

**SECTION IV - CRIME AND FIDELITY COVERAGE**  
(DISCOVERY FORM)

**COVERAGE AGREEMENTS**

The Fund agrees to indemnify the Named Member subject to the limitations, exclusions, terms, and conditions of this Coverage Document for loss or damage to the limit shown in the Declarations which the Named Member sustains resulting directly from an Occurrence which is Discovered by the Named Member during the Period of Coverage shown in the Declarations or during the time provided in the Extended Period to Discover Loss Condition as follows:

**1. AGREEMENT F - MONEY AND SECURITIES (COVERAGE WITHIN PREMISES)**

For all loss resulting directly from theft, burglary, robbery, kidnapping, disappearance or destruction of Money or Securities (other than by fraud or connivance of Named Member's Officials or Employees), Named Member upon premises occupied or used by the Named Member or placed by the Named Member with any bank or trust company. This Coverage also applies to deposits within a night depository safe provided by a bank or trust company on its premises for use of customers.

**2. AGREEMENT G - MONEY AND SECURITIES (COVERAGE OUTSIDE PREMISES)**

For all loss resulting directly from theft, robbery, disappearance or destruction of Money or Securities (other than by fraud or connivance of the Named Member's Officials or Employees), while in transit in the care and custody of a Messenger.

**3. AGREEMENT H - EMPLOYEE THEFT AND FAITHFUL PERFORMANCE**

- a. **Employee Theft:** For loss or damage to Money, Securities, and Other property resulting directly from Theft committed by an Employee or Official, whether identified or not, acting alone or in collusion with other persons. For the purposes of this Coverage Agreement, Theft shall include forgery.
- b. **Faithful Performance:** For loss or damage to Money, Securities, and Other property resulting directly from the failure of any Employee or Official to faithfully perform duties as prescribed by law, when such failure has as its direct and immediate result a loss of the Named Member's Money, Securities, or Other Property.

**4. AGREEMENT J - ADDITIONAL AGREEMENTS**

**a. Forgery or Alteration**

For loss resulting directly from forgery or alteration of, on, or in, any Covered Instrument. Covered Instrument(s) means checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain that are:

- (1) Made or drawn upon the Named Member's financial account;
  - (2) Made or drawn by one acting as the Named Member's agent;
- or that are purported to have been so made or drawn.

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

This Agreement does not apply to loss resulting from any dishonest or criminal act committed by an Official or Employee of the Named Member:

- (3) Whether acting alone or in collusion with other persons;
- (4) Whether while performing services for the Named Member or otherwise.

**b. Money Orders and Counterfeit Money**

For loss resulting directly from the Named Member having accepted in good faith, in exchange for merchandise, Money or services:

Money orders issued by any post office, express company or bank that are not paid upon presentation; or Counterfeit Money that is acquired during the regular course of business.

**c. Computer Fraud**

For loss to Money, Securities or Other Property resulting directly from the use of any computer to fraudulently cause a transfer from inside the Premises or Banking Premises:

- (1) To a person (other than a Messenger) outside these Premises on Banking Premises; or
- (2) To a place outside those Premises on Banking Premises.

**d. Funds Transfer Fraud**

For loss of Funds resulting directly from a Fraudulent Instruction directing a financial institution to transfer, pay or deliver Funds from Named Member's 'Transfer account

## SECTION IV – DEFINITIONS

1. **“BANKING PREMISES”** means the interior of that portion of any building occupied by a banking institution or similar depository.
2. **“COUNTERFEIT MONEY”** means an imitation of Money that is intended to deceive and be taken as genuine.
3. **“CUSTODIAN”** means the Named Member, or any Employee or Official while having care and custody of property inside the Premises, excluding any person while acting as a Watchperson or janitor.
4. **“DISCOVER”** or **“discovered”** means the time when the Named Member first becomes aware of facts which would cause a reasonable person to assume that a loss of a type covered by Section IV of this Coverage Document has or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known. **“Discover”** or **“discovered”** also means the time when the