



LLOYD'S

THIS INSURANCE is effected with certain Underwriters at Lloyd's, London (not incorporated).

THIS CERTIFICATE is issued in accordance with the limited authorization granted to the Correspondent by certain Underwriters at Lloyd's, London whose names and the proportions underwritten by them can be ascertained from the office of said Correspondent (such Underwriters being hereinafter called "Underwriters") and in consideration of the premium specified herein, Underwriters do hereby bind themselves each for his own part, and not for one another, their heirs, executors and administrators.

THE ASSURED is requested to read this certificate, and if not correct, return it immediately to the Correspondent for appropriate alteration.

Correspondent:

In the event of a claim under this certificate, please notify the following Authorized Representative:

CERTIFICATE PROVISIONS

1. **Signature Required.** This Certificate shall not be valid unless signed by the Correspondent on the attached Declaration Page.
2. **Correspondent Not Insurer.** The Correspondent is not an Insurer of the insurance described herein and neither is nor shall be liable for any loss or claim whatsoever. The Insurers of such insurance are those Underwriters at Lloyd's, London, whose names can be ascertained as hereinbefore set forth. As used in this Certificate "Underwriters" shall be deemed to include incorporated as well as unincorporated persons or entities that are Underwriters at Lloyd's, London.
3. **Cancellation.** If the insurance described herein provides for cancellation and if said insurance is cancelled after the inception date, earned premium must be paid for the time the insurance has been in force.
4. **Assignment.** The insurance described herein shall not be assigned either in whole or in part without the written consent of the Correspondent endorsed hereon.
5. **Attached Conditions Incorporated.** The insurance described in this Certificate is subject to all provisions, conditions and warranties set forth herein, attached, or endorsed, all of which are to be considered incorporated herein as further descriptive of the insurance the placement of which is evidenced by this Certificate.
6. The Certificate is intended for use as evidence of the placement of the insurance described herein, in accordance with Section 1764 of the California Insurance Code.
7. **New Short Rate Cancellation Table (U.S.A.)**

Notwithstanding anything to the contrary contained herein and in consideration of the premium for which this Insurance is written it is agreed that in the event of cancellation thereof by the **Insured** the Earned Premium shall be computed as follows:

SHORT RATE CANCELLATION TABLE

A. For insurances written for one year:-

Days Insurance in Force	Per cent. of One Year Premium	Days Insurance in Force	Per cent. of One Year Premium
1	5	154 - 156	53
2	6	157 - 160	54
3 -- 4	7	161 - 164	55
5 -- 6	8	165 - 167	56
7 -- 8	9	168 - 171	57
9 - 10	10	172 - 175	58
11 - 12	11	176 - 178	59
13 - 14	12	179 - 182 (6 months)	60
15 - 16	13	183 - 187	61
17 - 18	14	188 - 191	62
19 - 20	15	192 - 196	63
21 - 22	16	197 - 200	64
23 - 25	17	201 - 205	65
26 - 29	18	206 - 209	66
30 - 32 (1 month)	19	210 - 214 (7 months)	67
33 - 36	20	215 - 218	68
37 - 40	21	219 - 223	69
41 - 43	22	224 - 228	70
44 - 47	23	229 - 232	71
48 - 51	24	233 - 237	72
52 - 54	25	238 - 241	73
55 - 58	26	242 - 246 (8 months)	74
59 - 62 (2 months)	27	247 - 250	75
63 - 65	28	251 - 255	76
66 - 69	29	256 - 260	77
70 - 73	30	261 - 264	78

74 - 76	.....	31	265 - 269	.....	79
77 - 80	.....	32	270 - 273	(9 months)	80
81 - 83	.....	33	274 - 278	.....	81
84 - 87	.....	34	279 - 282	.....	82
88 - 91	(3 months)	35	283 - 287	.....	83
92 - 94	.....	36	288 - 291	.....	84
95 - 98	.....	37	292 - 296	.....	85
99 - 102	.....	38	297 - 301	.....	86
103 - 105	.....	39	302 - 305	(10 months)	87
106 - 109	.....	40	306 - 310	.....	88
110 - 113	.....	41	311 - 314	.....	89
114 - 116	.....	42	315 - 319	.....	90
117 - 120	.....	43	320 - 323	.....	91
121 - 124	(4 months)	44	324 - 328	.....	92
125 - 127	.....	45	329 - 332	.....	93
128 - 131	.....	46	333 - 337	(11 months)	94
132 - 135	.....	47	338 - 342	.....	95
136 - 138	.....	48	343 - 346	.....	96
139 - 142	.....	49	347 - 351	.....	97
143 - 146	.....	50	352 - 355	.....	98
147 - 149	.....	51	356 - 360	.....	99
150 - 153	(5 months)	52	361 - 365	(12 months)	100

B. For Insurances written for more or less than one year:-

1. If insurance has been in force for 12 months or less, apply the standard short rate table for annual insurances to the full annual premium determined as for an insurance written for a term of one year.
2. If insurance has been in force for more than 12 months:
 - (a) Determine full annual premium as for an insurance written for a term of one year.
 - (b) Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata Earned Premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the insurance was originally written.
 - (c) Add premium produced in accordance with items (a) and (b) to obtain Earned Premium during full period insurance has been in force.

09/02/58
NMA45 (Amended)



FINANCIAL INSTITUTION BOND FORM 24 (AMENDED)

The Underwriters, in consideration of an agreed premium, and in reliance upon all statements made and information furnished to the Underwriters by the Insured in applying for this Policy, and subject to the Schedule, Insuring Agreements, General Agreements, Conditions and Limitations and other terms hereof, agree to indemnify the Insured for:

INSURING AGREEMENTS

A. FIDELITY

Loss resulting directly from dishonest or fraudulent acts committed by an **Employee** acting alone or in collusion with others.

Such dishonest or fraudulent acts must be committed by the **Employee** with the intent:

- (a) to cause the Insured to sustain such loss; or
- (b) to obtain financial benefit for the **Employee** or another person or entity.

However, if some or all of the Insured's loss results directly or indirectly from:

Loans or Trading, that portion of the loss is not covered unless the **Employee** also has received, in connection therewith, an improper financial benefit.

As used throughout this Insuring Agreement, financial benefit does not include any employee benefits earned in the normal course of employment, including salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions.

B. ON PREMISES

- (1) Loss of **Property** resulting directly from
 - (a) robbery, burglary, misplacement, mysterious unexplainable disappearance and damage thereto or destruction thereof, or
 - (b) theft, false pretenses, common-law or statutory larceny, committed by a person present in an office or on the premises of the Insured, while the **Property** is lodged or deposited within offices or premises located anywhere.
- (2) Loss of or damage to
 - (a) furnishings, fixtures, supplies or equipment within an office of the Insured covered under this Policy resulting directly from larceny or theft in, or by burglary or robbery of, such office, or attempt thereat, or by vandalism or malicious mischief, or
 - (b) such office resulting from larceny or theft in, or by burglary or robbery of such office or attempt thereat, or to the interior of such office by vandalism or malicious mischief,

provided that

 - (i) the Insured is the owner of such furnishings, fixtures, supplies, equipment, or office or is liable for such loss or damage, and
 - (ii) the loss is not caused by fire.

C. IN TRANSIT

Loss of **Property** resulting directly from robbery, common-law or statutory larceny, theft, misplacement, mysterious unexplainable disappearance, being lost or made away with, and damage thereto or destruction thereof, while the **Property** is in transit anywhere in the custody of

- (a) a natural person acting as a messenger of the Insured (or another natural person acting as messenger or custodian during an emergency arising from the incapacity of the original messenger), or

- (b) a **Transportation Company** and being transported in an armored motor vehicle, or
- (c) a **Transportation Company** and being transported in a conveyance other than an armored motor vehicle provided that covered **Property** transported in such manner is limited to the following:
 - (i) records, whether recorded in writing or electronically, and
 - (ii) **Certificated Securities** issued in registered form and not endorsed, or with restrictive endorsements, and
 - (iii) **Negotiable Instruments** not payable to bearer, or not endorsed, or with restrictive endorsements.

Coverage under this Insuring Agreement begins immediately upon the receipt of such **Property** by the natural person or **Transportation Company** and ends immediately upon delivery to the designated recipient or its agent.

D. FORGERY OR ALTERATION

Loss resulting directly from

- (1) **Forgery** or alteration of, on or in any **Negotiable Instrument** (except an **Evidence of Debt**), **Acceptance, Withdrawal Order**, receipt for the withdrawal of **Property**, **Certificate of Deposit** or **Letter of Credit**,
- (2) transferring, paying or delivering any funds or **Property** or establishing any credit or giving any value on the faith of any written instructions or advices directed to the Insured and authorizing or acknowledging the transfer, payment, delivery or receipt of funds or **Property**, which instructions or advices purport to have been signed or endorsed by any customer of the Insured or by any banking institution but which instructions or advices either bear a signature which is a **Forgery** or have been altered without the knowledge and consent of such customer or banking institution. Telegraphic, cable or teletype instructions or advices, as aforesaid, exclusive of transmissions of electronic funds transfer systems, sent by a person other than the said customer or banking institution purporting to send such instructions or advices shall be deemed to bear a signature which is a **Forgery**.

A mechanically reproduced facsimile signature is treated the same as a handwritten signature.

E. SECURITIES

Loss resulting directly from the Insured having, in good faith, for its own account or for the account of others,

- (1) acquired, sold or delivered, or given value, extended credit or assumed liability, on the faith of, any original
 - (a) **Certificated Security**,
 - (b) **Document of Title**,
 - (c) deed, mortgage, or other instrument conveying title to, or creating or discharging a lien upon, real property,
 - (d) **Certificate of Origin or Title**,
 - (e) **Evidence of Debt**,
 - (f) corporate, partnership or personal **Guarantee**,
 - (g) **Security Agreement**,
 - (h) **Instruction** to a Federal Reserve Bank of the United States, or
 - (i) **Statement of Uncertificated Security** of any Federal Reserve Bank of the United States

which

 - (i) bears a signature of any maker, drawer, issuer, endorser, assignor, lessee, transfer agent, registrar, acceptor, surety, guarantor, or of any person signing in any other capacity which is a **Forgery**, or
 - (ii) is altered, or
 - (iii) is lost or stolen;

- (2) guaranteed in writing or witnessed any signature upon any transfer, assignment, bill of sale, power of attorney, **Guarantee**, endorsement or any items listed in (a) through (h) above;
- (3) acquired, sold or delivered, or given value, extended credit or assumed liability, on the faith of any item listed in (a) through (d) above which is a **Counterfeit**. Actual physical possession of the items listed in (a) through (i) above by the Insured, its correspondent bank or other authorized representative, is a condition precedent to the Insured's having relied on the faith of such items.

A mechanically reproduced facsimile signature is treated the same as a handwritten signature.

F. COUNTERFEIT CURRENCY

Loss resulting directly from the receipt by the Insured, in good faith, of any **Counterfeit Money** of the United States of America, or of any other country in which the Insured maintains a branch office.

GENERAL AGREEMENTS

A. NOMINEES

Loss sustained by any nominee organized by the Insured for the purpose of handling certain of its business transactions and composed exclusively of its **Employees** shall, for all the purposes of this Policy and whether or not any partner of such nominee is implicated in such loss, be deemed to be loss sustained by the Insured.

B. ADDITIONAL OFFICES OR EMPLOYEES - CONSOLIDATION, MERGER OR PURCHASE OF ASSETS - NOTICE

If the Insured shall, while this Policy is in force, establish any additional offices, other than by consolidation or merger with, or purchase or acquisition of assets or liabilities of, another institution, such offices shall be automatically covered hereunder from the date of such establishment without the requirement of notice to the Underwriters or the payment of additional premium for the remainder of the premium period.

If the Insured shall, while this Policy is in force, consolidate or merge with, or purchase or acquire assets or liabilities of, another institution, the Insured shall not have such coverage as is afforded under this Policy for loss which

- (a) has occurred or will occur in offices or premises, or
- (b) has been caused or will be caused by an employee or employees of such institution, or
- (c) has arisen or will arise out of the assets or liabilities acquired by the Insured as a result of such consolidation, merger or purchase or acquisition of assets or liabilities unless the Insured shall:
 - (i) give the Underwriters written notice of the proposed consolidation, merger or purchase or acquisition of assets or liabilities prior to the proposed effective date of such action and
 - (ii) obtain the written consent of the Underwriters to extend the coverage provided by this Policy to such additional offices or premises, **Employees** and other exposures, and
 - (iii) upon obtaining such consent, pay to the Underwriters an additional premium.

C. CHANGE OF CONTROL - NOTICE

When the Insured learns of a change in control, it shall give written notice to the Underwriters.

As used in this General Agreement, control means the power to determine the management or policy of a controlling holding company or the Insured by virtue of voting stock ownership. A change in ownership of voting stock which results in direct or indirect ownership by a stockholder or an affiliated group of stockholders of ten percent (10%) or more of such stock shall be presumed to result in a change of control for the purpose of the required notice.

Failure to give the required notice shall result in termination of coverage for any loss involving a transferee, to be effective upon the date of the stock transfer.

D. REPRESENTATION OF INSURED

The Insured represents that the information furnished in the application for this Policy is complete, true and correct. Such application constitutes part of this Policy.

Any misrepresentation, omission, concealment or any incorrect statement of a material fact, in the application or otherwise, shall be grounds for the rescission of this Policy.

E. JOINT INSURED

If two or more Insureds are covered under this Policy, the first named Insured shall act for all Insureds. Payment by the Underwriters to the first named Insured of loss sustained by any Insured shall fully release the Underwriters on account of such loss. If the first named Insured ceases to be covered under this Policy, the Insured next named shall thereafter be considered as the first named Insured. Knowledge possessed or discovery made by any Insured shall constitute knowledge or discovery by all Insureds for all purposes of this Policy. The liability of the Underwriters for loss or losses sustained by all Insureds shall not exceed the amount for which the Underwriters would have been liable had all such loss or losses been sustained by one Insured.

F. NOTICE OF LEGAL PROCEEDINGS AGAINST INSURED – ELECTION TO DEFEND

The Insured shall notify Underwriters at the earliest practicable moment, not to exceed thirty (30) days after notice thereof, of any legal proceeding brought to determine the Insured's liability for any loss, claim or damage, which, if established, would constitute a collectible loss under this Policy. Concurrently, the Insured shall furnish copies of all pleadings and pertinent papers to the Underwriters.

The Underwriters, at their sole option, may elect to conduct the defense of such legal proceeding, in whole or in part. The defense by the Underwriters shall be in the Insured's name through attorneys selected by the Underwriters. The Insured shall provide all reasonable information and assistance required by the Underwriters for such defense.

If the Underwriters elect to defend the Insured, in whole or in part, any judgment against the Insured on those counts or causes of action which the Underwriters defended on behalf of the Insured or any settlement in which the Underwriters participate and all attorneys' fees, costs and expenses incurred by the Underwriters in the defense of the litigation shall be loss covered by this Policy.

If the Insured does not give the notices required in subsection (a) of Section 5. of this Policy and in the first paragraph of this General Agreement, or if the Underwriters elect not to defend any causes of action, neither a judgment against the Insured, nor a settlement of any legal proceeding by the Insured, shall determine the existence, extent or amount of coverage under this Policy for loss sustained by the Insured, and the Underwriters shall not be liable for any attorneys' fees, costs and expenses incurred by the Insured.

With respect to this General Agreement, subsections (b) and (d) of Section 5. of this Policy apply upon the entry of such judgment or the occurrence of such settlement instead of upon discovery of loss. In addition, the Insured must notify the Underwriters within thirty (30) days after such judgment is entered against it or after the Insured settles such legal proceeding, and, subject to subsection (e) of Section 5., the Insured may not bring legal proceedings for the recovery of such loss after the expiration of 24 months from the date of such final judgment or settlement.

CONDITIONS AND LIMITATIONS

SECTION 1 - DEFINITIONS

As used in this Policy:

- (a) **Acceptance** means a draft which the drawee has, by signature written thereon, engaged to honor as presented.
- (b) **Certificate of Deposit** means an acknowledgement in writing by a financial institution of receipt of **Money** with an engagement to repay it.
- (c) **Certificate of Origin or Title** means a document issued by a manufacturer of personal property or a governmental agency evidencing the ownership of the personal property and by which ownership is transferred.
- (d) **Certificated Security** means a share, participation or other interest in property of or an enterprise of the issuer or an obligation of the issuer, which is:

- (1) represented by an instrument issued in bearer or registered form;
 - (2) 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
 - (3) either one of a class or series or by its terms divisible into a class or series of shares, participations, interests or obligations.
- (e) **Counterfeit** means an imitation which is intended to deceive and to be taken as an original.
- (f) **Document of Title** means a bill of lading, dock warrant, dock receipt, warehouse receipt or order for the delivery of goods, and also any other document which in the regular course of business or financing is treated as adequately evidencing that the person in possession of it is entitled to receive, hold and dispose of the document and the goods it covers and must purport to be issued by or addressed to a bailee and purport to cover goods in the bailee's possession which are either identified or are fungible portions of an identified mass.
- (g) **Employee means**
- (1) an officer or other employee of the Insured, while employed in, at, or by any of the Insured's offices or premises covered hereunder, and a guest student pursuing studies or duties in any of said offices or premises;
 - (2) an attorney retained by the Insured and an employee of such attorney while either is performing legal services for the Insured;
 - (3) a director or officer of the Insured when acting in capacity as an **Employee**;
 - (4) a person provided by an employment contractor to perform employee duties for the Insured under the Insured's supervision at any of the Insured's offices or premises covered hereunder;
 - (5) an employee of an institution merged or consolidated with the Insured prior to the effective date of this Policy; and
 - (6) each natural person, partnership or corporation authorized by the Insured to perform services as data processor of checks or other accounting records of the Insured (not including preparation or modification of computer software or programs), herein called **Processor**. (Each such **Processor**, and the partners, officers and employees of such **Processor** shall, collectively, be deemed to be one **Employee** for all the purposes of this Policy, excepting, however, the second paragraph of Section 12. A Federal Reserve Bank or clearing house shall not be construed to be a processor.)
 - (7) any director of the Insured while acting as a member of any committee duly elected or appointed by resolution of the board of directors of the Insured to perform specific, as distinguished from general, directorial acts on behalf of the Insured.
- (h) **Evidence of Debt** means an instrument, including a **Negotiable Instrument**, executed by a customer of the Insured and held by the Insured which in the regular course of business is treated as evidencing the customer's debt to the Insured.
- (i) **Forgery** means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
- (j) **Guarantee** means a written undertaking obligating the signer to pay the debt of another to the Insured or its assignee or to a financial institution from which the Insured has purchased participation in the debt, if the debt is not paid in accordance with its terms.
- (k) **Instruction** means a written order to the issuer of an **Uncertificated Security** requesting that the transfer, pledge, or release from pledge of the **Uncertificated Security** specified be registered.
- (l) **Letter of Credit** means an engagement in writing by a bank or other person made at the request of a customer that the bank or other person will honor drafts or other demands for payment upon compliance with the conditions specified in the **Letter of Credit**.
- (m) **Loan** means all extensions of credit by the Insured and all transactions creating a creditor relationship in favor of the Insured and all transactions by which the Insured assumes an existing creditor relationship.
- (n) **Money** means a medium of exchange in current use authorized or adopted by a domestic or foreign government as a part of its currency.

- (o) **Negotiable Instrument** means any writing
- (1) signed by the maker or drawer; and
 - (2) containing an unconditional promise or order to pay a sum certain in **Money** and no other promise, order, obligation or power given by the maker or drawer; and
 - (3) is payable on demand or at a definite time; and
 - (4) is payable to order or bearer.
- (p) **Property** means **Money, Certificated Securities, Uncertificated Securities** of any Federal Reserve Bank of the United States, **Negotiable Instruments, Certificates of Deposit, Documents of Title, Acceptances, Evidences of Debt, Security Agreements, Withdrawal Orders, Certificates of Origin or Title, Letters of Credit**, insurance policies, abstracts of title, deeds and mortgages on real estate, revenue and other stamps, tokens, unsold state lottery tickets, books of account and other records whether recorded in writing or electronically, gems, jewelry, precious metals in bars or ingots, and tangible items of personal property which are not hereinbefore enumerated.
- (q) **Security Agreement** means an agreement which creates an interest in personal property or fixtures and which secures payment or performance of an obligation.
- (r) **Statement of Uncertificated Security** means a written statement of the issuer of an **Uncertificated Security** containing:
- (1) A description of the issue of which the **Uncertificated Security** is a part;
 - (2) the number of shares or units:
 - (a) transferred to the registered owner;
 - (b) pledged by the registered owner to the registered pledgee;
 - (c) released from pledge by the registered pledgee;
 - (d) registered in the name of the registered owner on the date of the statement; or
 - (e) subject to pledge on the date of the statement;
 - (3) the name and address of the registered owner and registered pledgee;
 - (4) a notation of any liens and restrictions of the issuer and any adverse claims to which the **Uncertificated Security** is or may be subject or a statement that there are none of those liens, restrictions or adverse claims; and
 - (5) the date;
 - (a) the transfer of the shares or units to the new registered owner of the shares or units was registered;
 - (b) the pledge of the registered pledgee was registered, or
 - (c) of the statement, if it is a periodic or annual statement.
- (s) **Trading** means any purchase, exchange, or sale transaction, with or without knowledge of the Insured, whether or not represented by any indebtedness or balance shown to be due the Insured on any customer account, actual or fictitious.
- (t) **Transportation Company** means any organization which provides its own or leased vehicles for transportation or which provides freight forwarding or air express services.
- (u) **Uncertificated Security** means a share, participation or other interest in property of or an enterprise of the issuer or an obligation of the issuer, which is:
- (1) not represented by an instrument and the transfer of which is registered upon books maintained for that purpose by or on behalf of the issuer;

- (2) of a type commonly dealt in on securities exchanges or markets; and
 - (3) either one of a class or series or by its terms divisible into a class or series of shares, participations, interests or obligations.
- (v) **Withdrawal Order** means a non-negotiable instrument, other than an **Instruction**, signed by a customer of the Insured authorizing the Insured to debit the customer's account in the amount of funds stated therein.

SECTION 2 - EXCLUSIONS

This Policy does not cover:

- (a) loss resulting directly or indirectly from forgery or alteration, except when covered under Insuring Agreements (A), (D), (E) or (F);
- (b) loss due to riot or civil commotion outside the United States of America and Canada; or loss due to military, naval or usurped power, war or insurrection unless such loss occurs in transit in the circumstances recited in Insuring Agreement (C), and unless, when such transit was initiated, there was no knowledge of such riot, civil commotion, military, naval or usurped power, war or insurrection on the part of any person acting for the Insured in initiating such transit;
- (c) loss resulting directly or indirectly from the effects of nuclear fission or fusion or radioactivity; provided, however, that this paragraph shall not apply to loss resulting from industrial uses of nuclear energy;
- (d) loss resulting directly or indirectly from any acts of any director of the Insured other than one employed as a salaried, pensioned or elected official or an **Employee** of the Insured, except when performing acts coming within the scope of the usual duties of an **Employee**, or while acting as a member of any committee duly elected or appointed by resolution of the board of directors of the Insured to perform specific, as distinguished from general, directorial acts on behalf of the Insured;
- (e) loss resulting directly or indirectly from the complete or partial non-payment of, or default upon, any **Loan** or transaction involving the Insured as a lender or borrower, or extension of credit, including the purchase, discounting or other acquisition of false or genuine accounts, invoices, notes, agreements or **Evidences of Debt**, whether such **Loan**, transaction or extension was procured in good faith or through trick, artifice, fraud or false pretenses, except when covered under Insuring Agreements (A), (D) or (E);
- (f) loss of **Property** contained in customers' safe deposit boxes, except when the Insured is legally liable therefor and the loss is covered under Insuring Agreement (A);
- (g) loss through cashing or paying forged or altered travelers' checks or travelers' checks bearing forged endorsements, except when covered under Insuring Agreement (A); or loss of unsold travelers' checks or unsold money orders placed in the custody of the Insured with authority to sell, unless (a) the Insured is legally liable for such loss and (b) such checks or money orders are later paid or honored by the drawer thereof, except when covered under Insuring Agreement (A);
- (h) loss caused by an **Employee**, except when covered under Insuring Agreement (A) or when covered under Insuring Agreement (B) or (C) and resulting directly from misplacement, mysterious unexplainable disappearance or destruction of or damage to **Property**;
- (i) loss resulting directly or indirectly from **trading**, except when covered under Insuring Agreement (A) provided that a Single Loss Limit of Liability and Single Loss Deductible for Trading Coverage is shown in Item 4 of the Declarations, or Insuring Agreement (D) or (E);
- (j) shortage in any teller's cash due to error, regardless of the amount of such shortage, and any shortage in any teller's cash which is not in excess of the normal shortage in the tellers' cash in the office where such shortage shall occur shall be presumed to be due to error;
- (k) loss resulting directly or indirectly from the use or purported use of credit, debit, charge, access, convenience, identification or other cards
 - (1) in obtaining credit or funds, or
 - (3) in gaining access to automated mechanical devices which, on behalf of the Insured, disburse **Money**, accept deposits, cash checks, drafts or similar written instruments or make credit card loans, or

- (3) in gaining access to point of sale terminals, customer-bank communication terminals, or similar electronic terminals of electronic funds transfer systems,

whether such cards were issued, or purport to have been issued, by the Insured or by anyone other than the Insured, except when covered under Insuring Agreement (A);

loss involving automated mechanical devices which, on behalf of the Insured, disburse **Money**, accept deposits, cash checks, drafts or similar written instruments or make credit card loans, unless such automated mechanical devices are situated within an office of the Insured which is permanently staffed by an **Employee** whose duties are those usually assigned to a bank teller, even though public access is from outside the confines of such office, but in no event shall the Underwriters be liable for loss (including loss of **Property**)

- (l) as a result of damage to such automated mechanical devices from vandalism or malicious mischief perpetrated from outside such office, or

- (1) as a result of failure of such automated mechanical devices to function properly, or
(2) through misplacement or mysterious unexplainable disappearance while such **Property** is located within any such automated mechanical devices,

except when covered under Insuring Agreement (A);

- (m) loss through the surrender of **Property** away from an office of the Insured as a result of a threat:

- (1) to do bodily harm to any person, except loss of **Property** in transit in the custody of any person acting as messenger provided that when such transit was initiated there was no knowledge by the Insured of any such threat; or
(2) to do damage to the premises or **Property** of the Insured;

except when covered under Insuring Agreement (A);

- (n) loss resulting directly or indirectly from payments made or withdrawals from a depositor's account involving erroneous credits to such account, unless such payments or withdrawals are physically received by such depositor or representative of such depositor who is within the office of the Insured at the time of such payment or withdrawal, or except when covered under Insuring Agreement (A);

- (o) loss resulting directly or indirectly from payments made or withdrawals from a depositor's account involving items of deposit which are not finally paid for any reason, including but not limited to **Forgery** or any other fraud, except when covered under Insuring Agreement (A);

- (p) loss resulting directly or indirectly from counterfeiting, except when covered under Insuring Agreements (A), (E) or (F);

- (q) loss of any tangible item of personal property which is not specifically enumerated in the paragraph defining **Property** and for which the Insured is legally liable, if such property is specifically insured by other insurance of any kind and in any amount obtained by the Insured, and in any event, loss of such property occurring more than sixty (60) days after the Insured shall have become aware that it is liable for the safekeeping of such property, except when covered under Insuring Agreements (A) or (B)(2);

- (r) loss of **Property** while

- (1) in the mail, or
(2) in the custody of any **Transportation Company**, unless covered under Insuring Agreement (C)

except when covered under Insuring Agreement (A);

- (s) loss of potential income, including but not limited to interest and dividends, not realized by the Insured;

- (t) damages of any type for which the Insured is legally liable, except compensatory damages, but not multiples thereof, arising directly from a loss covered under this Policy;

- (u) all fees, costs and expenses incurred by the Insured

- (1) in establishing the existence of or amount of loss covered under this Policy, or
- (2) as a party to any legal proceeding whether or not such legal proceeding exposes the Insured to loss covered by this Policy;
- (v) indirect or consequential loss of any nature;
- (w) loss resulting from any violation by the Insured or by any **Employee**
 - (1) of law regulating (i) the issuance, purchase or sale of securities, (ii) securities transactions upon security exchanges or over the counter market, (iii) investment companies, or (iv) investment advisers, or
 - (2) of any rule or regulation made pursuant to any such law,unless it is established by the Insured that the act or acts which caused the said loss involved fraudulent or dishonest conduct which would have caused a loss to the Insured in a similar amount in the absence of such laws, rules or regulations;
- (x) loss resulting directly or indirectly from the failure of a financial or depository institution, or its receiver or liquidator, to pay or deliver, on demand of the Insured, funds or **Property** of the Insured held by it in any capacity, except when covered under Insuring Agreements (A) or (B)(1)(a);
- (y) loss involving any **Uncertificated Security** except an **Uncertificated Security** of any Federal Reserve Bank of the United States or when covered under Insuring Agreement (A);
- (z) damages resulting from any civil, criminal or other legal proceeding in which the Insured is alleged to have engaged in racketeering activity except when the Insured establishes that the act or acts giving rise to such damages were committed by the **Employee** under circumstances which result directly in a loss to the Insured covered by Insuring Agreement (A). For the purposes of this exclusion, "racketeering activity" is defined in 18 United States Code 1961 et seq., as amended.
- (aa) loss involving or arising out of any actual or alleged acts, omissions, transactions, circumstances or events (hereinafter referred to as "Acts") which occurred or commenced (or are alleged to have occurred or commenced) prior to the Retroactive Date, if any, as set forth in Item 8 of the Declarations or any Acts being part of an interrelated series of such Acts where any one or more Acts in that series occurred or commenced (or are alleged to have occurred or commenced) prior to the above date.

SECTION 3 – DISCOVERY

This Policy applies to loss discovered by the Insured during the Policy Period. Discovery occurs when the Insured's Chief Executive Officer, Chairperson, Chief Financial Officer, President, Risk Manager, In-House General Counsel (or any equivalent position) first becomes aware of facts which would cause a reasonable person to assume that a loss of a type covered by this Policy has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

Discovery also occurs when the Insured's Chief Executive Officer, Chairperson, Chief Financial Officer, President, Risk Manager, In-House General Counsel (or any equivalent position) receives notice of an actual or potential claim in which it is alleged that the Insured is liable to a third party under circumstances which, if true, would constitute a loss under this Policy.

SECTION 4 – LIMIT OF LIABILITY

(A) Aggregate Limit of Liability

The Underwriters' total liability for all losses discovered during the Policy Period shown in Item 2 of the Declarations shall not exceed the Aggregate Limit of Liability shown in Item 3 of the Declaration. The Aggregate Limit of Liability shall be reduced by the amount of any payment made under the terms of this Policy.

Upon exhaustion of the Aggregate Limit of Liability by such payments:

- (a) The Underwriters shall have no further liability for loss or losses regardless of when discovered and whether or not previously reported to the Underwriters, and

- (b) The Underwriters shall have no obligation under General Agreement F. to continue the defense of the Insured, and upon notice by the Underwriters to the Insured that the Aggregate Limit of Liability has been exhausted, the Insured shall assume all responsibility for its defense at its own cost.

The Aggregate Limit of Liability shall not be increased or reinstated by any recovery made and applied in accordance with subsections (a), (b) and (c) of Section 7. In the event that a loss of **Property** is settled by the Underwriters through the use of a lost instrument bond, such loss shall not reduce the Aggregate Limit of Liability.

(B) Single Loss Limit of Liability

Subject to the Aggregate Limit of Liability, the Underwriters' liability for each Single Loss shall not exceed the applicable Single Loss Limit of Liability shown in Item 4. of the Declarations. If a Single Loss is covered under more than one Insuring Agreement or Coverage, the maximum payable shall not exceed the largest applicable Single Loss Limit of Liability.

Single Loss means all covered loss, including court costs and attorneys' fees incurred by the Underwriters under General Agreement F., resulting from:

- (a) any one act or series of related acts of burglary, robbery or attempt thereof, in which no **Employee** is implicated, or
- (b) any one act or series of related unintentional or negligent acts or omissions on the part of any person (whether an **Employee** or not) resulting in damage to or destruction or misplacement of **Property**, or
- (c) all acts or omissions other than those specified in (a) and (b) preceding, caused by any person (whether an **Employee** or not) or in which such person is implicated, or
- (d) any one casualty or event not specified in (a), (b) or (c) preceding.

SECTION 5 – NOTICE/PROOF - LEGAL PROCEEDINGS AGAINST UNDERWRITERS

- (a) At the earliest practicable moment, not to exceed thirty (30) days, after discovery of loss, the Insured shall give the Underwriters notice thereof.
- (b) Within six (6) months after such discovery, the Insured shall furnish to the Underwriters proof of loss, duly sworn to, with full particulars.
- (c) Lost **Certificated Securities** listed in a proof of loss shall be identified by certificate or bond numbers if such securities were issued therewith.
- (d) Legal proceedings for the recovery of any loss hereunder shall not be brought prior to the expiration of sixty (60) days after the original proof of loss is filed with the Underwriters or after the expiration of twenty-four (24) months from the discovery of such loss.
- (e) If any limitation embodied in this Policy is prohibited by any law controlling the construction hereof, such limitation shall be deemed to be amended so as to equal the minimum period of limitation provided by such law.
- (f) This Policy affords coverage only in favor of the Insured. No suit, action or legal proceedings shall be brought hereunder by any one other than the named Insured.

SECTION 6 - VALUATION

A. Money

Any loss of **Money**, or loss payable in **Money**, shall be paid, at the option of the Insured, in the **Money** of the country in which the loss was sustained or in the United States of America dollar equivalent thereof determined at the rate of exchange at the time of payment of such loss.

B. Securities

The Underwriters shall settle in kind their liability under this Policy on account of a loss of any securities or, at the option of the Insured, shall pay to the Insured the cost of replacing such securities, determined by the market value thereof at the time of such settlement. In case of a loss of subscription, conversion or redemption privileges through the misplacement or loss of securities, the

amount of such loss shall be the value of such privileges immediately preceding the expiration thereof. If such securities cannot be replaced or have no quoted market value, or if such privileges have no quoted market value, their value shall be determined by agreement or arbitration.

If the applicable coverage of this Policy is subject to a Deductible Amount and/or is not sufficient in amount to indemnify the Insured in full for the loss of securities for which claim is made hereunder, the liability of the Underwriters under this Policy is limited to the payment for, or the duplication of, so much of such securities as has a value equal to the amount of such applicable coverage.

C. Books of Account and Other Records

In case of loss of, or damage to, any books of account or other records used by the Insured in its business, the Underwriters shall be liable under this Policy only if such books or records are actually reproduced and then for not more than the cost of the blank books, blank pages or other materials plus the cost of labor for the actual transcription or copying of data which shall have been furnished by the Insured in order to reproduce such books and other records.

D. Property other than Money, Securities or Records

In case of loss of, or damage to, any **Property** other than **Money**, securities, books of account or other records, or damage covered under Insuring Agreement (B)(2), the Underwriters shall not be liable for more than the actual cash value of such **Property**, or of items covered under Insuring Agreement (B)(2). The Underwriters may, at their election, pay the actual cash value of, replace or repair such property. Disagreement between the Underwriters and the Insured as to the cash value or as to the adequacy of repair or replacement shall be resolved by arbitration.

SECTION 7 – ASSIGNMENT – SUBROGATION – RECOVERY - COOPERATION

- (a) In the event of payment under this Policy, the Insured shall deliver, if so requested by the Underwriters, an assignment of such of the Insured's rights, title and interest and causes of action as it has against any person or entity to the extent of the loss payment.
- (b) In the event of payment under this Policy, the Underwriters shall be subrogated to all of the Insured's rights of recovery therefor against any person or entity to the extent of such payment.
- (c) Recoveries, whether effected by the Underwriters or by the Insured, shall be applied net of the expense of such recovery first to the satisfaction of the Insured's loss which would otherwise have been paid but for the fact that it is in excess of either the Single or Aggregate Limit of Liability, secondly, to the Underwriters as reimbursement of amounts paid in settlement of the Insured's claim, and thirdly, to the Insured in satisfaction of any Deductible Amount. Recovery on account of loss of securities as set forth in the Section 6.(B) or recovery from reinsurance and/or indemnity of the Underwriters shall not be deemed a recovery as used herein.
- (d) Upon the Underwriters' request and at reasonable times and places designated by the Underwriters the Insured shall
 - (1) submit to examination by the Underwriters and subscribe to the same under oath; and
 - (2) produce for the Underwriters' examination all pertinent records; and
 - (3) cooperate with the Underwriters in all matters pertaining to the loss.
- (e) The Insured shall execute all papers and render assistance to secure to the Underwriters the rights and causes of action provided for herein. The Insured shall do nothing after discovery of loss to prejudice such rights or causes of action.

SECTION 8 – LIMIT OF LIABILITY UNDER THIS POLICY AND PRIOR INSURANCE

With respect to any loss set forth in sub-section (c) of Section 4(B). of this Policy which is recoverable or recovered in whole or in part under any other bonds or policies issued by the Underwriters to the Insured or to any predecessor in interest of the Insured and terminated or canceled or allowed to expire and in which the period for discovery has not expired at the time any such loss thereunder is discovered, the total liability of the Underwriters under this Policy and

under such other bonds or policies shall not exceed, in the aggregate, the amount carried hereunder on such loss or the amount available to the Insured under such other bonds or policies, as limited by the terms and conditions thereof, for any such loss if the latter amount be the larger.

If the coverage of this Policy supersedes in whole or in part the coverage of any other bond or policy of insurance issued by an Insurer other than the Underwriters and terminated, canceled or allowed to expire, the Underwriters, with respect to any loss sustained prior to such termination, cancellation or expiration and discovered within the period permitted under such other bond or policy for the discovery of loss thereunder, shall be liable under this Policy only for that part of such loss covered by this Policy as is in excess of the amount recoverable or recovered on account of such loss under such other bond or policy, anything to the contrary in such other bond or policy notwithstanding.

SECTION 9 - OTHER INSURANCE OR INDEMNITY

Coverage afforded hereunder shall apply only as excess over any valid and collectible insurance or indemnity obtained by the Insured, or by one other than the Insured on **Property** subject to exclusion (q), or by a **Transportation Company**, or by another entity on whose premises the loss occurred or which employed the person causing the loss or the messenger conveying the **Property** involved.

SECTION 10 - OWNERSHIP

This Policy shall apply to loss of **Property** (1) owned by the Insured, (2) held by the Insured in any capacity, or (3) for which the Insured is legally liable. This Policy shall be for the sole use and benefit of the Insured named in the Declarations.

SECTION 11 – DEDUCTIBLE AMOUNT

The Underwriters shall be liable hereunder only for the amount by which any single loss, as defined in Section 4(B)., exceeds the Single Loss Deductible amount for the Insuring Agreement or Coverage applicable to such loss, subject to the Aggregate Limit of Liability and the applicable Single Loss Limit of Liability.

The Insured shall, in the time and in the manner prescribed in this Policy, give the Underwriters notice of any loss of the kind covered by the terms of this Policy, whether or not the Underwriters are liable therefor, and upon the request of the Underwriters shall file with them a brief statement giving the particulars concerning such loss.

SECTION 12 – TERMINATION OR CANCELLATION

This Policy terminates as an entirety upon occurrence of any of the following: - (a) sixty (60) days after the receipt by the Insured of a written notice from the Underwriters of their desire to cancel this Policy, or (b) immediately upon the receipt by the Underwriters of a written notice from the Insured of its desire to cancel this Policy, or (c) immediately upon the taking over of the Insured by a receiver or other liquidator or by State or Federal officials, or (d) immediately upon the taking over of the Insured by another institution, or (e) immediately upon exhaustion of the Aggregate Limit of Liability, or (f) immediately upon expiration of the Policy Period as set forth in Item 2. of the Schedule.

This Policy terminates as to any **Employee** or any partner, officer or employee of any **Processor** - (a) as soon as any Insured, or any director or officer not in collusion with such person, learns of any dishonest or fraudulent act committed by such person at any time, whether in the employment of the Insured or otherwise, whether or not of the type covered under Insuring Agreement (A), against the Insured or any other person or entity, without prejudice to the loss of any **Property** then in transit in the custody of such person, or (b) fifteen (15) days after the receipt by the Insured of a written notice from the Underwriters of their desire to cancel this Policy as to such person.

Termination of the Policy as to any Insured terminates liability for any loss sustained by such Insured which is discovered after the effective date of such termination.

SECTION 13 - SERVICE OF SUIT

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the **Insured**, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that services of process in such suit may be made upon Mendes & Mount, 750 Seventh Avenue, New York, New York 10019-6829, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the **Insured** to give a written undertaking to the **Insured** that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the **Insured** or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

SECTION 14 – GENERAL CONDITIONS

A. Choice of Law & Jurisdiction

This insurance shall be governed in accordance with the laws designated in Item 9 of the Declarations, and each party agrees to submit to the exclusive jurisdiction of any competent Court of the United States of America.

B. Territory

Coverage shall apply worldwide.

SECTION 15 – MANDATORY LLOYD'S EXCLUSIONS

A. Nuclear Incident Exclusion Clause – Liability-Direct (Broad) (U.S.A.)

For attachment to insurances of the following classifications in the U.S.A., its Territories and Possessions, Puerto Rico and the Canal Zone:

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability), not being insurances of the classifications to which the Nuclear Incident Exclusion Clause Liability- Direct (Limited) applies.

This Policy* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
 - (a) with respect to which an insured under the Policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
 - (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
 - (b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
 - (c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or by-product material; "source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof; "nuclear facility" means:

- (a) any nuclear reactor,
- (b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
- (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

B. Radioactive Contamination Exclusion Clause – Liability – Direct (U.S.A.)

For attachment (in addition to the appropriate Nuclear Incident Exclusion Clause-Liability-Direct) to liability insurances affording worldwide coverage.

In relation to liability arising outside the U.S.A., its Territories or Possessions, Puerto Rico or the Canal Zone, this Policy does not cover any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

C. War and Terrorism Exclusion Endorsement

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- 1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- 2. any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 1 and/or 2 above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Endorsement No.

Fraudulent Mortgage Endorsement

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

G. FRAUDULENT MORTGAGES

Loss resulting directly through the Insured having, in good faith and in the course of business in connection with any **Loan**, accepted or received or acted upon the faith of any real property mortgages, real property deeds of trust or like instruments pertaining to realty or assignments of such mortgages, deeds of trust or instruments which prove to have been defective by reason of the signature thereon of any person having been obtained through trick, artifice, fraud or false pretences or the signature on the recorded deed conveying such real property to the mortgagor or grantor of such mortgage or deed of trust having been obtained by or on behalf of such mortgagor or grantor through trick, artifice, fraud or false pretences.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

Endorsement No.

Stop Payment Order or Refusal to Pay Checks

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

H. STOP PAYMENT ORDER OR REFUSAL TO PAY CHECKS

By reason of the Insured having:

- a) complied or failed to comply with the request of any customer of the Insured, or an authorized agent of such customer, to stop payment on any check or draft made or drawn upon or against the Insured by such customer or by an authorized agent of such customer, or
- b) refused to pay any check or draft made or drawn upon or against the Insured by a customer of the Insured or by an authorized agent of such customer,

and which loss the Insured shall become legally liable to pay to its customer.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

INT-SPO(06/2010)

Endorsement No.

Transit Cash Letters

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

I. TRANSIT CASH LETTERS

- (1) Loss of any item(s) enclosed in a transit cash letter, (which item(s) shall have been lost or missing for at least 20 days after the Insured learns that the same has not arrived at its destination), while in transit during the course of collection, presentation or payment, between any office or premise of the Insured and any place In the United States of America or Canada;
- (2) loss of any cancelled check(s) drawn by a customer after such check(s) has been charged to the customer's account and after a statement of the condition of that account purporting to enclose such check(s) has been delivered or dispatched to the customer;
- (3) the payment of overtime wages paid to regular **Employees** of the Insured, and/or wages paid to extra **Employees** engaged in identifying the depositors of the lost items and/or assisting depositors in obtaining duplicates thereof and the necessary costs incurred for the use of mechanical devices and materials in obtaining duplicates of the transit cash letter item(s) where such devices and materials are not owned by the Insured; or
- (4) loss of any checks, promissory notes, drafts or similar items sent by the Insured to a **Processor** while such items are in transit either from the Insured to the **Processor** or from the **Processor** to the Insured; or such items between offices or premises of the Insured.

It shall be a condition precedent to recovery under this Insuring Agreement that the Insured shall:

- (a) To the best of its ability take and retain a photograph or digital image of the front (face) of each item bearing not more than one endorsement and the front (face) and the back of each item bearing more than one endorsement; or
- (b) Make a record of the name of the issuer, drawer or maker of each check, promissory note, draft or similar item(s) with all other descriptive data necessary for the purpose of reconstruction.

Nothing, however, in this paragraph shall bar the Insured from recovery where no photograph or digital image is available because of the mechanical failure of the device used in making such photographic or digital image, failure of the film or digital imaging system to reveal the image, damage or destruction to film (developed or undeveloped) from any cause, or error or omission of any **Employees** of the Insured in operating microfilming, digital imaging or similar equipment. This condition shall not apply to checks enclosed with customers' statements.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

Endorsement No.

Automated Teller Machine

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

J. AUTOMATED TELLER MACHINE

Loss involving automated mechanical devices which, on behalf of the Insured, disburse **Money**, accept deposits, cash checks, drafts or similar written instruments or make credit card loans unless:

- (a) such automated mechanical devices are situated within an office of the Insured which is permanently staffed by an **Employee** whose duties are those usually assigned to a teller, even though public access to such devices is from outside the confines of such office, or
- (b) such automated mechanical devices are not situated within an office covered under (a) above, but are situated on premises at any other location except as noted in the Schedule below.

but in no event shall the Underwriter be liable under the attached Policy for loss (including loss of **Property**):

- (i) as a result of damage to such automated mechanical devices situated within any office referred to in (a) above resulting from vandalism or malicious mischief perpetrated from outside such office, or
- (ii) as a result of damage to such automated mechanical devices situated on any premises referred to in (b) above resulting from vandalism or malicious mischief, or
- (iii) as a result of damage to the interior of the portion of a building on any premises referred to in (b) above to which the public has access resulting from vandalism or malicious mischief, or
- (iv) as a result of failure of such automated mechanical devices to function properly, or
- (v) through misplacement or mysterious unexplainable disappearance while such **Property** is located within any such automated mechanical devices, or
- (vi) to any customer of the Insured or to any representative of such customer while such person is on any premises referred to in (b) above, or
- (vii) as a result of the use of credit, debit, charge, access, convenience, identification or other cards in gaining access to such automated mechanical devices whether such cards were Issued, or purport to have been issued, by the Insured or by anyone other than the Insured,

except when such loss is covered under Insuring Agreement (A)

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

Schedule of Excluded Locations:

All other terms and conditions remain unchanged.

INT-ATM(06/2010)

Endorsement No.

Electronic /Computer Systems Fraud

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

K. ELECTRONIC / COMPUTER SYSTEMS FRAUD

- (1) Loss resulting directly from an intentional, unauthorized and fraudulent entry of or change of electronic data or computer programs within any computer system, including a computer virus or such entries or changes made via the internet; provided that the entry or change causes:
- (a) **Property or Uncertificated Securities** to be transferred, paid or delivered;
 - (b) An account of the Insured, or of its customer, to be added, deleted, debited or credited; or
 - (c) An unauthorized account or a fictitious account to be debited or credited.

In this Insuring Agreement, intentional, unauthorized and fraudulent entry of or change shall include such entry or change made by an **Employee** of the Insured acting in good faith and in reliance upon:

- (i) an instruction from a software contractor who has a written agreement with the Insured to design, implement or service programs for a computer system covered by this Insuring Agreement;
- (ii) an instruction transmitted by tested telex or similar means of tested communication (except a telefacsimile device) purportedly sent by a customer, financial institution or automated clearing house;

Loss shall mean all covered costs incurred by the Insured between the time destruction or damage is discovered and the time the computer system is restored to substantially the previous level of operational capability. Recurrence of destruction or damage after the computer system is restored shall constitute a separate Single Loss.

(2) **Telefacsimile and Email Transactions Coverage**

Loss resulting directly from having in good faith:

- (a) transferred funds on deposit in a customer's account, **Certificated Securities** or **Uncertificated Securities** in reliance upon a fraudulent **Telefacsimile Device** instruction directed to the Insured, which purports and reasonably appears to be from a customer of the Insured; another financial institution; or another office or premise of the Insured; but, in fact was not originated by the **Customer**, another financial institution or another office or premise of the Insured and purports and reasonably appears to contain the handwritten signature of a person authorized to initiate such transfer, or a valid test code, that proves to have been used by an unauthorized person;
- (b) transferred funds on deposit in a **Customer's** account, **Certificated Securities** or **Uncertificated Securities** in reliance upon a fraudulent instruction received through an email directed to the Insured, which purports and reasonably appears to be from a **Customer** of the Insured; another financial institution; or another office or premise of the Insured; but, in fact was not originated by the **Customer**, another financial institution or another office or premise of the Insured and purports and reasonably appears to have been originated by the **Customer** or entity whose identification it bears and contains the name of a person authorized to initiate such transfer, that proves to have been used by an unauthorized person; or

Provided that with regard to Telefacsimile and Email Transactions Coverage:

- (i) if the transfer was in excess of the Single Loss Deductible for Insuring Agreement K as set forth in Item 4 of the Declarations, the instruction was verified by a call back or other electronic verification according to a prearranged procedure; and
- (ii) if the instruction purports to be from a **Customer** of the Insured.

The term **Customer** within Telefacsimile and Email Transactions Coverage means an entity or natural person which has a written agreement with the Insured authorizing the Insured to rely on instructions received via email to make transfers and which has provided the Insured with the names of persons authorized to initiate such transfers and with which the Insured has established an instruction verification mechanism.

(3) **Electronic Notes Fraud Coverage**

Loss resulting directly from the Insured having, in good faith, for its own account or for the account of others acquired, sold, delivered, or given value, extended credit or assumed liability, on the faith of any electronic note originated by the Insured which:

- (a) contains the unauthorized use of a digital signature of a party to such electronic note with the intent to deceive; or
- (b) the authoritative copy of which has been altered.

As a condition precedent to coverage provided by Electronic Notes Fraud Coverage:

- (i) the digital signature shall be signed using a certificate-based public key cryptography system, the rules of which are governed by a commercially recognized policy management authority, using a certificate issued by a certification authority;
- (ii) before issuing the certificate, a representative of the certification authority or a duly authorized registration authority must confirm the identity of the applicant in person with two forms of State or Federally issued identification; and
- (iii) the Insured must have control of any electronic note that bears a digital signature in order for the Insured to have relied on the faith of the electronic note. Control is established if the Insured is identified as the person in control of the electronic note in accordance with the requirements of Section 201 (c) of the federal Electronic Signatures in Global and National Commerce Act.

(4) **Remote Access Voice Computer System (PBX) Telephone Fraud Coverage**

Loss resulting directly from charges for voice telephone long-distance toll calls which were incurred due to the fraudulent use or fraudulent manipulation of an account code or system password required to obtain access to a voice computer system first used by the Insured, installed on the Insured's premises, whose system administration is performed and controlled by the Insured; provided, however, that the unauthorized access was not made possible by:

- (a) failure to incorporate a system password feature or failure to change the system password at least once every thirty (30) days thereafter,
- (b) or failure to have a call-disconnect feature in operation to automatically terminate a caller's access to the voice computer system after not more than three unsuccessful attempts to input an account code.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

INT-ECSF(06/2010)

Endorsement No.

Safe Deposit Box

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged, it is hereby understood and agreed that SECTION 2 – EXCLUSIONS (f) of the Policy is amended by adding immediately thereafter; "or except to the extent that coverage for such loss is provided under Insuring Agreement L"

It is also understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

L. SAFE DEPOSIT BOX

Loss for which the Insured is legally liable by reason of damage, destruction or loss by any cause, theft or disappearance of any property or articles of intrinsic value the property of customers and/or depositors, or property entrusted by others to such customers, contained in safe deposit boxes lodged in the safe deposit vaults of the Insured's premises located anywhere and while such property or articles or boxes are in the said premises but temporarily outside the safe deposit vault.

EXCLUSIONS

In addition to the existing Exclusion(s) in the attached bond, the Underwriters shall not be liable for:-

- 1) Loss of cash and currency.
- 2) Loss of the Insured's own **Property**, but it is understood and agreed that this endorsement covers the interest of the Insured and/or its customers and/or others owning or interested in the above-mentioned articles and property and any loss or losses relating thereto shall be paid to the Insured irrespective of the ownership thereof.

Except as expressly stated above, this endorsement is subject to all the Terms, Conditions and Limitations and other provisions of the Policy to which it attaches.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible and the Aggregate Deductible for all claims for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

Endorsement No.

Extortion Threats to Persons

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that as respects Insuring Agreement M. Part A - Extortion Threats to Persons, Subsection (2) of Exclusion (m) as set forth in SECTION 2 – EXCLUSIONS of the Policy is deleted in its entirety and replaced with:

- (2) to do damage to the Insured's premises or to any property whatsoever (including **Property**) of the Insured or of any other person except with respect to (1) above, or to the extent covered under Insuring Agreement M. Part A - Extortion Threats To Person Insuring Clause or Part B - Extortion Threats to Property.

It is also hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

M. PART A - EXTORTION THREATS TO PERSONS

1. Loss of **Property** surrendered away from an office of the Insured as a result of a threat communicated to the Insured to do bodily harm to:
- (a) a director, trustee, **Employee** or partner of the Insured or to the proprietor (if the Insured be a sole proprietorship), or
 - (b) a relative or invitee of any person enumerated in (a) above

who is, or allegedly is, being held captive anywhere in the world: provided, however, that prior to the surrender of such **Property** (a) the person receiving the threat has made a reasonable effort to report the extortionist's demand to an associate, and (b) a reasonable effort has been made to report the extortionist's demand to local law enforcement authorities,

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

Endorsement No.

Extortion Threats to Property

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that as respects Insuring Agreement M. Part B - Extortion Threats to Property, Subsection (2) of Exclusion (m) as set forth in SECTION 2 – EXCLUSIONS of the Policy is deleted in its entirety and replaced with:

- (2) to do damage to the Insured's premises or to any property whatsoever (including **Property**) of the Insured or of any other person except with respect to (1) above, or to the extent covered under Insuring Agreement M. Part B - Extortion Threats To Property Insuring Clause.

It is also hereby understood and agreed that Insuring Agreements of the attached Policy is amended by the addition of the following Insuring Agreement:

M. PART B – EXTORTION THREATS TO PROPERTY

1. Loss of **Property** surrendered away from an office of the Insured as a result of a threat communicated to the Insured to do damage to the premises or property of the Insured located anywhere in (he world provided, however, that prior to the surrender of such **Property** (a) the person receiving the threat has made a reasonable effort to report the extortionist's demand to an associate, and (b) a reasonable effort has been made to report the extortionist's demand to the law enforcement authorities."
2. Underwriters shall not be liable for loss under Insuring Agreement M. Part B - Extortion Threats To Property, unless the amount of such loss, after deducting the net amount of all reimbursement and/or recovery obtained or made by the Insured (other than from any bond or insurance policy issued by a surety or insurance company and covering such loss), or by the Underwriter on account thereof, before the payment by Underwriters of such loss, is in excess of the Single Loss Deductible Amount, if any, applicable to Insuring Clauses (A), (B) and (C), and then for eighty percent (80%) of such excess only, but in no event to exceed the amount of coverage applicable to such loss as set forth below.
3. Notwithstanding anything contained in the Policy to the contrary, if the Insured shall sustain a loss under Insuring Agreement Part B. Extortion Threats To Property, any reimbursement or recovery, whether recovered before or after payment of such loss, less the expenses of collection, shall be divided between the Insured and the Underwriter in such proportion that the net loss to the Insured and the Underwriter after deducting such reimbursement or recovery shall be twenty percent (20%) and eighty percent (80%), respectively, the net loss to the Underwriter after deducting any reimbursement or recovery, not in any event to exceed the amount of coverage applicable to such loss as set forth below.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, subject to the coinsurance provisions of Paragraph 2 and 3 above, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

INT-ETPROP(06/2010)

Endorsement No.

Employee Benefit Plan(s)

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

N. EMPLOYEE BENEFIT PLAN(S)

Loss resulting directly from any fraudulent or dishonest acts related to an Employee Benefit Plan committed by any **Employee** of the Insured or any trustee, director, officer or employee of an Employee Benefit Plan, including any third party administrator or custodian acting alone or in collusion with others.

In compliance with Title 1 of the Employee Retirement Income Security Act of 1974, payment by the Underwriter to the first named Insured shall be held by such Insured for the use and benefit of the Employee Benefit Plan(s) sustaining such loss. If such payment is in excess of the amount of coverage required by such Act for said Employee Benefit Plan(s), such excess shall be held for the use and benefit of any other named Employee Benefit Plan(s) should such Employee Benefit Plan(s) also discover loss recoverable hereunder. If **Money**, securities and other **Property** of two or more Employee Benefit Plans are commingled, recovery hereunder for loss of such **Money**, securities and other **Property** shall be shared by such Employee Benefit Plans on a pro rata basis in accordance with the amount of coverage each such Employee Benefit Plan is required to carry by such Act

If the Policy covers loss sustained by two or more Employee Benefit Plans or sustained by any such Employee Benefit Plan in addition to loss sustained by an insured other than such Employee Benefit Plan, it is the obligation of the Insured or the plan administrator(s) of such Employee Benefit Plan(s) under regulations published by the Secretary of Labor implementing Section 13 of the Welfare and Pension Plans Disclosure Act of 1958 to obtain (under one or more bonds issued by one or more insurers) an amount of coverage for each such Employee Benefit Plan at least equal to that which would be required if such Employee Benefit Plans were bonded separately.

In compliance with the foregoing paragraph, payment by the Underwriter in accordance with provisions of the Policy shall be held by the first named Insured, for the use and benefit of any Employee Benefit Plan(s) sustaining loss so covered. To the extent that such payment is in excess of the amount of coverage required by regulations applicable to said Employee Benefit Plan(s) sustaining such loss, such excess shall be held for the use and benefit of any other Insured Employee Benefit Plan also covered in the event that such other Employee Benefit Plan discovers that it has sustained loss covered under this Policy. If **Money** or other **Property** of two or more Employee Benefit Plans covered under this Policy is commingled, recovery for loss of such **Money** or other **Property** through fraudulent or dishonest acts of **Employees** shall be shared by such Employee Benefit Plans on a pro rata basis in accordance with the amount of which each Employee Benefit Plan is required to carry bonding coverage as specified by said regulations.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

INT-EBP(06/2010)

Endorsement No.

Fidelity Claims and Audit Expense

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

- O.** It is understood and agreed that Underwriters shall indemnify the Insured for all fees and expenses incurred and paid by the Insured, with the prior approval of Underwriters, for independent outside accountants to determine the amount and extent of loss covered under Insuring Agreement A - Fidelity.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

Endorsement No.

Unauthorized Signature Endorsement

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreement D – FORGERY OR ALTERATION is amended by the addition of the following paragraph:

- (3) Accepting, paying or cashing any written, original (i) **Negotiable Instruments**, or (ii) **Withdrawal Orders** that bear **Unauthorized Signatures or Endorsements** shall be deemed to be a Forgery under this Insuring Agreement. It shall be a condition precedent to the Insured's right of recovery for loss under this paragraph, that the Insured shall have on file the signatures of all persons authorized to sign such **Negotiable Instruments** or **Withdrawal Orders**.

For purposes of this endorsement only, the definition of **Forgery** contained in Conditions and Limitations Section 1.(i) of the policy shall not apply. In addition, for purpose of this endorsement only, the following Definition is added to Conditions and Limitations Section 1 of the policy:

Unauthorized Signature or Endorsement shall mean a signature or endorsement made by a person whose name is not reflected on a signature card(s) or otherwise shown in Insured's records for the account or accounts in question.

The Single Loss Limit of Liability under this endorsement is USD . Such liability shall be part of, and not in addition to, the Single Loss Limit of Liability stated for Insuring Agreement D – FORGERY OR ALTERATION stated in Item 4 of the Declarations. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Declarations. The Single Loss Deductible under this endorsement is USD .

All other terms and conditions remain unchanged.

Endorsement No.

Voice Initiated Transfer Fraud Endorsement

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

P. VOICE INITIATED TRANSFER FRAUD

Loss resulting directly from the Insured having, in good faith, transferred funds from a **customer's** account through a computer system covered under the terms of Insuring Agreement (K) – Electronic / Computer Systems Fraud, in reliance upon a fraudulent voice instruction transmitted by telephone which purported to be from

- (1) an officer, director, partner or employee of a **customer** of the Insured who was authorized by the **customer** to instruct the Insured to make such transfer;
- (2) an individual person who is a **customer** of the Insured; or
- (3) an **employee** of the Insured in another office of the Insured who was authorized by the Insured to instruct other **employees** of the Insured to transfer funds,

and was received by an **employee** of the Insured specifically designated to receive and act upon such instructions, but the voice instruction was not from a person described in (1), (2) or (3) above, provided that

- (a) such voice instruction was documented, the documentation was signed by the **employee** receiving the instruction, required password(s) or code word(s) were given, and
- (b) if the transfer was in excess of the amount shown in the Limits of Liability and Deductible Amounts as the verification callback amount for this Insuring Agreement, the voice instruction, if other than a **repetitive transfer instruction**, was verified by a callback from a different **employee** according to a prearranged procedure and the callback was documented and signed by such **employee**.

As used in this Insuring Agreement, **customer** means an entity or individual which has a written agreement with the Insured authorizing the Insured to rely on voice instructions to initiate transfers and has provided the Insured with the names of persons authorized to initiate such transfers, and with which the Insured has established an instruction verification mechanism, and funds means **money** on deposit in an account.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

INT-VIT (07/2011)

Endorsement No.

Destruction of Data or Programs By Hacker Endorsement

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

Q. DESTRUCTION OF DATA OR PROGRAMS BY HACKER

Loss resulting directly from the malicious destruction of, or damage to, electronic data or computer programs owned by the Insured or for which the Insured is legally liable while stored within a computer system covered under the terms of Insuring Agreement (K) – Electronic / Computer Systems Fraud.

The liability of Underwriters shall be limited to the cost of duplication of such electronic data or computer programs from other electronic data or computer programs which shall have been furnished by the Insured.

In the event, however, that destroyed or damaged computer programs cannot be duplicated from other computer programs, Underwriters will pay the cost incurred for computer time, computer programmers, consultants or other technical specialists as is reasonably necessary to restore the computer programs to substantially the previous level of operational capability.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

INT-DDPH(07/2011)

Endorsement No.

Destruction of Data or Programs By Virus Endorsement

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

R. DESTRUCTION OF DATA OR PROGRAMS BY VIRUS

Loss resulting directly from the malicious destruction of, or damage to, electronic data or computer programs owned by the Insured or for which the Insured is legally liable while stored within a computer system covered under the terms of Insuring Agreement (K) – Electronic/Computer Systems Fraud, if such destruction or damage was caused by a computer program or similar instruction which was written or altered to incorporate a hidden instruction designed to destroy or damage electronic data or computer programs in the computer system in which the computer program or instruction was so written or so altered is used.

The liability of Underwriters shall be limited to the cost of duplication of such electronic data or computer programs from other electronic data or computer programs which shall have been furnished by the Insured.

In the event, however, that destroyed or damaged computer programs cannot be duplicated from other computer programs, Underwriters will pay the cost incurred for computer time, computer programmers, consultants or other technical specialists as is reasonably necessary to restore the computer programs to substantially the previous level of operational capability.

Under this Insuring Agreement, loss means all covered costs incurred by the Insured between the time destruction or damage is discovered and the time the computer system is restored to substantially the previous level of operational capability. Recurrence of destruction or damage after the computer system is restored shall constitute a separate loss.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

INT-DDPV(07/2011)

Endorsement No.

Check Kiting Endorsement

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that as respects Insuring Agreement S. Check Kiting Fraud, Exclusions (e) and (o) as set forth in SECTION 2 – EXCLUSIONS of the Policy are deleted in their entirety.

It is also hereby understood and agreed that Insuring Agreements of the attached Policy is amended by the addition of the following Insuring Agreement:

S. CHECK KITING FRAUD

Loss resulting directly from check kiting fraud committed against the Insured. Such fraud must be perpetrated by a customer of the Insured making constant, systematic, back and forth deposits between one or more accounts in different financial institutions, one of which is an Insured hereunder, utilizing checks of approximately the same amount to create the appearance of valid funds in the account(s), and involve deposits drawn against uncollected funds deposited in one institution to create the appearance of valid funds in the account of the other institution provided:

- (1) such deposits are made by the Insured's customer with the intent to defraud the Insured, and
- (2) the Insured is, in fact, deceived by such deposits.

It shall be a condition precedent to the Insured's right of recovery under this Insuring Agreement that the Insured must stop the payment of any checks drawn on the customer's account immediately upon discovery of a check kiting fraud and return the checks drawn against uncollected funds.

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

INT-CKF(09/2013)

Endorsement No.

Servicing Contractors

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

T. SERVICING CONTRACTORS

- (1) Loss resulting directly from dishonest or fraudulent acts committed by any **servicing contractor** acting alone or in collusion with others.

Such dishonest or fraudulent acts must be committed by such **servicing contractor**

- (a) to cause the Insured to sustain such loss, or
(b) to obtain improper personal financial benefit for the **servicing contractor** or for another person or entity.

- (2) Loss of **money** (including obligations of the United States of America) collected or received for the Insured by any such **servicing contractor** through the failure of such **servicing contractor** to pay to the Insured the **money** so collected or received as is discovered to be due and payable while this Insuring Agreement is in force, except, however, **money** disbursed by such **servicing contractor** in accordance with instructions from the Insured.

As used in this Insuring Agreement, financial benefit does not include any benefits earned in the normal course of employment, or performance of the servicing contract, including salaries, commissions, fees, bonuses, promotions, awards profit sharing, pensions or other emoluments.

As used in this Insuring Agreement, **Servicing contractor** means a natural person, partnership or corporation, other than an officer or employee of the Insured, duly authorized by the Insured to perform any or all of the following:

- (1) Collect and record payments on real estate mortgage or home improvement loans made, held or assigned to the Insured, and establish tax and insurance escrow accounts,
(2) Manage real property owned by or under the supervision or control of the Insured,
(3) Perform other acts directly related to the above,

But only while such natural person, partnership or corporation is actually performing such services within the United States of America. In no event shall any activity described in (1), (2) or (3) above include the sale of real property mortgages to the Insured by the **servicing contractor** or any affiliate of the **servicing contractor**.

The term **servicing contractor** shall include the partners, officers and employees of such **servicing contractors** and each such **servicing contractor** and its partners, officers and employees shall collectively be deemed to be one person for all purpose of subsection(c) of Section 4. LIMIT OF LIABILITY (B) Single Loss Limit of Liability

If coverage for this Insuring Agreement is indicated on the Financial Institutions Bond Declarations, the total liability of Underwriters is limited to the Single Loss Limit of Liability for this Insuring Agreement after the application of the Single Loss Deductible for this Insuring Agreement. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Financial Institutions Bond Declarations.

All other terms and conditions remain unchanged.

INT-SC(09/2013)

Endorsement No.

Court Costs and Attorneys' Fees

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that Insuring Agreements is amended by the addition of the following Insuring Agreement:

U. COURT COSTS AND ATTORNEYS' FEES

Sums incurred and paid by the Insured as court costs and reasonable attorneys' fees in defending any suit or proceeding brought against the Insured to enforce the liability or alleged liability of the Insured for any loss, claim or damage which, if established against the Insured, would constitute a valid and collectible loss under this Policy. If any such suit or proceeding consists both of covered and uncovered matters under this Policy, all court costs and reasonable attorneys' fees shall be allocated between covered and uncovered matters based on the relative legal exposures of the Insured and Underwriters to covered and uncovered matters. This coverage is applicable with reference to all Insuring Agreements for which a limit of liability is stated or endorsed to the Policy, except the following:

Insuring Agreement H. Stop Payment Order or Refusal to Pay Checks
Insuring Agreement I. Transit Cash Letters
Insuring Agreement K. Electronic / Computer Systems Fraud
Insuring Agreement N. Part A – Extortion Threats to Persons
Insuring Agreement N. Part B – Extortion Threats to Property
Insuring Agreement O. Fidelity Claims and Audit Expense
Insuring Agreement S. Check Kiting Fraud

For purpose of this Endorsement only, Exclusion (u)(2) of CONDITIONS AND LIMITATIONS, SECTION 2 is deleted.

The Single Loss Limit of Liability under this endorsement is USD . Such liability shall be part of and not in addition to, the Single Loss Limit of Liability stated in Item 4 of the Declarations. Such liability shall be a part of and not in addition to the Aggregate Limit of Liability stated in Item 3 of the Declarations. The Single Loss Deductible under this endorsement is USD .

All other terms and conditions remain unchanged.

INT-CC(10/2013)

Endorsement No.

Absolute Plastic Card Exclusion

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged, it is hereby understood and agreed that Section 2 - EXCLUSIONS of this Policy is amended to include the following Exclusion:

(aa) Any loss resulting from the unauthorised use of plastic cards, or from stolen or counterfeit plastic cards.

All other terms and conditions remain unchanged.

Endorsement No.

Definite Term Endorsement

Attaching to and forming a part of Policy No.

Issued to:

In consideration of the premium charged it is hereby understood and agreed that said Policy shall be, and the same is hereby, amended as follows:

Declarations, Item 2, Policy Period is deleted and replaced by the following;

Item 2. Policy Period from 12.01 a.m. on (inception date)
and 12.01 a.m. on (expiration date), Standard Time
at the Principal Address as to each of said dates.

IMPORTANT: THIS POLICY DEFINITELY EXPIRES ON THE DATE STATED ABOVE WITHOUT FURTHER NOTICE BY OR ON BEHALF OF THE UNDERWRITERS.

All other terms and conditions remain unchanged.

Endorsement No.

**U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED
NOT PURCHASED CLAUSE**

Attaching to and forming a part of Policy No.

Issued to:

This Clause is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended as summarized in the disclosure notice.

It is hereby noted that the Underwriters have made available coverage for "insured losses" directly resulting from an "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA") and the Insured has declined or not confirmed to purchase this coverage.

This Insurance therefore affords no coverage for losses directly resulting from any "act of terrorism" as defined in TRIA except to the extent, if any, otherwise provided by this policy.

All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

All other terms and conditions remain unchanged.

21/12/2007
LMA5092
Form approved by Lloyd's Market Association

Endorsement No.

**U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED
NEW & RENEWAL BUSINESS ENDORSEMENT**

Attaching to and forming a part of Policy No.

Issued to:

This Endorsement is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended as summarized in the disclosure notice.

In consideration of an additional premium of USD paid, it is hereby noted and agreed with effect from inception that the Terrorism exclusion to which this Insurance is subject, shall not apply to any "insured loss" directly resulting from any "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA").

The coverage afforded by this Endorsement is only in respect of any "insured loss" of the type insured by this Insurance directly resulting from an "act of terrorism" as defined in TRIA. The coverage provided by this Endorsement shall expire at 12:00 midnight December 31, 2014, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates. The Terrorism exclusion, to which this Insurance is subject, applies in full force and effect to any other losses and any act or events that are not included in said definition of "act of terrorism".

This Endorsement only affects the Terrorism exclusion to which this Insurance is subject. All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

Furthermore the Underwriter(s) will not be liable for any amounts for which they are not responsible under the terms of TRIA (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on the Underwriter's liability for payment for terrorism losses.

All other terms and conditions remain unchanged.

21/12/2007

LMA5091

Form approved by Lloyd's Market Association

SPECIMEN

LLOYD'S

One Lime Street London EC3M 7HA