

CRIME DECLARATIONS

FEDERAL INSURANCE COMPANY

A stock insurance company, incorporated under the laws of Indiana, herein called the Company

Capital Center, 251 North Illinois, Suite 1100
 Indianapolis, IN 46204-1927

Item 1. Parent Organization: AF GLOBAL CORPORATION

Item 2. Limits of Liability and Retentions:

Insuring Clauses Applicable to this Coverage Part:	Limits of Liability:	Retentions:
<input checked="" type="checkbox"/> (A) Employee Theft Coverage:	\$3,000,000.00	\$100,000.00
<input checked="" type="checkbox"/> (B) Premises Coverage:	\$3,000,000.00	\$100,000.00
<input checked="" type="checkbox"/> (C) In Transit Coverage:	\$3,000,000.00	\$100,000.00
<input checked="" type="checkbox"/> (D) Forgery Coverage:	\$3,000,000.00	\$100,000.00
<input checked="" type="checkbox"/> (E) Computer Fraud Coverage:	\$3,000,000.00	\$100,000.00
<input checked="" type="checkbox"/> (F) Funds Transfer Fraud Coverage:	\$3,000,000.00	\$100,000.00
<input checked="" type="checkbox"/> (G) Money Order and Counterfeit Currency Fraud Coverage:	\$3,000,000.00	\$5,000.00
<input checked="" type="checkbox"/> (H) Credit Card Fraud Coverage:	\$3,000,000.00	\$5,000.00
<input checked="" type="checkbox"/> (I) Client Coverage	\$100,000.00	\$5,000.00
<input checked="" type="checkbox"/> (J) Expense Coverage:	\$100,000.00	None

Item 3. Coverage applies as follows: Loss Discovered





In consideration of payment of the premium and subject to the Declarations, General Terms and Conditions, and the limitations, conditions, provisions and other terms of this Coverage Part, the Company and the Insureds agree as follows:

I. INSURING CLAUSES

Insuring Clause (A): Employee Theft Coverage

- (A) The Company shall pay the **Parent Organization** for direct loss of **Money, Securities or Property** sustained by an **Insured** resulting from **Theft or Forgery** committed by an **Employee** acting alone or in collusion with others.

Insuring Clause (B): Premises Coverage

- (B) The Company shall pay the **Parent Organization** for direct loss sustained by an **Insured** resulting from:
- (1) **Robbery, Safe Burglary**, or unlawful taking of **Money or Securities** committed by a **Third Party**; or
 - (2) actual destruction or disappearance of **Money or Securities**, within or from the **Premises or Banking Premises**.

Coverage under this Insuring Clause (B) shall also include:

- (3) loss of or damage to **Property** which results from **Robbery** or attempted **Robbery** within the **Premises**;
- (4) loss of or damage to such **Property** contained within any locked vault or safe which results from **Safe Burglary** or attempted **Safe Burglary** within the **Premises**;
- (5) damage to a locked safe, cash drawer, cash box or cash register within the **Premises** by felonious entry or attempted felonious entry or loss by felonious abstraction of such container from within the **Premises**; and
- (6) damage to the **Premises** or to its exterior resulting from **Safe Burglary or Robbery**, committed by a **Third Party**.

Insuring Clause (C): In Transit Coverage

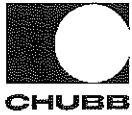
- (C) The Company shall pay the **Parent Organization** for direct loss sustained by an **Insured** resulting from:
- (1) **Robbery** or unlawful taking of **Money or Securities** committed by a **Third Party**; or
 - (2) actual destruction or disappearance of **Money or Securities**;
- while **In Transit** or while temporarily within the home of an **Employee** or a partner of an **Organization**.

Coverage under this Insuring Clause (C) shall also include:

- (3) damage to **Property** which results from **Robbery** while **In Transit**; and
- (4) loss by the unlawful taking of **Property** temporarily within the home of an **Employee** or a partner of an **Organization**, committed by a **Third Party**.

Insuring Clause (D): Forgery Coverage

- (D) The Company shall pay the **Parent Organization** for direct loss sustained by an **Insured** resulting from **Forgery** or alteration of a **Financial Instrument** committed by a **Third Party**.



Insuring Clause (E): Computer Fraud Coverage

- (E) The Company shall pay the **Parent Organization** for direct loss of **Money, Securities** or **Property** sustained by an **Insured** resulting from **Computer Fraud** committed by a **Third Party**.

Insuring Clause (F): Funds Transfer Fraud Coverage

- (F) The Company shall pay the **Parent Organization** for direct loss of **Money** or **Securities** sustained by an **Insured** resulting from **Funds Transfer Fraud** committed by a **Third Party**.

Insuring Clause (G): Money Orders and Counterfeit Currency Fraud Coverage

- (G) The Company shall pay the **Parent Organization** for direct loss sustained by an **Insured** resulting from **Money Orders and Counterfeit Currency Fraud** committed by a **Third Party**.

Insuring Clause (H): Credit Card Fraud Coverage

- (H) The Company shall pay the **Parent Organization** for direct loss sustained by an **Insured** resulting from **Credit Card Fraud** committed by a **Third Party**.

Insuring Clause (I): Client Coverage

- (I) The Company shall pay the **Parent Organization** for direct loss of **Money, Securities** or **Property** sustained by a **Client** resulting from **Theft** or **Forgery** committed by an **Employee** not in collusion with such **Client's** employees.

Insuring Clause (J): Expense Coverage

- (J) The Company shall pay the **Parent Organization** for:
- (1) **Investigative Expenses** resulting from any direct loss covered under Insuring Clauses (A), Employee Theft Coverage; (B), Premises Coverage; (C), In Transit Coverage; (D), Forgery Coverage; (E), Computer Fraud Coverage; (F), Funds Transfer Fraud Coverage; (G), Money Orders and Counterfeit Currency Fraud Coverage; (H), Credit Card Fraud Coverage or (I), Client Coverage; or
 - (2) **Computer Violation Expenses** resulting from any direct loss covered under Insuring Clauses (A), Employee Theft Coverage, (E), Computer Fraud Coverage or (I), Client Coverage;

incurred by any **Organization** in the amount set forth in Item 2 of the Crime Declarations, solely if such covered direct loss is in excess of the Retention applicable to such covered loss. Such amount shall be part of and not in addition to the Limit of Liability applicable to such covered loss.

II. DEFINITIONS

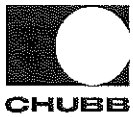
For purposes of this Coverage Part:

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

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

Computer Fraud means the unlawful taking of **Money, Securities** or **Property** resulting from a **Computer Violation**.

Computer System means a computer or network of computers, including its input, output, processing, storage and communication facilities, and shall include off-line media libraries.



Computer Violation means an unauthorized:

- (A) entry into or deletion of **Data** from a **Computer System**;
- (B) change to **Data** elements or program logic of a **Computer System**, which is kept in machine readable format; or
- (C) introduction of instructions, programmatic or otherwise, which propagate themselves through a **Computer System**,

directed solely against an **Organization**.

Computer Violation Expenses means reasonable expenses, other than an **Organization's** internal corporate costs (such as **Salary**), incurred by an **Organization** with the Company's prior written consent to reproduce or duplicate damaged or destroyed electronic **Data** or computer programs. If such computer programs cannot be duplicated from other computer programs, then **Computer Violation Expenses** shall also include reasonable costs incurred for computer time, computer programmers, technical experts or consultants to restore the computer programs to substantially the same level of operational capability immediately preceding the covered direct loss. **Computer Violation Expenses** shall not include expenses incurred by any **Client**.

Contractual Independent Contractor means any natural person independent contractor while in the regular service of an **Organization** in the ordinary course of such **Organization's** business, pursuant to a written contract between such **Organization**, and either (A) such natural person independent contractor, or (B) any other entity acting on behalf of such natural person independent contractor, for services.

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

Data means information contained in records, manuscripts, accounts, microfilms, tapes or other records, which are processed and stored in a **Computer System**.

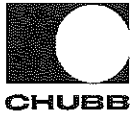
Discovery or **Discovered** means knowledge acquired by an **Executive** or **Insurance Representative** of an **Insured** which would cause a reasonable person to believe a covered loss has occurred or an occurrence has arisen that may subsequently result in a covered loss. This includes loss:

- (A) sustained prior to the inception date of any coverage under this Coverage Part;
- (B) which does not exceed the Retention set forth in Item 2 of the Crime Declarations; or
- (C) the exact amount or details of which are unknown,

provided that **Discovery** or **Discovered** shall not include knowledge acquired by an **Executive** or **Insurance Representative** of an **Insured** acting alone or in collusion with an **Employee**, or the knowledge possessed by any **Executive** or **Insurance Representative** who is a participant in the **Theft** or **Forgery**.

Employee means any:

- (A) natural person in the regular service of an **Organization** in the ordinary course of such **Organization's** business, whom such **Organization** governs and directs in the performance of such service, including a part-time, seasonal, leased and temporary employee, intern or volunteer;
- (B) **Executive** while performing acts within the scope of the usual duties of an **Employee**;
- (C) **Contractual Independent Contractor**;
- (D) natural person fiduciary, trustee, administrator or **Employee**, as defined in Subsections (A) and (B) of this definition, of an **ERISA Plan** and any other natural person, who any of which handle **ERISA Plan** assets and are required to be bonded by an **Organization** in connection with such **ERISA Plan** by Title 1 of the Employee Retirement Income Security Act of 1974, as amended, and as amended by the Pension Protection Act of 2006;
- (E) former or retired **Employee**, as defined in Subsections (A) and (B) of this definition, of the **Organization**, retained as a consultant (as evidenced by a written contract for services) to the **Organization**; or



- (F) **Employee**, as defined in Subsections (A) and (B) of this definition, of the **Organization**, while on leave for military services.

ERISA Plan means any Employee Benefit Plan, Pension Benefit Plan or Welfare Benefit Plan, defined and required to be bonded under Title 1 of the Employee Retirement Income Security Act of 1974, as amended, and as amended by the Pension Protection Act of 2006, which is operated solely by an **Organization** or jointly by an **Organization** and a labor organization for the benefit of **Employees** and which existed on or before the inception of this Policy or which is created or acquired after the inception of this Policy, provided that **ERISA Plan** shall not include any multi-employer plan.

Executive means any natural person specified below:

- (A) a duly elected or appointed director, officer, trustee, in-house general counsel or duly constituted committee member of any **Organization** incorporated in the United States of America;
- (B) a duly elected or appointed: (1) manager or member of the Board of Managers or equivalent position; (2) duly constituted committee member; (3) in-house general counsel; or (4) trustee, of any **Organization** formed as a limited liability company in the United States of America; or
- (C) a holder of an equivalent position to those described in Subsections (A) or (B) above in any **Organization** incorporated, formed or organized anywhere in the world.

Financial Instrument means checks, drafts or similar written promises, orders or directions to pay a sum certain in money, that are made, drawn by or drawn upon an **Organization** or by anyone acting as an **Organization's** agent, or that are purported to have been so made or drawn.

Forgery means the signing of another natural person's name with the intent to deceive, but does not mean a signature that includes, in whole or in part, one's own name, with or without authority, in any capacity for any purpose. Mechanically or electronically produced or reproduced signatures shall be treated the same as hand-written signatures.

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

Insurance Representative means an **Employee**, as defined in Subsections (A) and (B) of the definition of **Employee**, including a risk manager, designated to represent an **Insured** for the purpose of effecting and maintaining insurance.

Insured means any **Organization** and any **Sponsored Plan**.

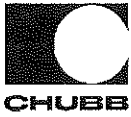
In Transit means being conveyed outside the **Premises**, from one person or place to another, by the **Organization** within the custody of:

- (A) an **Employee** or a partner of an **Organization**; or
- (B) a person duly authorized by such **Organization** to have custody of **Money**, **Securities** or **Property**,

provided that such conveyance begins immediately upon receipt of **Money**, **Securities** or **Property** by the person(s) described in Subsections (A) or (B) above, from such **Organization**, and ceases immediately upon delivery to the designated recipient or its agent.

Investigative Expenses means reasonable expenses, other than an **Organization's** internal corporate costs (such as **Salary**), incurred by an **Organization** with the Company's prior written consent to establish the existence and amount of a covered loss. **Investigative Expenses** shall not include expenses incurred by any **Client**.

Money means currency, coin, bank notes and bullion.



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

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

Non-ERISA Plan means any employee benefit plan not subject to Title 1 of the Employee Retirement Income Security Act of 1974, as amended, and as amended by the Pension Protection Act of 2006, which is operated solely by an **Organization** or jointly by an **Organization** and a labor organization for the benefit of **Employees** and which existed on or before the inception of this Policy or which is created or acquired after the inception of this Policy, provided that **Non-ERISA Plan** shall not include any multi-employer plan.

Premises means the interior portion of a building occupied by an **Organization** in conducting its business.

Property means tangible property other than **Money** or **Securities**.

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

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

Salary means compensation an **Organization** pays an **Employee**, including bonus, commission, incentive payments, and the cost of health, welfare and pension benefits.

Securities means any negotiable and non-negotiable instruments representing either **Money** or **Property**, including revenue and other stamps in current use, casino chips, tokens and tickets, provided that **Securities** shall not include **Money**.

Sponsored Plan means any **ERISA Plan** and **Non-ERISA Plan**.

Theft means the unlawful taking of **Money**, **Securities** or **Property** to the deprivation of:

- (A) an **Insured**, solely for the purposes of Insuring Clause (A), Employee Theft Coverage; or
- (B) a **Client**, solely for the purposes of Insuring Clause (I), Client Coverage.

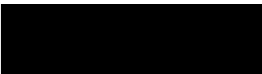
Third Party means a natural person other than:

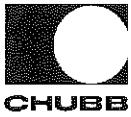
- (A) an **Employee**; or
- (B) a natural person acting in collusion with an **Employee**.

III. EXCLUSIONS

(A) No coverage will be available for:

- (1) Trading
 loss resulting directly or indirectly from any authorized or unauthorized trading of **Money**, **Securities** or **Property**, whether or not in the name of an **Insured** and whether or not in a genuine or fictitious account, provided that this Exclusion (A)(1) shall not apply to direct losses caused by **Theft** or **Forgery** which result in improper financial gain to an **Employee** (direct losses as used herein shall mean only the amount of improper financial gain to such **Employee**, which shall not include **Salary**, commissions, fees or other compensation, including promotions and raises associated with employment, paid by the **Insured** to such **Employee**);

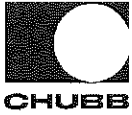




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- (2) Trade Secrets/Confidential Information
loss of trade secrets, confidential processing methods or other confidential information of any kind;
- (3) Partner
loss due to **Theft** or **Forgery** committed by a partner of an **Organization**, whether acting alone or in collusion with others, provided that if such **Theft** or **Forgery** would otherwise be covered under Insuring Clause (A), Employee Theft Coverage, or (I), Client Coverage, this Exclusion (A)(3) shall not apply to the extent coverage under this Coverage Part is excess of the amount of such partner's percentage ownership of such **Organization**, on the day immediately preceding the date of **Discovery**, multiplied by such **Organization's** total assets as reflected in such **Organization's** most recent audited financial statements;
- (4) War
loss or damage due to declared or undeclared war, civil war, insurrection, rebellion, revolution, military, naval or usurped power, governmental intervention, expropriation or nationalization, or any act or condition incident to any of the foregoing;
- (5) Nuclear
loss or damage due to nuclear reaction, nuclear radiation or radioactive contamination, or any act or condition incident to any of the foregoing;
- (6) Potential Income
loss of income not realized as the result of a covered loss;
- (7) Indirect/Consequential
indirect or consequential loss of any kind, provided that this Exclusion (A)(7) shall not apply to:
- (a) otherwise covered **Investigative Expenses** and **Computer Violation Expenses** under Insuring Clause (J), Expense Coverage; or
 - (b) the cost of reproducing information contained in any lost or damaged manuscripts, records, accounts, microfilms, tapes, or other records resulting directly from a covered loss, provided that the Company's maximum liability for the cost of reproducing information contained in any lost or damaged manuscripts, records, accounts, microfilms, tapes, or other records resulting directly from a covered loss sustained shall be \$25,000, which amount shall be part of, and not in addition to, the applicable Limit of Liability set forth in Item 2 of the Crime Declarations.
- (8) Data Fees, Costs or Expenses
fees, costs or expenses incurred or paid:
- (a) as a result of the reconstitution of **Data** if an **Organization** knowingly used illegal copies of programs;
 - (b) to render the **Data** usable by replacement processing equipment;
 - (c) to design, update or improve software or programs or to perfect their operation or performance; or
 - (d) as a result of an alteration in **Data** held on magnetic media due to the effect of magnetic fields, their incorrect use or the obsolescence of the computer or its facilities;
- (9) Fire
loss due to fire, provided that this Exclusion (A)(9) shall not apply to:
- (a) loss of **Money** or **Securities**; or
 - (b) damage to any safe or vault caused by the application of fire thereto for the purposes of **Safe Burglary**;



- (10) Legal Fees, Costs or Expenses
 fees, costs or expenses incurred or paid in defending or prosecuting any legal proceeding or claim, provided that this Exclusion (A)(10) shall not apply to the coverage provided under Section V, Legal Expenses Extension;
 - (11) Voluntary Exchange or Purchase
 loss due to an **Insured** knowingly having given or surrendered **Money, Securities or Property** in any exchange or purchase with a **Third Party**, not in collusion with an **Employee**, provided that this Exclusion (A)(11) shall not apply to otherwise covered loss under Insuring Clauses (A), Employee Theft Coverage, (G), Money Orders and Counterfeit Currency Fraud Coverage, or (I), Client Coverage, or otherwise covered loss of **Property** under Insuring Clause (E), Computer Fraud Coverage;
 - (12) Advantage
 loss sustained by one **Insured** to the advantage of any other **Insured**;
 - (13) Custodial
 loss of or damage to **Money, Securities or Property** while in the custody of any bank, trust company, similar recognized place of safe deposit, armored motor vehicle company or any person who is duly authorized by an **Organization** to have custody of such **Money, Securities or Property**, provided that this Exclusion (A)(13) shall not apply to the extent that coverage under this Coverage Part is excess of the amount recovered or received by such **Organization** under:
 - (a) such **Organization's** contract, if any, with, or insurance carried by, any of the foregoing; or
 - (b) any other insurance or indemnity in force which would cover the loss in whole or in part; or
 - (14) Authorized Representative
 loss or damage due to **Theft, Forgery, Computer Fraud, Funds Transfer Fraud, Money Orders And Counterfeit Currency Fraud, Credit Card Fraud** or other fraudulent, dishonest or criminal act (other than **Robbery or Safe Burglary**) committed by any authorized representative of an **Insured**, whether acting alone or in collusion with others, provided that this Exclusion (A)(14) shall not apply to otherwise covered loss under Insuring Clauses (A), Employee Theft Coverage, or (I), Client Coverage, resulting from **Theft or Forgery** committed by an **Employee** acting in collusion with such authorized representative.
- (B) In addition to the Exclusions in Subsection (A) above, no coverage will be available under:
- (1) Insuring Clauses (A), Employee Theft Coverage, or (I), Client Coverage, for:
 - (a) Broker/Independent Contractor
 loss caused by any broker, factor, commission merchant, consignee, contractor, independent contractor (other than a **Contractual Independent Contractor**), or other agent or representative of the same general character;
 - (b) Prior Dishonesty
 loss caused by an **Employee** which is sustained by an **Insured**:
 - (i) after an **Executive or Insurance Representative** becomes aware of a:
 - (1) **Theft**;
 - (2) **Forgery**; or
 - (3) other fraudulent, dishonest or criminal act,
 which is valued at one thousand dollars (\$1,000) or more, committed by such **Employee** while employed with or in the service of an **Insured**;



- (ii) after an **Executive** or **Insurance Representative** becomes aware of a **Theft, Forgery** or other fraudulent, dishonest or criminal act, involving:
 - (1) **Money**;
 - (2) **Securities**; or
 - (3) other property,
which is valued at twenty-five thousand dollars (\$25,000) or more, committed by such **Employee** prior to employment or service with an **Insured**; or
 - (iii) more than ninety (90) days following the termination of such **Employee**;
 - (2) Insuring Clause (B), Premises Coverage, or (C), In Transit Coverage, for:
 - (a) Other Insuring Clauses
loss or damage due to **Forgery, Computer Fraud, Funds Transfer Fraud, Money Orders and Counterfeit Currency Fraud** or **Credit Card Fraud**; or
 - (b) Mail/Carrier for Hire
loss of or damage to **Money, Securities** or **Property** while in the mail or in the custody of a carrier for hire other than an armored motor vehicle company;
 - (3) Insuring Clauses (B), Premises Coverage, (C), In Transit Coverage, (E), Computer Fraud Coverage, or (F), Funds Transfer Fraud Coverage, for:
 - (a) Kidnap, Ransom or Extortion
loss or damage as a result of a kidnap, ransom or other extortion payment (as distinct from **Robbery**) surrendered to any person as a result of a threat to do bodily harm to any person or a threat to do damage to the **Premises** or other property;
 - (4) Insuring Clause (D), Forgery Coverage, for:
 - (a) Forgery or Alteration
loss due to **Forgery** or alteration of:
 - (i) any **Financial Instrument** committed by any **Third Party** in collusion with any **Employee**; or
 - (ii) any registered or coupon obligations issued or purported to have been issued by the **Insured**, or any coupons whether attached or detached; or
 - (5) Insuring Clause (H), Credit Card Fraud Coverage, for:
 - (a) Forgery or Alteration (Credit Card)
loss caused by any forgery or alteration of, on or in any written instrument, provided that this Exclusion (B)(5) shall not apply if:
 - (i) the provisions, conditions and other terms under which the involved credit card was issued were fully complied with; and
 - (ii) the **Organization** is legally liable to the issuer of such credit card for such loss.
- (C) Loss Sustained Option
In addition to the Exclusions in Subsections (A) and (B) above and if the Loss Sustained option is purchased, as set forth in Item 3 of the Crime Declarations, no coverage will be available for:
- (1) loss unless sustained by any **Insured** prior to the termination of this Coverage Part as to such **Insured** and **Discovered** and written notice thereof is given to the Company within sixty (60) days following such termination;



- (2) loss unless sustained prior to the termination of any Insuring Clause or any particular coverage offered under any Insuring Clause and **Discovered** and written notice thereof is given to the Company within sixty (60) days following such termination; or
- (3) loss unless sustained prior to the termination of this Coverage Part in its entirety, and **Discovered** and written notice thereof is given to the Company:
 - (a) within sixty (60) days following such termination, if this Coverage Part is not renewed with the Company;
 - (b) prior to such termination, if this Coverage Part is renewed with the Company; or
 - (c) within one (1) year following such termination, if the termination results from the voluntary liquidation or voluntary dissolution of the **Parent Organization**.

(D) Loss Discovered Option

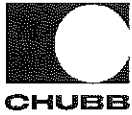
In addition to the Exclusions in Subsections (A) and (B) above and if the Loss Discovered option is purchased, as set forth in Item 3 of the Crime Declarations, no coverage will be available for:

- (1) loss unless sustained by any **Insured**, and **Discovered** prior to the termination of this Coverage Part as to such **Insured**;
- (2) loss unless sustained, and **Discovered** prior to the termination of any Insuring Clause or any particular coverage offered under any Insuring Clause;
- (3) loss unless sustained, and **Discovered** prior to the termination of this Coverage Part in its entirety;
- (4) loss unless sustained prior to the termination of this Coverage Part and **Discovered** within one (1) year following such termination if the termination results from the voluntary liquidation or voluntary dissolution of the **Parent Organization**; or
- (5) any loss that an **Insured** is aware of prior to the inception date of this Policy,

provided that in no event will coverage be available under this Coverage Part for such loss if such loss is covered under any renewal or replacement of this Coverage Part or any Insuring Clause or any particular coverage offered under any Insuring Clause.

IV. ERISA PLAN EXTENSION

- (A) Solely with respect to loss sustained by an **ERISA Plan**, payment by the Company for covered loss shall be to the **ERISA Plan** sustaining such loss. If such payment is in excess of the amount of coverage required by the Employee Retirement Income Security Act of 1974, as amended, for such **ERISA Plan(s)**, such excess shall be held for the use and benefit of any other named **ERISA Plan(s)** should such **ERISA Plan(s)** also discover loss recoverable hereunder.
- (B) With respect to each **ERISA Plan**:
 - (1) if covered loss is sustained by any **ERISA Plan** which does not have any employer securities, the Limit of Liability applicable to such covered loss shall be the greater of:
 - (a) \$1,000; or
 - (b) ten percent (10%) of the **ERISA Plan's** funds handled as of the beginning of such **ERISA Plan's** fiscal year,
up to \$500,000; or



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- (2) if covered loss is sustained by any **ERISA Plan** which does have any employer securities, the Limit of Liability applicable to such covered loss shall be the greater of;
- (a) \$1,000; or
 - (b) ten percent (10%) of the **ERISA Plan's** funds handled as of the beginning of such **ERISA Plan's** fiscal year,
- up to \$1,000,000,

provided that, in all events, if the applicable Limit of Liability set forth in Item 2(A) of the Crime Declarations:

- (i) is less than or equal to the amounts set forth in Paragraphs (B)(1) or (B)(2) above, then the applicable Limit of Liability shall be amended to the respective amounts set forth in Paragraphs (B)(1) or (B)(2) above; or
 - (ii) is greater than the amounts set forth in Paragraphs (B)(1) or (B)(2) above, then the applicable Limit of Liability for each **ERISA Plan** shall be the amounts set forth in Paragraphs (B)(1) or (B)(2) above, with the remaining limit in the amount by which the applicable Limit of Liability set forth in Item 2(A) of the Crime Declarations exceeds the amounts in Paragraphs (B)(1) or (B)(2) above to be allocated equally between all **ERISA Plans** sustaining the loss.
- (C) Solely with respect to loss sustained by an **ERISA Plan**:
- (1) Insuring Clause (A), Employee Theft Coverage, is replaced with the following:

The Company shall pay an **ERISA Plan** for direct loss of **Money, Securities or Property** sustained by such **ERISA Plan** resulting from a fraudulent or dishonest act, including larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, wrongful conversion and willful misapplication, committed by an **Employee** acting alone or in collusion with others.
 - (2) The words "sixty (60) days" are deleted from the exclusions applicable to this Coverage Part, wherever they appear, and the words "one (1) year" are substituted in place thereof.
- (D) No Retention shall apply to loss sustained by an **ERISA Plan** covered under this Coverage Part.

V. LEGAL EXPENSES EXTENSION

In addition to the Limits of Liability set forth in the Crime Declarations, the Company shall pay the **Parent Organization**:

- (A) as a result of loss covered under Insuring Clause (D), Forgery Coverage, reasonable court costs and attorneys' fees incurred and paid, with the Company's prior written consent, in defending an **Organization** or an **Organization's** bank in any legal proceeding brought against it to enforce payment of a **Financial Instrument**; and
 - (B) as a result of loss covered under Insuring Clause (H), Credit Card Fraud Coverage, reasonable court costs and attorneys' fees incurred and paid with the Company's prior written consent in defending an **Organization** in any legal proceeding brought against it to enforce payment of a written instrument, required in connection with any credit card.
-



VI. PROOF OF LOSS AND LEGAL PROCEEDINGS

- (A) Knowledge possessed by any **Insured** or **Discovery** shall be deemed knowledge possessed by or **Discovery** by all **Insureds**.
- (B) It is a condition precedent to coverage hereunder that, upon **Discovery**, the **Parent Organization** will:
 - (1) give written notice to the Company at the earliest practicable moment, and in no event later than 180 days after such **Discovery**;
 - (2) furnish affirmative proof of loss with full particulars to the Company at the earliest practicable moment, and in no event later than 180 days after such **Discovery**;
 - (3) submit to examination under oath at the Company's request;
 - (4) produce all pertinent records at such reasonable times and places as the Company shall designate; and
 - (5) provide full cooperation with the Company in all matters pertaining to a loss or claim.
- (C) The **Parent Organization** may offer a comparison between an **Organization's** inventory records and actual physical count of its inventory to prove the amount of loss, only where an **Organization** establishes wholly apart from such comparison that it has sustained a covered loss, caused by an **Employee**.
- (D) No **Insured** shall institute legal proceedings against the Company:
 - (1) after two (2) years immediately following any **Discovery**; or
 - (2) to recover a judgment or settlement against it or its bank resulting from **Forgery, Credit Card Fraud** or related legal expenses as set forth in Section V, Legal Expenses Extension, after two (2) years immediately following the date upon which such judgment shall become final or settlement was entered.

VII. LIMITS OF LIABILITY

- (A) The Company's maximum liability for each loss shall not exceed the Limit of Liability applicable to such loss set forth in Item 2 of the Crime Declarations, regardless of the number of **Insureds** sustaining the loss, provided that with respect to an **ERISA Plan**, the Limit of Liability shall apply in accordance with the terms of Section IV, ERISA Plan Extension.
- (B) If a direct loss is covered under more than one Insuring Clause, the maximum amount payable under this Coverage Part shall not exceed the largest applicable Limit of Liability of any such Insuring Clause.
- (C) All loss resulting from a single act or any number of acts of the same **Employee** or **Third Party**, and all loss whether such act or acts occurred before or during the **Policy Period**, will be treated as a single loss and the applicable Limit of Liability set forth in Item 2 of the Crime Declarations will apply, subject to Section X, Liability for Prior Losses.

VIII. RETENTION

- (A) The Company's liability under this Coverage Part shall apply only to that part of each loss which is in excess of the applicable Retention set forth in Item 2 of the Crime Declarations.
- (B) If an **Insured** receives payment under another policy or bond, after applying a deductible or retention, for loss also covered hereunder, then the applicable Retention set forth in Item 2 of the Crime Declarations shall be reduced by the deductible or retention previously applied to such loss.

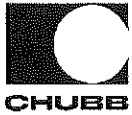


IX. OWNERSHIP

- (A) Solely for the purposes of Insuring Clauses (A), Employee Theft Coverage; (B), Premises Coverage; (C), In Transit Coverage; (D), Forgery Coverage; (E), Computer Fraud Coverage; (F), Funds Transfer Fraud Coverage; (G), Money Orders and Counterfeit Currency Fraud Coverage and (H), Credit Card Fraud Coverage, the Company's liability under this Coverage Part shall only apply to **Money, Securities** or **Property** owned by an **Organization** or for which the **Organization** is legally liable, or held by the **Organization** in any capacity whether or not the **Organization** is liable, provided that:
- (1) the Company's liability will not apply to damage to the **Premises** unless the **Organization** is the owner of such **Premises** or is legally liable for such damage; or
 - (2) with respect to Insuring Clause (A), Employee Theft Coverage, the Company's liability will not apply to **Money, Securities** or **Property** of a **Client**.
- (B) Solely for the purposes of Insuring Clause (I), Client Coverage, the Company's liability under this Coverage Part will only apply to **Money, Securities** or **Property**:
- (1) owned by a **Client**, which is held by an **Organization** in any capacity or for which the **Organization** is legally liable; or
 - (2) held or owned by a **Client**, for which the **Client** is legally liable.

X. LIABILITY FOR PRIOR LOSSES

- (A) If the Loss Sustained option is purchased as set forth in Item 3 of the Crime Declarations:
- (1) coverage will be available for loss sustained prior to the inception date of this Policy, or the effective date of coverage for any additional **Insureds**, or the effective date of any coverage added by endorsement, subject to the following:
 - (a) an **Organization** or some predecessor in interest of such **Organization** carried a prior bond or policy, which at the time such prior loss was sustained, afforded some or all of the coverage of an Insuring Clause under this Coverage Part applicable to such prior loss;
 - (b) such coverage continued without interruption from the time such loss was sustained until the inception date or effective date(s) specified above;
 - (c) such prior loss was first **Discovered** by an **Insured** after the time allowed for discovery under the last such bond or policy; and
 - (d) some or all of the coverage of an Insuring Clause under this Coverage Part would be applicable to such prior loss;
 - (2) if such prior bond or policy carried by an **Insured** or predecessor in interest of such **Insured** was issued by the Company or any subsidiary or affiliate of The Chubb Corporation, such prior bond or policy shall terminate as of the inception of this Policy and such prior bond or policy shall not cover any loss not discovered and noticed to the Company prior to the inception of this Policy, provided that this Paragraph (2) shall not apply to:
 - (a) any loss (i) sustained in its entirety and discovered prior to the inception date of this Policy, and (ii) notified to the Company in writing on or after the inception date of this Policy, provided such notice is in accordance with any applicable reporting, notice or exclusionary provision of the Crime coverage section of such prior bond or policy; or
 - (b) any loss (i) sustained in its entirety prior to the inception date of this Policy, (ii) and discovered and notified to the Company in writing within sixty (60) days following termination of the Crime coverage section of such prior bond or policy, provided such notice is in accordance with any applicable reporting, notice or exclusionary provision of the Crime coverage section of such prior bond or policy; and



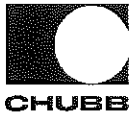
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- (3) An **Insured** shall neither be entitled to a separate recovery under each policy in force at the time any part of the prior loss was sustained, nor shall the **Insured** be entitled to recover the sum of the limits of liability of any such policies. The Company's maximum liability for the prior loss shall not exceed the lesser of either the limit of liability of the policy immediately preceding this Coverage Part under which part of the prior loss was sustained, or the applicable Limit of Liability set forth in Item 2 of the Crime Declarations.
- (B) If the Loss Discovered option is purchased as set forth in Item 3 of the Crime Declarations:
- (1) coverage will be available for loss sustained at any time and **Discovered** during the **Policy Period**, provided that coverage for loss sustained prior to the effective date of this Coverage Part, or the effective date of coverage for any additional **Insureds**, or the effective date of any coverage added by endorsement, is subject to the following:
- (a) if an **Organization** or some predecessor in interest of such **Organization** carried a prior bond or policy which afforded coverage for a loss sustained during the period of such prior bond or policy and such prior bond or policy was not issued by the Company or any subsidiary or affiliate of The Chubb Corporation and such loss was first **Discovered** by an **Insured** prior to the expiration of the time allowed for discovery under the last such policy, then no coverage shall be available under this Coverage Part, unless the total amount of covered loss exceeds the limit of liability of the last such bond or policy carried by the **Organization** or predecessor in interest of such **Organization**, and the Company's Limit of Liability for any such loss will be in excess of the limit of liability of the last bond or policy subject to all of the terms and conditions of this Coverage Part; or
- (b) if an **Organization** or some predecessor in interest of such **Organization** carried a prior bond or policy which afforded coverage for a loss sustained during the period of such prior bond or policy and such prior bond or policy was issued by the Company or any subsidiary or affiliate of The Chubb Corporation then such prior bond or policy shall terminate as of the inception of this Policy and such prior bond or policy shall not cover any loss not discovered and noticed to the Company prior to the inception of this Policy and then the Company's Limit of Liability for such loss shall be the applicable Limit of Liability set forth in Item 2 of the Crime Declarations.

XI. NON-ACCUMULATION OF LIABILITY

- (A) When there is more than one **Insured**, the maximum liability of the Company for loss sustained by one or all **Insureds** shall not exceed the amount for which the Company would be liable if all losses were sustained by any one **Insured**.
- (B) Regardless of the number of years this coverage remains in effect and the total premium amounts due or paid, the limit of liability of the Company with respect to any loss shall not be cumulative from **Policy Year** to **Policy Year** or from **Policy Period** to **Policy Period**.

XII. OTHER INSURANCE

If an **Insured** or any other party in interest in any loss covered by this Coverage Part has any bond, indemnity or insurance which would cover such loss in whole or in part in the absence of this Coverage Part, then this Coverage Part shall be null and void to the extent of the amount recoverable or received under such other bond, indemnity, or insurance; but this Coverage Part shall cover such loss, subject to its exclusions, conditions and other terms, only to the extent of the amount of such loss in excess of the amount recoverable or received under such other bond, indemnity or insurance.



XIII. TERMINATION OF PRIOR BONDS OR POLICIES

Any prior bonds or policies issued by the Company or any subsidiary or affiliate of The Chubb Corporation shall terminate, if not already terminated, as of the inception of this Policy.

XIV. VALUATION AND FOREIGN CURRENCY

The Company shall pay:

- (A) the actual market value of lost, damaged or destroyed **Securities** at the closing price of such **Securities** on the business day immediately preceding the day on which a loss is **Discovered**; or the cost of replacing **Securities**, whichever is less, plus the cost to post a Lost Instrument Bond;
 - (B) the cost of blank books, pages or tapes or other blank materials to replace lost or damaged books of account or other records;
 - (C) the least of:
 - (1) the actual cash value of the **Property**; or
 - (2) the cost to repair or replace **Property**, other than precious metals, with that of similar quality and value,
at the time the **Parent Organization** complies with Section VI, Proof of Loss and Legal Proceedings, regarding the furnishing of proof of loss;
 - (D) the United States of America dollar value of foreign currency based on the rate of exchange published in The Wall Street Journal on the day loss involving foreign currency is **Discovered**; or
 - (E) the United States of America dollar value of any precious metals based on the amount published in The Wall Street Journal Cash Prices, Precious Metals, on the day loss involving such precious metals is **Discovered**.
-

ENDORSEMENT/RIDER

Coverage Section: ForeFront Portfolio 3.0 Crime Coverage Part Federal

Effective date of
this endorsement/rider: October 31, 2013

Federal Insurance Company

Endorsement/Rider No. 1

To be attached to and
form a part of Policy No. 8234-4543

Issued to: AF GLOBAL CORPORATION

**TEXAS AMENDATORY ENDORSEMENT
TO THE CRIME COVERAGE PART**

In consideration of the premium charged, it is agreed that Subparagraph (C)(1), Loss Sustained Option, of Section III, Exclusions, of this Coverage Part, is deleted and replaced with the following:

- (1) loss unless sustained by an **Insured** prior to the termination of this Coverage Part as to such **Insured**, and **Discovered** and written notice thereof is given to the Company within one (1) year following such termination;

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

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



Authorized Representative

ENDORSEMENT/RIDER

Coverage Section: ForeFront Portfolio 3.0 Crime Coverage Part Federal

Effective date of
this endorsement/rider: October 31, 2013

Federal Insurance Company

Endorsement/Rider No. 2

To be attached to and
form a part of Policy No. 8234-4543

Issued to: AF GLOBAL CORPORATION

RECOVERIES SECTION ADDED ENDORSEMENT

In consideration of the premium charged, it is agreed that this Coverage Part is amended to include the following section:

RECOVERIES

- (A) Recoveries for any loss covered under this Coverage Part, whether effected by the Company or by an **Insured**, less the cost of recovery, shall be distributed as follows:
- (1) first, to an **Insured** for the amount of such loss, otherwise covered, in excess of the applicable Limits of Liability;
 - (2) second, to the Company for the amount of such loss paid to an **Insured** as covered loss;
 - (3) third, to an **Insured** for the Retention applicable to such loss;
 - (4) fourth, to an **Insured** for the amount of such loss not covered under this coverage section.
- (B) Recovery from reinsurance or indemnity of the Company shall not be deemed a recovery hereunder.

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

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



Authorized Representative

ENDORSEMENT/RIDER

Coverage Section: ForeFront Portfolio 3.0 Crime Coverage Part Federal

Effective date of
this endorsement: October 31, 2013

Company: Federal Insurance Company

Endorsement No. 3

To be attached to and
form a part of Policy No. 8234-4543

Issued to: AF GLOBAL CORPORATION

PRIVACY AND DATA BREACH EXCLUSIONS ENDORSEMENT

In consideration of the premium charged, it is agreed that Section III, Exclusions of this coverage part, is amended as follows:

1. Exclusion III.(A)(2) is deleted.
2. No coverage will be available for:
 - (i) loss involving the disclosure of an **Insured's** or another entity or person's confidential or personal information while in the care, custody or control of an **Insured** including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any similar type of nonpublic information;
 - (ii) loss involving the use of another entity or person's confidential or personal information while in the care, custody or control of an **Insured** including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any similar type of nonpublic information; or
 - (iii) fees, costs, fines, penalties or any other expenses incurred by an **Insured** which result, directly or indirectly, from the access to or disclosure of another entity or person's confidential or personal information, including but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any similar type of nonpublic information,

provided, however, that the above exclusions shall not apply to loss that is otherwise covered under Insuring Clause (F), Funds Transfer Fraud Coverage.

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

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

A handwritten signature in black ink, appearing to be "P. M. W.", written in a cursive style.

Authorized Representative

