result of a covered loss;
- (6) Indirect or Consequential Loss
indirect or consequential loss or damage of any kind;
- (7) Expenses
fees, costs or expenses incurred or paid in defending or prosecuting any legal proceeding or claim, except those expenses otherwise covered under Section II(B), Legal Expense;
- (8) Authorized Representative
loss resulting directly or indirectly from any fraudulent, dishonest or criminal act (other than **Robbery** or **Safe Burglary**) committed by any authorized representative of an **Insured**, whether acting alone or in collusion with others, unless committed in collusion with an **Employee**;
- (9) Fraudulent Instructions
loss resulting directly or indirectly from any transfer, payment or delivery of **Money**, **Securities**, or **Property**:

(a) approved by an **Employee**; or

(b) arising out of any misrepresentation received by an **Employee**, agent, independent contractor or other representative of an **Insured**,

whether such transfer, payment or delivery was made in good faith or as a result of trick, artifice, fraud or false pretenses, except when covered under Insuring Clause (A), (G), or (H);
- (10) Cryptocurrency
loss of **Cryptocurrency**;
- (11) Advantage
loss sustained by one **Insured** to the advantage of any other **Insured**, except when covered under Insuring Clause (A)(3); or
- (12) Kidnap, Ransom and Extortion
loss resulting directly or indirectly from any kidnap, ransom or other extortion payment (other than **Robbery**) surrendered to any person as a result of a threat to do bodily harm to any natural person or a threat to do damage to any **Property**, or disclose confidential or personal information of any natural person or **Insured**, except when covered under Insuring Clause (A).
- (B) In addition to the Exclusions in Subsection (A) above, with respect to Insuring Clause (A), this Coverage Part does not cover:
- (1) Trading
loss resulting directly or indirectly from any authorized or unauthorized trading of **Money**, **Securities** or **Property**, whether or not in the name of an **Insured** and whether or not in a genuine or fictitious account, except: (a) when covered under Insuring Clause (A)(3); or (b) with respect to otherwise covered loss which results in improper financial gain to an **Employee** (other than salary, commissions, fees or other compensation, including but not limited to promotions and raises associated with employment, paid by the **Insured** to such **Employee**);
-

(2) Independent Contractor

loss resulting directly or indirectly from the acts of any agent, broker, factor, commission merchant, consignee, contractor, independent contractor, subcontractor or other similar representative, except the acts of any **Contractual Independent Contractor**; or

(3) Inventory Shortage

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

(a) an inventory computation or physical count; or

(b) a profit or loss computation;

provided that where an **Insured** establishes wholly apart from such computation or physical count that it sustained a loss covered under Insuring Clause (A), then the **Insured** may offer its own inventory records or the inventory records of a **Client**, and an actual physical count of inventory in support of the amount of loss claimed.

(C) In addition to the Exclusions in Subsection (A) above, with respect to Insuring Clauses (B) and (C), this Coverage Part does not cover:

(1) Mail/Carrier for Hire

loss resulting directly or indirectly from the damage, disappearance, or destruction of **Money, Securities or Property** while in the mail or in the custody of a carrier for hire other than an armored motor vehicle company;

(2) Fire

loss resulting directly or indirectly from fire, except:

(a) loss of **Money** or **Certificated Securities**; or

(b) damage to any safe or vault caused by the application of fire thereto for the purposes of **Safe Burglary**; or

(3) Voluntary Parting

loss resulting directly or indirectly from an **Insured** having given or surrendered **Money, Securities or Property** in any exchange or purchase with a **Third Party**.

(D) In addition to the Exclusions in Subsection (A) above, with respect to Insuring Clauses (E), (F), or (G), this Coverage Part does not cover:

(1) Credit Card Transactions

loss resulting directly or indirectly from the use of credit, debit, charge, access, convenience, identification, cash management or other cards whether such cards were issued, or purport to have been issued, by an **Insured** or by any entity other than the **Insured**;

(2) Product or Service Failure

loss resulting directly or indirectly from the failure, malfunction, inadequacy or illegitimacy of any product or service;

(3) Breach of Contract

loss resulting directly or indirectly from the failure of any party to perform in whole or in part under any contract;

(4) Extension of Credit

loss resulting directly or indirectly from the extension of any loan, credit or similar promise to pay; or

(5) Gambling

loss resulting directly or indirectly from any gambling, game of chance, lottery or similar game.

VI. LIMIT OF LIABILITY

- (A) The Company's maximum liability for each loss shall not exceed the Limit of Liability applicable to such loss set forth in Item 4 of the Crime portion of the Declarations, regardless of the number of **Insureds** sustaining the loss, provided that with respect to loss covered under Insuring Clause (A)(3), the Company's maximum liability for each loss shall apply in accordance with the terms of Section IV, ERISA Plans.
- (B) If a loss is covered under more than one Insuring Clause, the maximum amount payable under this Coverage Part shall not exceed the largest applicable Limit of Liability of any such Insuring Clauses.
- (C) All loss resulting from a single act or any number of acts of the same **Employee** or **Third Party**, regardless of whether or not such loss was sustained by one or more **Insureds**, and regardless of whether such act or acts occurred before or during the **Policy Period**, will be treated as a single loss and the applicable Limit of Liability set forth in Item 4 of the Crime portion of the Declarations will apply.
- (D) With respect to loss sustained by more than one **Insured**, the maximum liability of the Company for all loss sustained by any or all **Insureds** combined shall not exceed the amount for which the Company would be liable if all loss was sustained by any one **Insured**.
- (E) Regardless of the number of years this coverage remains in effect and the total premium amounts due or paid, whether under this Coverage Part, any prior bond or coverage part, or any renewal or replacement of this Coverage Part, the liability of the Company with respect to any loss shall not be cumulative from year to year or from **Policy Period** to **Policy Period**.
-

VII. OWNERSHIP

This Coverage Part shall only apply to loss of **Money**, **Securities**, or **Property**:

- (A) owned by an **Insured**;
- (B) held by an **Insured** in any capacity; or
- (C) for which an **Insured** is legally liable,

except, solely with respect to loss covered under Insuring Clause (A)(2), this Coverage Part shall apply to loss of **Money**, **Securities**, or **Property** owned or held by a **Client** in any capacity and for which the **Client** is legally liable.

VIII. OTHER INSURANCE AND INDEMNITY

With respect to any loss covered by this Coverage Part, if any **Insured** or any other party in interest has any bond, indemnity, or insurance which would cover such loss in whole or in part in the absence of this Coverage Part, then this Coverage Part shall be null and void to the extent of the amount recoverable or received under such bond, indemnity or insurance; provided that this Coverage Part shall cover such loss, subject to its limitations, conditions, provisions and other terms, to the extent of the amount of such loss in excess of the amount recoverable or received under such bond, indemnity, or insurance.

Solely with respect to loss of or damage to **Money, Securities or Property** while in the custody of any bank, trust company, similar recognized place of safe deposit, or armored motor vehicle company, this Coverage Part shall cover such loss in excess of the amount recoverable or the amount received by an **Insured** under: (A) such **Insured's** contract, if any, with, or insurance carried by, any of the foregoing; or (B) any other valid and collectible bond, insurance, or indemnity in force which would cover such loss in whole or in part.

IX. RECOVERIES

- (A) In the event of any payment under this Coverage Part, the Company shall be subrogated to the extent of such payment to all of the **Insured's** rights of recovery, and such **Insured** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Company effectively to bring suit or otherwise pursue subrogation rights in the name of the **Insured**.
- (B) Recoveries for any loss covered under this Coverage Part, whether effected by the Company or by an **Insured**, less the unreimbursed cost of recovery incurred by the Company, shall be distributed as follows:
 - (1) first, to an **Insured** for the amount of such loss, otherwise covered, in excess of the applicable Limit of Liability, except such loss otherwise covered under Section II, Expenses;
 - (2) second, to the Company for the amount of such loss paid to an **Insured** as covered loss;
 - (3) third, to an **Insured** for the Retention applicable to such loss;
 - (4) fourth, to an **Insured** for the amount of such loss, otherwise covered, in excess of the applicable Limit of Liability for loss covered under Section II, Expenses; and
 - (5) fifth, to an **Insured** for the amount of such loss not covered under this Coverage Part.
- (C) Recovery from reinsurance or indemnity of the Company shall not be deemed a recovery hereunder.

X. TERMINATION AS TO ANY EMPLOYEE

This Coverage Part terminates as to any **Employee**:

- (A) immediately upon any **Executive or Insurance Representative** (other than those acting in collusion with such **Employee**) becoming aware of a **Theft, Forgery** or other act involving fraud or dishonesty committed by such **Employee** while employed with or in the service of an **Insured**; or
- (B) immediately upon any **Executive or Insurance Representative** becoming aware of any act involving fraud or dishonesty which involves **Money, Securities or Property** of a value greater than or equal to twenty-five thousand dollars (\$25,000) committed by such **Employee** prior to employment or service with an **Insured**.

Coverage for an **Employee** described above may be reinstated by the Company if the general counsel and director of human resources of an **Insured** (or any functional equivalents thereof) jointly agree in writing to continue with the employment of such **Employee**, and contemporaneously document in writing additional internal control procedures implemented with the specific purpose to reduce the risk of loss associated with such continued employment. Such reinstatement must be made by written endorsement to this Coverage Part by the Company and shall be subject to additional or different terms, conditions and limitations of coverage and payment of additional premium as the Company in its sole and absolute discretion may require.

No coverage will be available for loss caused by any **Employee** for whom similar prior insurance has been terminated or cancelled and not reinstated in writing since such termination or cancellation.

XI. TERMINATION OF PRIOR POLICY

Any prior fidelity bonds or crime policies issued by the Company or any subsidiary or affiliate of the Company to the **Parent Organization** shall terminate, if not already terminated, as of the inception of this Coverage Part.

XII. DISCOVERY PERIOD

Except as set forth in Section IV, ERISA Plans, this Coverage Part applies only to loss first **Discovered** by the **Insured**:

- (A) during the **Policy Period**; or
 - (B) solely in the event of complete liquidation or dissolution of the **Parent Organization**, within ninety (90) days following the termination of this Coverage Part in its entirety (the "Extended Discovery Period"), provided that:
 - (1) such loss is sustained prior to such termination; and
 - (2) the Extended Discovery Period shall terminate immediately upon the effective date of any other insurance obtained for any **Insured**, which replaces in whole or in part the coverage afforded under this Coverage Part, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
-

XIII. PROOF OF LOSS AND LEGAL PROCEEDINGS

- (A) As a condition precedent to coverage hereunder, the **Parent Organization** shall, upon **Discovery**:
 - (1) give written notice and furnish affirmative proof of loss with full particulars to the Company at the earliest practicable moment, but in no event later than one (1) year after such **Discovery**;
 - (2) submit to examination under oath at the Company's request;
 - (3) produce all pertinent records at such reasonable times and places as the Company shall designate; and
 - (4) provide full cooperation with the Company in all matters pertaining to a loss under this Coverage Part.
 - (B) No **Insured** shall institute legal proceedings against the Company:
 - (1) after two (2) years immediately following any **Discovery**; or
 - (2) after two (2) years immediately following the date upon which a judgment shall become final or settlement entered to recover a judgment or settlement against an **Insured** resulting from **Forgery** or related legal expenses as set forth in Subsection II(B), Legal Expense.
-

XIV. JOINT INSURED

- (A) By acceptance of this Coverage Part, the **Parent Organization** agrees that it shall be considered the sole agent of, and shall act on behalf of, each **Insured** with respect to:
 - (1) the payment of premiums and the receiving of return premiums that may become due under this Coverage Part;
 - (2) the negotiation, agreement to and acceptance of endorsements for this Coverage Part; and
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- (3) the giving or receiving of any notice provided for in this Coverage Part

Each **Insured** agrees that the **Parent Organization** shall act on its behalf with respect to the foregoing.

- (B) Each and every other **Insured** shall be conclusively deemed to have consented to and agreed that none of them shall have any direct beneficiary interest in or any right of action under this Coverage Part and neither this Coverage Part nor any right of action shall be assignable.
- (C) Knowledge possessed by any **Insured** or **Discovery** by any **Insured** shall be deemed knowledge possessed by or **Discovery** by all **Insureds**.
- (D) All loss and other payments, if any, payable by the Company, shall be payable to the **Parent Organization** without regard to such **Parent Organization's** obligations to others, and the Company shall not be responsible for the application by the **Parent Organization** of any payment made by the Company, except for loss and other payments, if any, payable by the Company to any **ERISA Plan**, which shall be made directly to the **ERISA Plan** sustaining such loss. If the Company agrees to and makes payment to any **Insured**, other than the **Parent Organization**, such payment shall be treated as though made to the **Parent Organization**.
-

XV. JOINT LOSS PAYEE

Any loss covered under this Coverage Part involving **Money, Securities or Property** in which a **Client** has an interest, may be payable by the Company to the **Parent Organization** and such **Client** as joint payees, at the direction of the **Parent Organization**; provided that the coverage afforded pursuant to this Coverage Part is for the sole use and benefit of the **Parent Organization**. Any **Client** shall not be considered an **Insured** under this Coverage Part nor shall any **Client** otherwise have any rights or benefits hereunder.

XVI. CONCEALMENT, MISREPRESENTATION AND FRAUD

This Coverage Part is void in any case of fraud by an **Insured** as it relates to this Coverage Part at any time. It is also void if any **Insured**, at any time, conceals or misrepresents a material fact concerning:

- (A) this Coverage Part, and any application made in connection therewith;
- (B) **Money, Securities, or Property** covered under this Coverage Part;
- (C) an **Insured's** interest in **Money, Securities, or Property** covered under this Coverage Part; or
- (D) a claim under this Coverage Part.
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TEXAS AMENDATORY ENDORSEMENT

Named Insured BROWN FOX, PLLC		Endorsement Number 3
Policy Number Jo6277718	Policy Period 08-01-2023 to 08-01-2024	Effective Date of Endorsement August 1, 2023
Issued By Federal Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**The ForeFront Portfolio
Crime Coverage Part**

In consideration of the premium charged, it is agreed that:

1. Subsection A of Section VIII., Other Insurance and Indemnity is deleted and replaced with the following:
 - (A) With respect to any loss covered by this Coverage Part, if any **Insured** or any other party in interest has any other valid and collectible insurance policy (other than an insurance policy that is issued specifically as excess over the Limits of Liability provided by this Coverage Part or a personal umbrella policy or personal directorship liability policy), then this Coverage Part shall share proportionately such loss, subject to its limitations, conditions, provisions and other terms, in an amount equal to the proportion that the then available Limits of Liability under this Coverage Part bears to the aggregate of all limits of liability of all insurance covering such loss, whether such other policy(ies) is stated to be primary, contributory, excess, contingent or otherwise, unless such other policy(ies) is written only as specific excess insurance over the Limits of Liability provided in this Coverage Part. Subject to paragraph (B) below, if any loss under this Coverage Part is insured under any valid insurance, prior or current and regardless of whether collectible, other than as described above, then this Coverage Part shall cover such loss proportionately, subject to its limitations, conditions, provisions and other terms, only to the extent that the amount of such loss is in excess of the applicable deductible (or retention) and limit of liability under such other insurance, whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the Limits of Liability provided in this Coverage Part. This Policy will not be subject to the terms of any other insurance.
2. Section XIII., Proof of Loss and Legal Proceedings is amended as follows:
 - (a) Subparagraph (A)(2) is amended to add the following:
 - (2) provided that a parent or guardian may be present during the examination of a minor;
 - (b) Subparagraph (B)(2) is amended by adding "and one day" after "two (2) years."
3. The first two sentences of Section XVI., Concealment, Misrepresentation and Fraud are deleted and replaced with the following:

Coverage under this Coverage Part will be denied in any case of fraud by the **Insured** as it relates to this Coverage Part at any time. Coverage will also be denied if any **Insured**, at any time, conceals or misrepresents a material fact concerning:

The Policy will be deemed to have been amended to the extent necessary to effect the purposes of this Amendatory Endorsement.

The regulatory requirements set forth in this Amendatory Endorsement shall supersede and take precedence over any provisions of the Policy or any endorsement to the Policy, whenever added, that are inconsistent with or contrary to the provisions of this Amendatory Endorsement, unless such Policy or endorsement provisions comply with the applicable insurance laws of the state of Texas.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

A handwritten signature in black ink, appearing to be "P. M. S.", written above a horizontal line.

Authorized Representative

TAX COMPENSATION COVERAGE ENDORSEMENT

Named Insured BROWN FOX, PLLC		Endorsement Number 4
Policy Number JO6277718	Policy Period 08-01-2023 to 08-01-2024	Effective Date of Endorsement August 1, 2023
Issued By Federal Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**The ForeFront Portfolio
Crime Coverage Part**

In consideration of the premium charged, it is agreed that the Crime Coverage Part is amended as follows:

- (1) The Company shall adjust the amount of any loss paid in the United States to compensate for additional federal or state tax liability incurred by the **Insured** as a result of the payment of such loss in the United States rather than in the country in which such loss was sustained, provided that:
 - (a) the loss was sustained by an entity not subject to United States or state tax provisions; and
 - (b) the payment for such loss is reportable income under the Internal Revenue Code and regulations or the tax laws of any state or commonwealth of the United States; and
 - (c) the loss payment shall be adjusted using the following formula:

$$\begin{array}{rcl} \text{Final Payment} & = & \\ \text{Loss Payment} & \times & \frac{(\text{one minus - the Marginal Foreign Tax Rate})}{(\text{one minus the sum of the Marginal United States and State Tax Rates})} \end{array}$$

- (2) For the purposes of coverage under this endorsement, Section III, Definitions, of the Crime Coverage Part, is amended by including the following terms:

Final Payment means the amount paid after the tax adjustment described in this endorsement.

Loss payment means the amount to be paid prior to the tax adjustment described in this endorsement.

Marginal Foreign Tax Rate means the marginal rate of income taxation of the insured entity which sustained the loss for the tax year in which such loss is written off.

Marginal United States and State Tax Rates means the marginal rates of Federal and State income taxation of the **Insured** which pays the loss in the United States for the tax year in which such loss is written off and shall include, if any, foreign tax credits accruing as a result of such loss.

- (3) For the purposes of coverage under this endorsement, the following conditions are added:
 - (a) Nothing contained in this endorsement shall be construed to increase the Company's liability above the amount set forth in Item 4 of the Crime portion of the Declarations; and
 - (b) Nothing contained in this endorsement shall be construed to decrease the Company's liability below the original amount of loss payment; and
 - (c) The **Insured** shall cooperate with any attempt by the Company to pay the loss directly to the entity sustaining the loss.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

A handwritten signature in black ink, consisting of a large capital 'P' followed by several loops and a final flourish.

Authorized Representative

LAW FIRM EMPLOYEE ENDORSEMENT

Named Insured BROWN FOX, PLLC		Endorsement Number 5
Policy Number JO6277718	Policy Period 08-01-2023 to 08-01-2024	Effective Date of Endorsement August 1, 2023
Issued By Federal Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**The ForeFront Portfolio
Crime Coverage Part**

In consideration of the premium charged, it is agreed that the term **Employee**, as defined in Section III, Definitions, of the Crime Coverage Part is amended to include any natural person who is a partner, principal, member or shareholder of the **Insured** and any natural person who is designated as counsel or of counsel by the **Insured**.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.



Authorized Representative

TELEPHONE TOLL FRAUD ENDORSEMENT

Named Insured BROWN FOX, PLLC		Endorsement Number 6
Policy Number JO6277718	Policy Period 08-01-2023 to 08-01-2024	Effective Date of Endorsement August 1, 2023
Issued By Federal Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**The ForeFront Portfolio
Crime Coverage Part**

In consideration of the premium charged, it is agreed that the Crime Coverage Part is amended as follows:

- (1) The following Insuring Clause is added:

Telephone Toll Fraud

The Company shall pay for loss sustained by an **Insured** resulting directly from **Telephone Toll Fraud** committed by a **Third Party**.

- (2) Item 4 of the Crime portion of the Declarations is amended to include the following:

Item 4.

Insuring Clause	Limit of Liability	Retention
Telephone Toll Fraud:	\$100,000	\$10,000

- (3) Section III, Definitions, of the Crime Coverage Part, is amended to include the following terms:

- (a) **Calling Card** means a calling card access number or telephone credit card access number issued by a telecommunications company which gives the **Calling Card** customer access to and use of telecommunications services.
- (b) **Telephone Toll Fraud** means toll and line charges the **Insured** is responsible for solely as a result of the fraudulent infiltration and manipulation of a **Telephone System** from a remote location to gain access to outbound long-distance telephone service.
- (c) **Telephone System** means PBX, CBX, Merlin, VoIP, remote access (including DISA), and all related peripheral equipment or similar systems owned or leased by the **Insured** for purposes of voice-based telecommunications.

- (4) No coverage will be available under the **Telephone Toll Fraud** Insuring Clause for loss caused by any use of a **Calling Card**.

- (5) Section XIII, Proof of Loss and Legal Proceedings, of the Crime Coverage Part is amended to include the following:

With respect to the **Telephone Toll Fraud** Insuring Clause, it is a condition precedent to coverage hereunder that upon **Discovery**, the **Parent Organization** will give written notice to the Company at the earliest practicable moment, and in no event later than sixty (60) days after the billing cut-off date shown in the first telephone service charge bill from the telephone carrier in which **Telephone Toll Fraud** is documented. However, coverage shall not apply to that portion of loss sustained beginning thirty (30) days from the billing cut-off date shown in the first telephone service charge bill from the telephone carrier in which **Telephone Toll Fraud** is documented. Upon actual knowledge of **Telephone Toll Fraud** the **Insured** shall take all reasonable steps to curtail the unauthorized use of any **Telephone System** and otherwise mitigate the loss by notifying any installer of any **Telephone System** and the affected telephone carriers.

Within four (4) months after such **Discovery** the **Parent Organization** shall furnish to the Company affirmative proof of loss with full particulars. Legal proceedings for recovery of any loss hereunder shall not be brought after the expiration of two (2) years from the discovery of such loss.

At the Company's request, the **Insured** shall submit to examination by the Company, subscribe the same under oath if required, and produce for the Company's examination all pertinent records at such reasonable times and places as the Company shall designate, and shall cooperate with the Company in all matters pertaining to any loss or claim.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.



Authorized Representative

CORPORATE CARD COVERAGE ENDORSEMENT

Named Insured BROWN FOX, PLLC		Endorsement Number 7
Policy Number JO6277718	Policy Period 08-01-2023 to 08-01-2024	Effective Date of Endorsement August 1, 2023
Issued By Federal Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**The ForeFront Portfolio
Crime Coverage Part**

In consideration of the premium charged, it is agreed that the Crime Coverage Part is amended as follows:

- (1) The following Insuring Clause is added:

Corporate Credit Card Fraud

The Company shall pay the **Parent Organization** for loss sustained by an **Insured** resulting directly from **Corporate Credit Card Fraud** committed by a **Third Party**.

- (2) Item 4 of the Crime portion of the Declarations is amended to include the following:

Item 4.

Insuring Clause	Limit of Liability	Retention
Corporate Credit Card Fraud:	\$1,000,000	\$10,000

- (3) Section II, Expenses, of the Crime Coverage Part, is amended to include the following:

Corporate Credit Card Fraud Legal Expenses

In addition to the Limits of Liability set forth in the Crime portion of the Declarations for this Policy, the Company shall reimburse the **Parent Organization** for reasonable court costs and attorneys' fees incurred and paid, with the Company's prior written consent, in defending an **Insured** in any legal proceeding brought against it to enforce payment of a written instrument, required in connection with any credit card issued to an **Insured**, or to an **Employee** at the request of an **Insured**, as a result of loss otherwise covered under the Corporate Credit Card Fraud Insuring Clause.

- (4) Section V, Exclusions, of the Crime Coverage Part, is amended to include the following:

Solely with respect to the Corporate Credit Card Fraud Insuring Clause, this Coverage Part does not cover loss resulting directly or indirectly from any forgery or alteration of, on, or in any written instrument; unless:

- (a) the provisions, conditions and other terms under which the involved credit card was issued were fully complied with; and
- (b) an **Insured** is legally liable to the issuer of such credit card for such loss.

- (5) Section III, Definitions, of the Crime Coverage Part, is amended to include the following terms:

Corporate Credit Card Fraud means the **Forgery** or alteration of, on, or in any written instrument required in connection with any credit card, debit card, or charge card issued to an **Insured**, or to an **Employee** at the request of an **Insured**.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

A handwritten signature in black ink, appearing to be "P. M. S.", written above a horizontal line.

Authorized Representative