

State: District of Columbia **Filing Company:** Security National Insurance Company
TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
Product Name: Financial Institutions Bond
Project Name/Number: /DC-FB-1701-01-1603

Filing at a Glance

Company: Security National Insurance Company
Product Name: Financial Institutions Bond
State: District of Columbia
TOI: 23.0 Fidelity
Sub-TOI: 23.0000 Fidelity
Filing Type: Form
Date Submitted: 11/17/2016
SERFF Tr Num: UNKP-130812489
SERFF Status: Assigned
State Tr Num:
State Status:
Co Tr Num: DC-FB-1701-01-1603
Effective Date: 01/01/2017
Requested (New):
Effective Date: 01/01/2017
Requested (Renewal):
Author(s): Denise Freund, Charleen Marshall, Stephen Snitzky, Sheila Levine, Sharee Cephus
Reviewer(s): Angela King (primary)
Disposition Date:
Disposition Status:
Effective Date (New):
Effective Date (Renewal):

State: District of Columbia
 TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
 Product Name: Financial Institutions Bond
 Project Name/Number: /DC-FB-1701-01-1603

Filing Company: Security National Insurance Company

General Information

Project Name:	Status of Filing in Domicile: Pending
Project Number: DC-FB-1701-01-1603	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 11/17/2016	
State Status Changed:	Deemer Date:
Created By: Stephen Snitzky	Submitted By: Stephen Snitzky
Corresponding Filing Tracking Number: UNKP-130812498	

Filing Description:

We are pleased to submit for review and approval our Revised and Amended Form, Rate and Rule filing for the above captioned Program filed under the Fidelity line of business. We are adding several new independent forms to our portfolio to allow our customers more options and flexibility in coverage. Please refer to the Form Memorandum which provides the purpose of each form, indicates whether optional or mandatory and if there is an associated rate. These independent forms, rates and rules will be used in conjunction with SFAA rates and rules and with our currently filed Loss Cost Multiplier (LCM). The intended market for this Program is financial institutions.

There is no rate impact associated with this filing as the forms with an associated rate are both new and optional and therefore no current policyholders are impact.

This filing is being submitted on a countrywide basis and is being submitted to our domicile state, Delaware, concurrently. To the best of our knowledge this filing is in compliance with State and Insurance Department laws and regulations. Your earliest review and approval is appreciated.

Company and Contact

Filing Contact Information

Stephen Snitzky,	stephen.snitzky@amtrustgroup.com
5800 Lombardo Center	216-525-5186 [Phone]
Cleveland, OH 44131	

Filing Company Information

Security National Insurance Company	CoCode: 19879	State of Domicile: Delaware
2711 Centerville Road, Suite 400	Group Code: 2538	Company Type: Prop & Cas
Wilmington, DE 19808	Group Name: AmTrust Financial Group	State ID Number:
(800) 777-2249 ext. 8194[Phone]	FEIN Number: 75-6020448	

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	

State: District of Columbia
 TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
 Product Name: Financial Institutions Bond
 Project Name/Number: /DC-FB-1701-01-1603

Filing Company: Security National Insurance Company

Form Schedule

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data		Readability Score	Attachments
							Previous Filing Number:	Replaced Form Number:		
1		Debit Card Rider	BI FIB 0034	1116	END	Replaced	UNKP-128154875	BI FIB 0034 1211		BI FIB 0034 1116 Debit Card Rider.pdf
2		Audit Expense Rider	FB990002	1016	END	New				FB990002 1016 Audit Expense Rider.pdf
3		Indemnity for Injury/Death of a Director, Officer or Employee Rider	FB990003	1016	END	New				FB990003 1016 Indemnity for Injury Death of a DO Rider.pdf
4		Central Handling of Securities Rider (Enhanced)	FB990004	1016	END	Replaced	UNKP-128154875	BI FIB 0017 1211		FB990004 1016 Central Handling of Securities Rider (Enhanced).pdf
5		Mortgage Errors and Omissions Rider	FB990005	1016	END	New				FB990005 1016 Mortgage E&O Rider.pdf
6		Substitute Check and Remote Deposit Coverage Rider	FB990006	1016	END	New				FB990006 1016 Substitute Check and Remote Deposit Coverage Rider.pdf
7		Electronic Promissory Notes Rider	FB990007	1016	END	New				FB990007 1016 Electronic Promissory Notes Rider.pdf
8		Registered U.S. Mail Rider	FB990008	1016	END	New				FB990008 1016 Registered US Mail Rider.pdf
9		Plastic Card Rider	FB990010	1016	END	New				FB990010 1016 Plastic Card Rider.pdf

State: District of Columbia
 TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
 Product Name: Financial Institutions Bond
 Project Name/Number: /DC-FB-1701-01-1603

Filing Company: Security National Insurance Company

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data		Readability Score	Attachments
10		Expanded Computer Systems Coverage Rider	FB990011	1016	END	New				FB990011 1016 Expanded Computer Systems Rider.pdf
11		Rate Adjustment Rider	FB990012	1016	END	Replaced	Previous Filing Number:	UNKP-128390465		FB990012 1016 Rate Adjustment Rider.pdf
							Replaced Form Number:	BI FIB 0062 05 12		
12		Freddie Mac/Fannie Mae Rider	FB990013	1016	END	Replaced	Previous Filing Number:	UNKP-128154875		FB990013 1016 Freddie Mac or Fannie Mae Rider.pdf
							Replaced Form Number:	BI FIB 005		
13		Delete Manifest Intent Rider	FB990014	1016	END	New				FB990014 1016 Delete Manifest Intent Rider.pdf
14		Workplace Violence Rider	FB990015	1016	END	New				FB990015 1016 Workplace Violence Rider.pdf
15		Security Token Exception Rider	FB990016	1016	END	New				FB990016 1016 Security Token Exception Rider.pdf
16		Reward Payment Rider	FB990017	1016	END	New				FB990017 1016 Reward Payment Rider.pdf
17		Vanishing Deductible Rider	FB990018	1016	END	New				FB990018 1016 Vanishing Deductible Rider.pdf
18		Foreign Check Rider	FB990019	1016	END	New				FB990019 1016 Foreign Check Rider.pdf
19		Ginnie Mae Rider	FB990020	1016	END	Replaced	Previous Filing Number:	UNKP-128154875		FB990020 1016 Ginnie Mae Rider.pdf
							Replaced Form Number:	BI FIB 053		

State: District of Columbia
TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
Product Name: Financial Institutions Bond
Project Name/Number: /DC-FB-1701-01-1603

Filing Company: Security National Insurance Company

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
20		Expanded Forgery, Alteration or Unauthorized Signatures Rider	FB990021	1016	END	New			FB990021 1016 Expanded Forgery Alteration and Unauthorized Signature Rider.pdf
21		Expanded Kidnap & Extortion Rider	FB990022	1016	END	New			FB990022 1016 Expanded Kidnap and Extortion Rider.pdf
22		Expanded Consolidated Assets Rider	FB990023	1016	END	New			FB990023 1016 Expanded Consolidated Assets Rider.pdf
23		Virtual Currency Rider	FB990024	1016	END	New			FB990024 1016 Virtual Currency Rider.pdf
24		Expanded Unattended Automated Mechanical Devices Rider	FB990025	1016	END	New			FB990025 1016 Unattended Automated Mechanical Devices Rider.pdf
25		Remove Collusion Requirement Rider	FB990026	1016	END	New			FB990026 1016 Remove Collusion Requirement Rider.pdf

Form Type Legend:

ABE	Application/Binder/Enrollment	ADV	Advertising
BND	Bond	CER	Certificate
CNR	Canc/NonRen Notice	DEC	Declarations/Schedule
DSC	Disclosure/Notice	END	Endorsement/Amendment/Conditions
ERS	Election/Rejection/Supplemental Applications	OTH	Other

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

DEBIT CARD RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. **INSURING AGREEMENTS** is amended to add the following Insuring Agreement:

DEBIT CARD

Loss resulting directly from the fraudulent use of a Debit Card to obtain cash or pay for products or services by gaining access to an Electronic Terminal provided that such device electronically verifies the customers available funds in the customer's depository account at the insured as part of the transaction.

2. As respects the Debit Card Insuring Agreement:

- (a) Debit Card means a card issued or which purports to have been issued by or on behalf of the Insured, which is used at Electronic Terminals to obtain cash or pay for products, or services by debiting the customers depository account at the Insured.
- (b) Electronic Terminal means an electronic device, other than a telephone or computer operated by a consumer, through which a consumer may initiate an Electronic Fund Transfer. The term includes, but is not limited to, point-of-sale terminals, automated teller machines, and cash dispensing machines.
- (c) Electronic Fund Transfer means any transfer of funds that is initiated through an Electronic Terminal for the purpose of ordering, instructing or authorizing a financial institution to debit or credit an account.
- (d) Activation System means an electronic or manual fraud prevention system that verifies the authorized cardholder's identity prior to activating Debit Cards.
- (e) Chargeback means a formal process to charge the amount of the transaction back to the acquiring financial institution because the merchant has not complied with the Card Association's rules.
- (f) Compliance Process means a Card Association dispute resolution process for a rule violation when no chargeback is available, which is pursued through final determination from the Card Association.
- (g) Card Association means an association of financial institutions that allows its members to issue Debit Cards under the brand or logo of the association.

3. Subparts (a), (k), (l) and (p) of **CONDITIONS AND LIMITATIONS, SECTION 2. EXCLUSIONS** are deleted and replaced by the following:

- (a) loss resulting directly or indirectly from forgery or alteration, except when covered under Insuring Agreement (A), (D), (E), (F) or Debit Card.
- (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,

- (2) 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 AGREEMENTS (A)** or Debit Card;
- (l) loss (including loss of Property) involving automated mechanical devices (whether or not unattended) which, on behalf of the Insured, disburse Money, accept deposits, cash checks, drafts or similar written instruments or make credit card loans, resulting from
- (1) damage to such automated mechanical devices from vandalism or malicious mischief unless such vandalism or malicious mischief is perpetrated from within an office of the Insured, or
 - (2) the mechanical breakdown or failure of such automated mechanical devices to function properly, or
 - (3) misplacement or mysterious unexplainable disappearance while such Property is located within any such automated mechanical devices,
- except when covered under **INSURING AGREEMENTS (A)** or Debit Card.
- (p) loss resulting directly or indirectly from counterfeiting, except when covered under **INSURING AGREEMENTS (A), (D), (E), (F)** or Debit Card.
4. The following additional exclusions are applicable to the Debit Card Insuring Agreement:
- (1) Loss Resulting directly or indirectly from the use of a Debit Card that was issued and mailed to a cardholder but not activated through an Activation System, except when a Debit Card was fraudulently issued by an unauthorized persons or persons.
 - (2) Loss resulting from the use of any debit card outside the United States of America, the District of Columbia, Virgin Islands, Puerto Rico and Canada.
 - (3) Loss which the Insured could have charged back to, or obtained reimbursement from:
 - (a) the Debit Card holder,
 - (b) any person, firm or corporation agreeing to honor Debit Cards of the Insured, or
 - (c) any other financial institution, plastic card association or clearing house representing the Insured.
 - (4) Loss resulting directly or indirectly from violation of any federal or state electronic funds transfer laws.
 - (5) Loss resulting directly or indirectly from the application of a hold harmless agreement the Insured provides to a Debit Card processor or any group owning or sharing an automated device.
 - (6) Loss resulting directly or indirectly from the failure to mitigate a loss utilizing the Compliance Process, regardless of whether any Compliance Process was pursued.
 - (7) Loss resulting directly or indirectly from the Insured's failure to mitigate a loss utilizing a Chargeback, regardless of whether any Chargeback was pursued.

5. The Single Loss Limit of Liability and Single Loss Deductible for this Rider are as follows:

Single Loss Limit of Liability \$

Single Loss Deductible Amount \$

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

AUDIT EXPENSE RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. For the purpose of this coverage only, the following is added to **INSURING AGREEMENTS, (A) DISHONESTY:**

Expense incurred by the Insured for that part of the cost of audits or examinations required by state or federal supervisory authorities, whether conducted either by such authorities or by independent accountants, because of the discovery of loss sustained by the Insured through dishonest or fraudulent acts of any of the Insured's Employees. Expense incurred by the Insured in connection with such audits or examinations must be incurred within one year from the date of discovery of loss.

2. For the purpose of this rider only, the exclusions contained in **CONDITIONS AND LIMITATIONS, SECTION 2. EXCLUSIONS** of the bond, shall apply except for Exclusion (u) which is deleted and replaced as follows:

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

(1) in establishing the existence of, or amount of, loss covered under this bond, except to the extent covered under Insuring Agreement (A),

(2) as a party to any legal proceeding whether or not such legal proceeding exposes the Insured to loss covered by this bond;

3. The Single Loss Limit of Liability and Single Loss Deductible for this Rider are as follows:

Single Loss Limit of Liability: \$_____

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

INDEMNITY FOR INJURY/DEATH OF A DIRECTOR, OFFICER OR EMPLOYEE RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. **INSURING AGREEMENTS** is amended to add the following Insuring Agreement:

INDEMNITY FOR INJURY/DEATH OF A DIRECTOR, OFFICER OR EMPLOYEE

- (a) Payments of Money as the Insured, in its own discretion, shall make to a director, officer or Employee, who, during the term of this bond and while performing any service anywhere for the Insured, shall have sustained bodily injury inflicted by any person while such person is committing or attempting to commit an act of larceny, theft, robbery or burglary. It is agreed that the Underwriter's maximum liability for the total payments to a director, officer or Employee shall be limited to a sum equivalent to \$100 a week during the period the director, officer or Employee requires medical or surgical treatment, hospital confinement or the services of a trained nurse, as a result of bodily injury inflicted as described herein, not exceeding the Single Loss Limit of Liability per each director, officer or Employee.
- (b) Payments of Money as the Insured, in its own discretion, shall make to a director, officer or Employee or their estate, who during the term of this bond and while performing any service anywhere for the Insured, shall have died as a result of any bodily injury inflicted by any person while such person is committing or attempting to commit an act of larceny, theft, robbery or burglary, up to the amount stated below, less, however, such sums for which the Underwriter has paid pursuant to paragraph (a) above.

2. The Single Loss Limit of Liability and Single Loss Deductible for this rider are as follows:

Single Loss Limit of Liability: \$_____

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

CENTRAL HANDLING OF SECURITIES RIDER (ENHANCED)

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

Any premises of any Depositories engaged in the central handling of securities for the Insured shall be deemed to be premises of the Insured as respects coverage on Certificated Securities or Uncertificated Securities. Certificated Securities held by such Depository shall be deemed to be Property as defined in the attached bond to the extent of the Insured's Interest therein as effected by the making of appropriate entries on the books and records of such Depository. When the Underwriter indemnified the Insured for a loss covered hereunder, the Insured will assign the rights and causes of action to the extent of the claim payment against the Depository, or any other entity or person against whom it has a cause of action, to the Underwriter.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

MORTGAGE ERRORS AND OMISSIONS RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. **INSURING AGREEMENTS** is amended to add the following Insuring Agreement:

MORTGAGE ERRORS AND OMISSIONS

The underwriter will indemnify the Insured for loss of Insured's Mortgage Holder's Interest resulting from a direct physical loss or direct physical damage to mortgaged property by perils against which the Insured customarily requires and obtains insurance policies covering the mortgaged property caused by an accidental error or accidental omission by the Insured or by the officers or Employees of the Insured in the property to protect its Mortgage Holder's Interest provided the mortgagor does not make the regular mortgage payment on the due date after the loss or damage occurs and the loss or damage to the mortgaged property is the sole reason for not making the mortgage payment.

The Underwriter shall indemnify the Insured for the lesser of the following:

- (1) The amount of loss less the amount payable to the Insured from all other insurance on the mortgaged property less the deductible stated in item 5 of this rider; or
- (2) The amount of the Mortgage Holder's Interest less the deductible stated in item 5 of this rider; or
- (3) The Single Loss Limit of Liability as stated in item 5 of this rider subject to Section 4 of the bond.

The Underwriter has no obligation to make payment or to perform acts or services except as provided herein.

2. For the purpose of this rider only, the General Agreements contained in the bond shall apply and the following General Agreements are added:

REAL ESTATE TAX EXTENSION

The Underwriter will indemnify the Insured for all sums, in excess of \$500 per mortgage, but not exceeding \$25,000 in the aggregate for all losses discovered during the bond period, which the Insured shall become legally obligated to pay as a result of any claim made against the Insured due to any accidental error or accidental omission of the Insured as mortgagee, mortgage fiduciary, or mortgage servicing agent in failing to pay real estate taxes on mortgaged property.

REQUIRED PROCEDURES

The Insured agrees that it will institute and maintain the following procedures in connection with mortgaged property. Coverage does not apply on any mortgaged property for which the Insured fails to follow these procedures.

- (a) The Insured will include in each mortgage agreement a requirement that at least fire and extended coverage insurance shall be maintained by the mortgagor in which the Insured named as mortgagee for the amount of the mortgage balance, or the replacement value of the buildings on the mortgaged property, whichever is less. The Insured agrees that it will not inform or imply that these requirements do not need to be maintained.

- (b) The Insured will be at the mortgage closing independently verify the actual existence of valid insurance and record the amount, name of insurance company, policy number and agent. Such record must be available at the time of claim for the loss to be covered.
- (c) At least once a year, the Insured will issue written reminders to mortgagors of their obligation to keep the required insurance in force, except in cases where the Insured holds the original policy and directly purchases the insurance.
- (d) Upon receipt of any information that a mortgagor 's insurance will for any cause terminate, the Insured will procure insurance immediately, however, if the Insured makes an accidental error or accidental omission in procuring such insurance, the Insured will be deemed to have complied with this required procedure.

ACTION YOU MUST TAKE IN EVENT OF LOSS

The Insured must take prompt action, other than foreclosure or sale of the mortgaged property, to collect the unpaid balance of the mortgage debt. The Insured must not release the mortgagor from obligation to pay the unpaid balance either because of the loss or damage to the mortgaged property or otherwise.

- 3. For the purpose of this rider only, the following definitions are added.

Mortgage Holder's Interest means:

- (1) The Insured's direct interest in the mortgaged Real Property as mortgagee; or
- (2) Both the Insured's direct interest and mortgage owner's direct interest in the mortgaged Real Property when the Insured is acting as mortgage servicing agent under a contract to act as such mortgage servicing agent; or
- (3) The Insured's direct interest in the mortgaged Real Property for up to 60 days after the Insured obtains the property through foreclosure.

Real Property means land and all buildings permanently attached to such land including mobile trailer homes if such mobile trailer home is intended for use as a permanent private residence, is permanently attached to a fountain, and is without wheels; it does not include personal property or intangible property of any nature.

- 4. For the purpose of this rider only, the exclusions contained in **CONDITIONS AND LIMITATIONS, SECTION 2. EXCLUSIONS** of the bond, shall apply except for Exclusion (h), which is deleted. In addition, the following exclusions are added:

- (1) The coverage does not apply to the liability of the Insured to any third party including but not limited to the mortgagor whether or not such liability is a result of an error or omission by the Insured; however, this exclusion shall not apply to the liability of the Insured to a third-party mortgage owner where such liability results from an error or omission of the Insured which is covered under the terms of this rider and is limited to the mortgage owner's direct interest in the mortgaged Real Property.
- (2) This coverage does not apply to any error or omission in obtaining policies of title, life, or sickness or accidental insurance.
- (3) This coverage does not apply to any loss which occurs more than 15 days after the Insured or any Employee, officer, or director of the Insured acquires knowledge that an error or omission of a type covered by this rider has occurred even if another error or omission occurs in correcting the original error or omission.
- (4) This coverage does not apply to any loss caused by the unavailability of insurance.

- (5) This coverage does not apply to any loss resulting from the failure or insolvency of an insurance company providing direct coverage on the mortgaged property.
 - (6) This coverage does not apply to any loss or any part of such loss which would have occurred if the error or omission had not occurred.
 - (7) This coverage does not apply to personal property or intangible property of any nature even if such personal or intangible property is included in a mortgage.
5. The single Loss Limit of Liability and the Single Loss Deductible for the Mortgage Errors and Omissions Insuring Agreement are the amounts shown on the Declarations Page or amendment thereto. The Single Loss Limit of Liability under this Insuring Agreement shall be a part of and not in addition to, the amount stated in Item 4 of the Declarations.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

SUBSTITUTE CHECK AND REMOTE DEPOSIT COVERAGE RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. Definition (hh), Original, in **CONDITIONS AND LIMITATIONS, SECTION 1. DEFINITIONS** is deleted and replaced with the following:

(hh) Original means:

- (1) The first rendering or archetype and does not include photocopies or electronic transmissions even if received and printed; or
 - (2) For the purposes of **INSURING AGREEMENTS (D)** only, a “substitute check” as defined in the Check Clearing for the 21st Century Act or an electronic image of a check that bears all properties of the initial check from which a “substitute check” may be created.
2. For the purpose of coverage of an electronic image of a check defined under **SECTION 1. DEFINITIONS** (hh) (2) above only, actual physical possession of the Written check by the Insured is not a condition precedent to the Insured’s having relied on the check.
 3. For the purpose of this coverage only, the following exclusion are added:
 - (1) Loss resulting directly or indirectly from the Insured’s warranty that (1) a “substitute check” or an electronic image of a check meets the requirements for “legal equivalence” as defined in the Check Clearing for the 21st Century Act, or (2) that any other entity will not be asked to pay the check more than once.
 - (2) Loss resulting directly or indirectly from the use of a “substitute check” or an electronic image of a check, instead of the initial check, including, but not limited to, the Insured’s obligations under any warranty of the quality of a “substitute check” or an electronic image of a check.
 - (3) Loss resulting directly or indirectly from the assumption of liability by the Insured by contract unless the liability arises from a loss covered by this rider and which would be imposed on the Insured regardless of the existence of the contract.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

ELECTRONIC PROMISSORY NOTES RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. If the Bond Declarations indicates that the Insured purchased **INSURING AGREEMENTS, (D) FORGERY OR ALTERATION**, the Underwriter agrees to indemnify the Insured for loss resulting directly from the Insured having, in good faith, for its own account of others, acquired, sold or delivered or given value, extended credit or assumed liability, on the faith of, any Electronic Promissory Note that bears a Forged Execution or is Altered, but only to the extent the forgery or alteration caused the loss.

Possession of the Electronic Promissory Note by the Insured, its correspondent bank or other authorized representative is a condition precedent to the Insured's having relied on the faith of the Electronic Promissory Note. Possession of the Electronic Promissory Note is established if the Insured is identified as the person in control of the Electronic Promissory Note in accordance with the requirements of Section 201(c) of the federal Electronic Signatures in Global and National Commerce Act.

2. For the purposes of the coverage afforded by this rider only, the following definitions are added:

Altered means the material terms of the Electronic Promissory Note were changed after its execution in such a way that the Electronic Promissory Note were changed after its execution in such a way that the Electronic Promissory Note is unenforceable or is enforceable for a lesser amount than the Insured in good faith believed was its value at the time the Insured relied on the faith of the Electronic Promissory Note.

Certificate means a computer based record or electronic message that complies with ANSI Standard X.509 Version 3 or higher, or any successor standard, and that: (i) identifies the Certification Authority issuing it; (ii) names or identifies the Certificate holder; (iii) contains the public key of the Certificate holder; (iv) identifies the Certificate's period of validity; (v) is digitally signed by a Certification Authority; and (vi) has the meaning ascribed to it in accordance with applicable standards. A Certificate includes not only its actual content but also all documents expressly referenced or incorporated in it.

Certification Authority means a commercially recognized entity, other than a natural person, which, in the ordinary course of its business, creates, issues, manages and revokes Certificates pursuant to published verification procedures to ensure that an entity or individual requesting a Certificate is, in fact, who he/she/it claims to be.

Digital Signature means an electronic signature signed using a Certificate-based Public Key Cryptography system that can be used to authenticate the identity of the signer of a document and to ensure that the original content of the document that has been sent is unchanged.

Electronic Promissory Note means a "transferable record" as defined in Section 201(a) of the federal Electronic Signatures in Global and National Commerce Act that was executed by the promisor using a Digital Signature and transmitted to the Insured electronically. A document

bearing the handwritten signature of the promisor is not an Electronic Promissory Note even if scanned or faxed.

Forged execution means unauthorized use of a Digital Signature which purports to bind a person or entity but which, in fact, was not affixed or authorized by the person or entity so as to render the document unenforceable against the person or entity.

Public Key Cryptography means asymmetric cryptography and that uses a unique pair (private key and corresponding public key) of mathematically related numbers.

3. Subpart (e) of **CONDITIONS AND LIMITATIONS, SECTION 2. EXCLUSIONS**, shall not apply to this rider.
4. The Single Loss Limit of Liability and Single Loss Deductible applicable to this Insuring Agreement is follows:

Single Loss Limit of Liability:	Same as INSURING AGREEMENTS (D)
Single Loss Deductible:	Same as INSURING AGREEMENTS (D)

The Single Loss Limit of Liability under this Insuring Agreement shall be a part of, and not in addition to the **INSURING AGREEMENTS (D)** limit of liability stated in Item 4 of the Declarations.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

REGISTERED U.S. MAIL RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. For the purpose of this rider only, the exclusions contained in **CONDITIONS AND LIMITATIONS, SECTION 2. EXCLUSIONS** of the bond, shall apply except for Exclusion (r), which is deleted and replaced as follows:
 - (r) loss of Property while
 - (1) in the mail, (except registered mail sent via the United States Postal Service), or
 - (2) in the custody of any Transportation Company, unless covered under **INSURING AGREEMENTS (C)**, or
 - (3) while located on the premises of any Messenger or Transportation Company except when covered under **INSURING AGREEMENTS (A)**;
2. The Single Loss Limit of Liability under this rider is \$_____. Such liability shall be part of, and not in addition to, the Single Loss Limit of Liability stated in Item 4 of the Declarations. The Single Loss Deductible under this rider is \$0.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

PLASTIC CARD RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. **INSURING AGREEMENTS** is amended to add the following Insuring Agreement:

PLASTIC CARD

Loss resulting directly from any debit established against the Insured and arising from the unauthorized use of any lost or stolen Plastic Card or Counterfeit Plastic Card which was issued or purports to have been issued by the Insured and is used to:

- (1) gain access to any automated teller machine;
- (2) obtain Money, traveler's checks, money orders, drafts or any similar written promise, order or direction to pay a sum certain in Money from the Insured on its premises or from any Financial Institution acting upon authorization received from the Insured; or
- (3) purchase or lease goods or services.

As used in this Insuring Agreement, the unauthorized use of a stolen card includes the unauthorized use of the card number without physical possession of the card.

2. Solely with respect to the Plastic Card Insuring Agreement, the following definitions are added:

Card Association means an association of Financial Institutions that allows its members to issue Plastic Cards under the brand or logo of the association.

Chargeback means a formal process to charge the amount of the transaction back to the acquiring Financial Institution because the merchant has not fully complied with Card Association rules.

Counterfeit Plastic Card means a Plastic Card which:

- (1) was not issued by the Insured, but bears an account number assigned to the Insured, if the Insured has such an account number on a validly issued card;
- (2) bears a symbol or other identification customarily used by the Insured on its validly issued cards to indicate that such cards are those of the Insured, but was not authorized by the Insured to be printed or embossed; or
- (3) has been validly issued by the Insured but has been altered.

Discovery Date means the earliest date that the Insured discovers or the Plastic Card processor first becomes aware:

- (1) of an unauthorized use of a Plastic Card to access an Automated Teller Machine;
- (2) that a Plastic Card was lost, altered or stolen; or
- (3) that a Counterfeited Plastic Card was used.

All losses resulting from the use of a single Plastic Card will be considered to have the same Discovery Date.

Financial Institution means:

- (1) a bank, trust company, savings bank, credit union, savings and loan association, or similar thrift institution; or

- (2) a stock brokerage firm, mutual fund, liquid assets fund or similar investment institution, provided that Financial Institution does not include any such entity, institution or organization that is an Insured.

Issuer Authorization System means the Insured's, or the Insured's third-party processor's, system that:

- (1) maintains the cardholder authorization file or cardholder reference file; and
- (2) responds to a merchant's request for a transaction authorization.

Plastic Card means credit, debit, charge, access, convenience, identification or other similar cards that are encoded, embossed or printed with a customer's account number.

Stand-in-limits means the dollar thresholds below which a Card Association can respond to a merchant's request for a transaction authorization in the place of an Issuer Authorization System.

- 3. Subparts (a), (k), (l) and (p) of **CONDITIONS AND LIMITATIONS, SECTION 2. EXCLUSIONS** are deleted and replaced by the following:

- (a) loss resulting directly or indirectly from forgery or alteration, except when covered under Insuring Agreement (A), (D), (E), (F) or Plastic Card.

- (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,

- (2) 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 AGREEMENTS (A)** or Plastic Card;

- (l) loss (including loss of Property) involving automated mechanical devices (whether or not unattended) which, on behalf of the Insured, disburse Money, accept deposits, cash checks, drafts or similar written instruments or make credit card loans, resulting from

- (1) damage to such automated mechanical devices from vandalism or malicious mischief unless such vandalism or malicious mischief is perpetrated from within an office of the Insured, or

- (2) the mechanical breakdown or failure of such automated mechanical devices to function properly, or

- (3) misplacement or mysterious unexplainable disappearance while such Property is located within any such automated mechanical devices,

except when covered under **INSURING AGREEMENTS (A)** or Plastic Card.

- (p) loss resulting directly or indirectly from counterfeiting, except when covered under **INSURING AGREEMENTS (A), (D), (E), (F)** or Plastic Card.

- 4. The following additional exclusions are applicable to the Plastic Card Insuring Agreement:

- (1) the use of a Plastic Card to obtain Money, checks, traveler's checks, money orders, drafts or any similar written promise, order or direction to pay a sum certain in money from anyone other than:

- (a) the Insured,

- (b) a Financial Institution acting upon authorization received from the Insured; or

- (c) a Card Association or clearing house representing the Insured;

- (2) any situation in which the Insured could, at the time of the transaction or later, legally Chargeback, or obtain reimbursement from:

- (a) its Plastic Card holder;
 - (b) any person, firm or corporation agreeing to honor the Insured's Plastic Card; or
 - (c) any other Financial Institution, Card Association or clearing house representing the Insured;
- (3) any Plastic Card issued to a customer without a completed application to the Insured by such customer, other than the replacement of an initial Plastic Card previously issued by the Insured to such customer for which the Insured has a completed application on file;
 - (4) a loss of interest or that part of such loss due to a discount by any person, firm or corporation agreeing to honor the Insured's Plastic Cards;
 - (5) the extension of credit against or payment of, any Negotiable Instrument, share draft, or a cash advance;
 - (6) the use of one or more Counterfeit Plastic Cards unless such loss is in excess of the amount recovered or received by the Insured under any clause under which the Insured is to be reimbursed for loss sustained by the Insured on account of such Counterfeit Plastic Card;
 - (7) a processing system malfunction, error or omission in programming, or transactional error by the data processor;
 - (8) the application of a "hold harmless" clause given to a data processor by the Insured;
 - (9) any antitrust law violation, actual or alleged, including any such violation involving sharing of electronic funds transfer hardware or software systems or card programs;
 - (10) any violation, actual or alleged, of any federal or state electronic funds transfer laws;
 - (11) noncompliance with any statutory error resolution procedure;
 - (12) the exercise by consumers of any contractual or statutory right of reversibility;
 - (13) the unauthorized use of any unissued Plastic Card number where Stand-In-Limits are above the minimum dollar amounts set forth by the Card Association;
 - (14) a transaction in which the Insured failed to provide address verification after the request was made by the merchant;
 - (15) the use of a new, additional, renewal or replacement Plastic Card issued on an Insured's cardholder account unless a Plastic Card activation system is used. This exclusion does not apply to an additional Plastic Card when another Plastic Card exists with the same card number in use at the time of the request for an additional Plastic Card;
 - (16) the Insured's failure to comply with Card Association operating regulation timelines to pursue recovery for Chargeback;
 - (17) the Insured's failure to mitigate a loss by using a Card Association process to charge the amount of the transaction back to the acquiring Financial Institution due to merchant noncompliance with the Card Association operating regulations;
 - (18) a Counterfeit Plastic Card with a Visa ® or MasterCard ® logo. However, this Exclusion does not apply to a Counterfeit Plastic Card with a Visa ® or MasterCard ® logo provided:
 - (a) the Counterfeit Plastic Card is encoded with CVV (Visa ®) or CVC (MasterCard ®) and is being validated for CVV or CVC;
 - (b) the Insured's authorization response code is set to decline for CVV or CVC mismatch; and
 - (c) the insured's authorization response code is set to decline for an expiration date mismatch;
 - (19) the Insured's failure to:
 - (a) validate CVV2 (Visa ®), CVC2 (MasterCard ®) or CID (Discover ®) on any verification requests from a merchant; or
 - (b) decline the transaction when the CVV2, CVC2, or CID is not an exact match;

- (20) the insured's failure, with regard to a Plastic Card transaction, to:
 - (a) validate the exact Plastic Card expiration date; and
 - (b) decline the transaction when the Plastic Card expiration date is not an exact match or is missing;
- (21) an online consumer transaction conducted over the internet or other public or private network in which:
 - (a) the merchant requested validation of Verified By Visa ® or MasterCard SecureCode ®; and
 - (b) the Insured failed to set the CAVV (Visa ®) or AAV (MasterCard ®) result code to match in the authorization;
- (22) Discover ® online Card Not Present transactions;
- (23) any violation of a Card Association operating regulation;
- (24) a Plastic Card with a VISA or MasterCard logo sent to a customer but not received by that customer. However, this exclusion does not apply to a Plastic Card subject to an activation program; or
- (25) the Insured's inability to exercise a Chargeback due to the following:
 - (a) the Insured was not a participant in the Address Verification Service at the time of the transaction, or
 - (b) the Insured was not a participant in the applicable CVV2 (Visa ®) or CVC2 (MasterCard ®) program at the time of the transaction.

- 5. Solely with respect to the Plastic Card Insuring Agreement, the following replaces the first sentence of **CONDITIONS AND LIMITATIONS, SECTION 3. DISCOVERY:**

This bond applies to loss that has a Discovery Date within the Bond Period.

- 6. Solely with respect to the Plastic Card Insuring Agreement, **CONDITIONS AND LIMITATIONS, SECTION 4. SINGLE LOSS LIMIT OF LIABILITY-NON ACCUMULATION OF LIABILITY** and **SECTION 12. DEDUCTIBLE AMOUNT** are deleted and replaced by the following:

LIMITS OF LIABILITY AND DEDUCTIBLE AMOUNT

- (a) The Company's total liability for all losses under the Plastic Card Insuring Agreement with a Discovery Date during the Bond Period, regardless of the number of Plastic Cards, shall not exceed the Annual Aggregate Limit of Liability set forth in (d) below. Upon exhaustion of the Annual Aggregate Limit of Liability, the Insurer shall have no further liability for loss or losses regardless of when discovered or whether or not previously reported to the Company.
- (b) The Company's maximum liability for all loss under the Plastic Card Insuring Agreement from the same Card Number shall be limited to the Each Plastic Card Limit of Liability set forth in (d) below.

If a co-insurance percentage is set forth in (d) below, the Company will not be liable for such percentage of any loss under the Plastic Card Insuring Agreement from the same Card Number.
- (c) The Company is liable under the Plastic Card Insuring Agreement only after the Plastic Card Aggregate Deductible has been exhausted. The Plastic Card Aggregate Deductible amount is reduced or exhausted by any loss under the Plastic Card Insuring Agreement from the same Card Number which exceeds the Each Plastic Card Deductible amount.

After exhaustion of the Plastic Card Aggregate Deductible amount, the Company is liable under the Plastic Card Insuring Agreement only for the amount by which any loss under the Plastic Card Insuring Agreement from the same Card Number exceeds the Each Plastic Card Deductible amount set forth in (e) below.

(d) Annual Aggregate Limit of Liability	\$
Each Plastic Card Limit of Liability	\$
Each Plastic Card Deductible	\$
Plastic Card Aggregate Deductible	\$
Coinsurance Percentage	< >%

7. Solely with respect to the Plastic Card Insuring Agreement, **CONDITIONS AND LIMITATIONS, SECTION 5. NOTICE/PROOF-LEGAL PROCEEDINGS AGAINST COMPANY**, Subparagraph (b) is deleted and replaced as follows:

(b) Within 120 days after such discovery, the Insured shall furnish to the Company proof of loss, duly sworn to, with full particulars.

8. Solely with respect to the Plastic Card Insuring Agreement, **CONDITIONS AND LIMITATIONS, SECTION 10. OTHER INSURANCE OR INDEMNITY** is amended to add the following:

The coverage provided by this rider shall apply only as excess over any amount recoverable by the Insured from the Insured's Plastic Card issuer.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

EXPANDED COMPUTER SYSTEMS RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. **INSURING AGREEMENTS, SECTION (H) COMPUTER SYSTEMS FRAUD** is deleted and replaced with the following Insuring Agreements (H-1) and (H-2):

(H-1) COMPUTER FRAUD

Loss resulting directly from an intentional, unauthorized, and fraudulent entry of or change of Electronic Data or Computer Programs within any Computer System by a natural person or entity, other than an Employee, including any such entry or change made via the Internet or a Network, provided that the entry or change results in:

- (1) Property being transferred, paid or delivered;
- (2) an account of the Insured or of its customer to be added, deleted, debited or credited; or
- (3) an unauthorized account or a fictitious account to be debited or credited.

(H-2) FRAUDULENT ELECTRONIC FUNDS TRANSFERS

- (1) Loss of Money or Securities contained in a Customer's Depository Account as a result of a fraudulent Electronic Funds Transfer request when the Insured, prior to transferring Money or Securities, used its reasonable best efforts to verify the identity of the person transmitting the instruction; provided that if the instruction is purported to be from a Customer, the Insured followed an agreed upon Security Procedure to validate the authenticity of an Electronic Funds Transfer request.

Such instruction received by the Insured must be either recorded or logged by the Insured and must cause the debit or credit of an account. With respect to Commercial Customers, coverage only applies if the Insured received the fraudulent Electronic Funds Transfer by a transmittal method authorized by the Commercial Customer pursuant to a Funds Transfer Agreement with the Insured, including instructions initiated by voice, telefacsimile, or email or any other method of communication covered elsewhere in this Bond.

- (2) Loss resulting directly from a fraudulent and unauthorized ACH debit from a Customer's account that was originated through a financial institution other than the Insured, provided:
 - (a) such Customer signs a written affidavit stating that the debit was not authorized; and
 - (b) the Insured attempted to return the unauthorized ACH debit as allowed under the ACH rules.

2. Definition (j), Computer System, in **CONDITIONS AND LIMITATIONS, SECTION 1. DEFINITIONS** is deleted and replaced as follows:

(j) Computer System means:

- (1) any computer; and
- (2) any input, output, processing, storage or communication device, or any related network, cloud service, operating system, or application software, that is connected to, or used in connection with, such computer,

that is: (a) rented by, owned by, leased by, licensed to, or under the direct operational control of, the Insured; or (b) operated by a natural person, partnership or corporation that is authorized by

the Insured to perform services as a data processor of checks pursuant to a written contract or agreement.

3. Solely with respect to the coverage afforded by this rider, the following definitions are added:

Commercial Customer means any corporation, partnership, proprietor, trust or natural person having an account with the Insured, other than primarily for personal, family or household purposes, and having a written agreement with the Insured to provide Electronic Funds Transfers from the corporation, partnership, proprietor, trust or natural person's account to the account of another.

Consumer Customer means a natural person maintaining an account with the Insured primarily for personal, family or household purposes.

Credit, Debit or Charge Card means any card, plate or other similar device used for the purpose of obtaining Money, property, labor or services on credit or for immediate payment. This term does include a note, check, draft, money order or other negotiable instrument.

Customer means, only with respect to Insuring Agreement H.2. a Commercial Customer or a Consumer Customer.

Depository Account means an account maintained by the Insured from which the Customer can initiate the transfer, payment or delivery of Money or Securities through a Computer or electronic funds transfer system.

Electronic Funds Transfer means the transfer of funds from one account to another, either within a single financial institution or across multiple institutions, through an electronic terminal, computer, or magnetic tape.

Funds Transfer Agreement means a written agreement, signed by the Commercial Customer, that:

- (1) authorizes the Insured to rely on voice, telefacsimile, electronic mail, or Internet banking system instructions to make Electronic Funds Transfers;
- (2) provides the Insured with the names of persons authorized to initiate Electronic Funds Transfers; and
- (3) establishes a specific Security Procedure that the Insured is obligated to follow to verify the authenticity of an Electronic Funds Transfer request.

Network means any and all services provided by or through the facilities of any electronic or computer communication system, including Fedwire, Clearing House Interbank Payment System (CHIPS), Society for Worldwide Interbank Financial Telecommunication (SWIFT) and similar automated interbank communication systems, automated teller machines, point of sale terminals, and other similar operating systems and includes any shared networks, Internet access facilities, or other similar facilities for such systems, in which the Insured participates, allowing the input, output, examination, or transfer of data or programs from one computer to the Insured's computer.

Securities means written negotiable and non-negotiable instruments or contracts representing Money or property including:

- (1) tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- (2) evidences of debt issued in connection with Credit, Debit or Charge Card, which cards are not issued by the Insured;

but does not include Money.

Security Procedure means an authentication process, other than voice recognition, that requires the use of algorithms or other codes, identifying words or numbers, encryption, or similar security devices or procedures. The following are not a Security Procedure:

- (1) a general statement that the Insured may establish security procedures;
- (2) a statement that the Insured may perform a callback or other security procedure; or
- (3) a statement that the Insured will only accept requests from persons named on the account.

4. Solely with respect to the coverage afforded by this rider, the following exclusion is added:

This Bond does not cover any loss, costs or expenses the Insured agrees to incur or incurs on behalf of a Customer when the Insured is not obligated to incur such loss, costs or expenses under the Uniform Commercial Code or any other law, statute, rule or code anywhere in the world, including the rules or codes of any clearing or similar organization.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

RATE ADJUSTMENT RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. **GENERAL AGREEMENTS** is amended to add the following General Agreement:

RATE ADJUSTMENT

- (1) The Insured must give the Company Written notice as soon as practicable if any of the following occur during the Bond Period:

- (a) the Insured's tangible equity capital falls below [insert percentage]% of tangible assets;
- (b) the Insured's non-performing assets (loans greater than [insert nbr of days] days past due, non-accruals, and Other Real Estate Owned) are greater than [insert percentage]% of risk based capital;
- (c) the receipt by any Insured of any regulatory order from, or the entry by any Insured into any agreement or memorandum of understanding with, any regulatory agency or authority having jurisdiction over it, including any Written warning or criticism by such regulatory agency or authority in connection with any actual or alleged violation by the Insured of any provision of a federal or state statute;
- (d) paid loss ratio in excess of 50%; or
- (e) Other conditions: NONE

- (2) If during any Bond Year any of the transactions or events described in Subparagraph (1) above have occurred, then effective as of the end of the Bond Year in which such transaction or event occurs, the Company will be entitled to impose such additional terms, conditions and limitations of coverage and to charge such additional premium as the Company, in its sole discretion, may require. If the Insured declines to accept any additional terms, conditions or limitations of coverage or to pay any additional premium which the company requires pursuant to this rider, then this Bond will be deemed to have been cancelled by the Insured effective as of the end of the Bond Year in which such transaction or event occurred.

2. The following definition is added to the **CONDITIONS AND LIMITATIONS, SECTION 1. DEFINITIONS**:

Bond Year means the period of one year following the effective date and hour of this Bond or any anniversary thereof. If the Bond Period is extended beyond its original expiration date, the period of the extension shall be a part of the Bond Year which would have ended on the original expiration date.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

FREDDIE MAC OR FANNIE MAE RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. At the written request of the named Insured, any payment in satisfaction of loss covered by said Bond involving Money or other Property in which the Freddie Mac, Fannie Mae, or other government sponsored entity has an interest shall be paid by an instrument issued to that organization and the named Insured as joint loss-payees, subject to the following conditions and limitations:
 - a. The attached Bond is for the sole use and benefit of the named Insured as expressed herein. The organization named above shall not be considered as an Insured under the Bond, nor shall it otherwise have any rights or benefits under said Bond.
 - b. Notwithstanding any payment made under the terms of this rider or the execution of more than one of such similar rider, the amount paid for any one loss occurrence or otherwise in accordance with the terms of this Bond shall not exceed the limits of liability as set forth in the Declarations.
 - c. Nothing herein is intended to alter the terms, conditions and limitations of the Bond.
2. Should this Bond be canceled, reduced, non-renewed or restrictively modified by the Company, the Company will give thirty (30) days advance notice to the organization named above, but failure to do so shall not impair or delay the effectiveness of any such cancellation, reduction, non-renewal or restrictive modification, nor shall the Company be held liable in any way.
3. Should this Bond be cancelled or reduced at the request of the Insured, the Company will notify the organization named above of such cancellation or reduction within ten (10) business days after receipt of such request, but failure to do so shall not impair or delay the effectiveness of such cancellation or reduction, nor shall the Company be held liable in any way.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

DELETE MANIFEST INTENT RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

The phrase "manifest intent" is removed from **INSURING AGREEMENTS, (A) DISHONESTY**.

All other provisions of **INSURING AGREEMENTS, (A) DISHONESTY** are unchanged.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

WORKPLACE VIOLENCE RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. **INSURING AGREEMENTS** is amended to add the following Insuring Agreement:

WORKPLACE VIOLENCE

Loss resulting directly from

- (1) Expenses incurred by an Insured resulting from Workplace Violence;
- (2) Expenses incurred by an Insured resulting from a Stalking Threat, provided that the Employee gives the Insured prior notice of the Stalking Threat;
- (3) the actual lost Business Income incurred by an Insured due to the actual suspension of Operations during the Period of Restoration resulting from:
 - (a) Workplace Violence, or
 - (b) an order by a civil authority prohibiting access to Premises, in whole or in part, on account of Workplace Violence,
- (4) a benefit amount for Loss of Life of an Employee resulting from Workplace Violence, not to exceed Ten Thousand Dollars (\$10,000) per Employee,
- (5) rest and rehabilitation Expenses from Workplace Violence, not to exceed Ten Thousand Dollars (\$10,000) per Employee.

The benefit amount for, or to each Employee of the Insured killed or Insured in any robbery or attempted robbery occurring on the Premises of the Insured, shall not exceed Ten Thousand Dollars (\$10,000) per Employee.

Expiration of this coverage will not reduce the Period of Restoration.

2. Solely with respect to the Workplace Violence Insuring Agreement, the following definitions are added:

Business Income means:

- (1) the sum of:
 - (a) net profit before income taxes that would have been earned had no Workplace Violence occurred,
 - (b) the actual cost of continuing, on a curtailed basis, activities which are necessary for the Insured to resume operations with substantially the same quality of service which existed immediately preceding the Workplace Violence, and
 - (c) reasonable expenses which would not have been incurred except for such Workplace Violence and which were incurred by the Insured for the sole purpose of reducing loss described in (1)(a) and (1)(b) of this definition, not to exceed the amount of actual reduction of such loss, and

(2) less the sum of:

- (a) all recoveries, insurance, suretyship and other indemnity which would cover loss described in (1) above in the absence of this coverage, and
- (b) the amount by which the Insured fails to reduce loss described in (1) above through any reasonable measures.

Business Income does not mean bank interest or investment income.

Expense means the reasonable fees and expenses for or cost of:

- (1) an independent security consultant for ninety (90) days following the date Workplace Violence occurs;
- (2) an independent public relations consultant for ninety (90) days following the date Workplace Violence occurs;
- (3) medical, cosmetic, psychiatric or dental services;
- (4) a reward paid to a natural person who provides information leading to the arrest and conviction of the person(s) responsible for Workplace Violence;
- (5) rest and rehabilitation, including meals and recreation, for up to fifteen (15) days, when such expenses are incurred within twelve (12) months following Workplace Violence;
- (6) independent security guard services up to fifteen (15) days, however, security guard services are limited to those incurred at the Premises where Workplace Violence occurs;
- (7) the Salary which an Insured continues to pay an Employee who is a victim of Workplace Violence. Coverage shall apply to the Salary in effect at the time of Workplace Violence and shall end ninety (90) days following the date Workplace Violence occurs;
- (8) the salary or wages which an Insured pays a newly hired natural person to conduct the duties of an Employee, who is the victim of Workplace Violence. Coverage shall apply to the Salary in effect at the time of Workplace Violence and shall end ninety (90) days following the date Workplace Violence occurs.

Kidnapping means an actual or alleged wrongful taking of an Insured Person that includes a demand for payment by the Insured or an Insured Person in exchange for the release of such Insured Person.

Loss of Life means:

- (1) death, including clinical death, determined by a medical examiner or similar local governing medical authority, or
- (2) the absence of communication from an Insured Person, or those responsible for Kidnapping such Insured Person, for a period of two (2) years following such Kidnapping or the last communication from such Insured Person, or those responsible for such Kidnapping, whichever is more recent.

Operations means business activities of the Insured at Premises prior to the Workplace Violence.

Period of Restoration means the period of time which:

- (1) begins seventy-two (72) hours following the actual suspension of Operations as described in this Insuring Agreement, and

(2) ends on the earlier of:

- (a) the date of Operations are restored, with due diligence and dispatch, to the level that existed prior to the Workplace Violence,
- (b) ninety (90) days, or
- (c) thirty (30) days after a civil authority denies the Insured access to Premises.

Salary means compensation an Insured pays an Employee, including but not limited to bonus, commission, incentive payments, and the cost of health, welfare and pension benefits.

Stalking Threat means conduct, other than Workplace Violence, that:

- (1) demonstrates an intent to injure or harm an Employee or an Insured, and
- (2) is by a natural person who is the subject of a temporary restraining order, injunction or similar court order, the purpose of which is to protect such Employee or Insured from such natural person.

Workplace Violence means any intentional and unlawful act of deadly force or threat of deadly force involving the use or display of a lethal weapon which has or could result in bodily injury or death directed against an Insured Person, and which occurs on or in the Premises.

3. Solely with respect to the Workplace Violence Insuring Agreement, **CONDITIONS AND LIMITATIONS, SECTION 4. SINGLE LOSS LIMIT OF LIABILITY-NON ACCUMULATION OF LIABILITY** is deleted and replaced by the following:

AGGREGATE LIMIT OF LIABILITY

The Company's total liability for all losses under the Workplace Violence Insuring Agreement shall not exceed the Aggregate Limit of Liability below. The Aggregate Limit of Liability shall be reduced by the amount of any payment made under the terms of this Rider.

Upon exhaustion of the Aggregate Limit of Liability by such payments, the Company shall have no further liability for loss or losses regardless of when discovered and whether or not previously reported to the Company.

Aggregate Limit of Liability \$ _____

NON ACCUMULATION OF LIABILITY

The Aggregate Limit of Liability of the Company shall not be cumulative in amount from Bond Period to Bond Period regardless of the number of years this Bond shall be in force, the number of times this Bond may be renewed, and the number of premiums which shall be payable or paid.

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

Accepted:

By: _____
Signature Title

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

SECURITY TOKEN EXCEPTION RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. The verification call-back requirement is waived in all applicable Insuring Agreements purchased by the Insured, but only if the transfer of funds involved the fraudulent use of a Security Token as the verification mechanism instead of the agreed upon call-back requirement.
2. **CONDITIONS AND LIMITATIONS, SECTION 1. DEFINITIONS** is amended to add the following definition:

Security Token is defined as a security device or a software application issued to a customer that generates a one-time digital code to use each time a customer initiates a transfer and is subject to an online banking agreement between the Insured and the customer.

3. Subpart (e) of **CONDITIONS AND LIMITATIONS, SECTION 5. NOTICE / PROOF-LEGAL PROCEEDINGS AGAINST THE COMPANY** is modified to add the following:

The verification call-back proof of loss requirement in Subpart (e) of **SECTION 5. NOTICE / PROOF-LEGAL PROCEEDINGS AGAINST THE COMPANY** is waived solely with respect to transfers involving the fraudulent use of a Security Token.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

REWARD PAYMENT RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

GENERAL AGREEMENTS, (G) is deleted and replaced with the following:

(G) REIMBURSEMENT FOR REWARD PAYMENTS

The Company agrees to indemnify the Insured up to an amount of \$_____ per event for any reward(s) paid by the Insured for information leading to the capture or apprehension of any person(s) who, while this Bond is in effect, shall have robbed any of the Insured's messengers, or robbed or burglarized any of the Insured's offices or branches, or shall have made an attempt at any such robbery or burglary.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

VANISHING DEDUCTIBLE RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

CONDITIONS AND LIMITATIONS, SECTION 12. DEDUCTIBLE AMOUNT is deleted and replaced with the following:

SECTION 12. DEDUCTIBLE AMOUNT

The Company shall be liable only for the amount by which any single loss, as defined in Section 4, exceeds the Single Loss Deductible amount for the Insuring Agreement or Coverage applicable to such loss, subject to the applicable Single Loss Limit of Liability, except as follows:

1. For any single loss that exceeds the Single Loss Deductible, the Company will pay, in addition to the amount in excess of the Single Loss Deductible, a portion of the Single Loss Deductible, according to the following schedule:

Losses Paid:	During the first annual Bond Period	0%
	During the second annual Bond Period	20%
	During the third annual Bond Period	40%
	During the fourth annual Bond Period.....	60%
	During the fifth annual Bond Period	80%

2. The effective date of the first annual Bond Period is: _____

Upon the payment of any Single Loss, as defined under the Bond, by the Company which includes a portion of the Single Loss Deductible in accordance with the above schedule, the remaining portion of the annual Bond Period will be considered to be a first annual Bond Period.

3. If the Single Loss Deductible amount changes during the term of the Bond, the terms of this rider would then apply to the amended deductible amount.
4. The Insured shall, in the time and in the manner prescribed in this Bond, give the Company notice of any loss of the kind covered by the terms of this Bond, that exceeds 10% of the Deductible Amount applicable to such loss, whether or not the Company is liable for the loss, and upon the request of the Company, shall file with it a brief statement giving the particulars concerning such loss.
5. Items 1. and 2. above will not apply to any loss for a coverage within this Bond that has a deductible that is less than the Single Loss Deductible shown for **INSURING AGREEMENTS (A)** shown in Item 3. of the Declarations.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

FOREIGN CHECK RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. If the Insured suffers a loss resulting directly from the payment or transfer of any Property in reliance on a Foreign Check, then for the purposes of said loss only, Exclusion (o) is deleted and replaced by the following:
 - (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:
 - I. when covered under **INSURING AGREEMENTS (A)**; or
 - II. when covered under **INSURING AGREEMENTS (D)** and the item of deposit which was not finally paid was a Foreign Check deposited into an Established Account at the Insured.
2. Solely with respect to the coverage afforded by this rider, the following definitions are added:

Established Account means an account that has been opened continuously for at least sixty (60) days; and

Foreign Check means a check drawn on an account maintained at a banking institution physically located within any of the following countries:

[insert country]
3. For the purpose of this rider only, the conditions and limitations contained in the bond shall apply and the following condition is added:

Prior to the Insured releasing the proceeds of a Foreign Check, the banking institution on which the Foreign Check is drawn must have initially paid the Foreign Check even if the Foreign Check is subsequently returned or the payment reversed.
4. The Single Loss Limit of Liability under this rider is \$[insert limit]. Such liability shall be part of, and not in addition to, the Single Loss Limit of Liability stated in Item (4) of the Declarations. The Single Loss Deductible under this rider is \$[insert deductible].

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

GINNIE MAE RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. Except with respect to paragraphs 7 and 8 of this rider, this rider takes effect if, but only if, the Government National Mortgage Association (hereinafter Ginnie Mae) terminates the Insured's right to service mortgages that are owned by Ginnie Mae. Paragraphs 7 and 8 shall be effective when this rider becomes effective.
2. In the event of such a termination, and where the Insured has failed to file a claim under this Bond for a loss sustained prior to the termination set forth in Paragraph 1, including failure to file notice of loss or proof of loss, as the case may be, Ginnie Mae shall have the right to file a claim directly under this Bond no later than 10 business days after expiration of the time period that this Bond required the Insured to take such action. The notice of loss or proof of loss submitted by Ginnie Mae must be accompanied by:
 - a. proof of Ginnie Mae's interest in the funds or other Property related to the loss, and
 - b. proof that Ginnie Mae notified the Insured in writing that if the Insured failed to comply with the notice/proof requirements set forth by **SECTION 5. the NOTICE/PROOF LEGAL PROCEEDINGS AGAINST COMPANY** condition of this Bond. Ginnie Mae would take action to comply with the requirements of such condition. Ginnie Mae's notice shall be mailed to the Insured's last address known to Ginnie Mae or the Insured's address on this Bond. Proof of mailing shall be sufficient proof of notice.
3. In the event Ginnie Mae provides such notice of loss and the Insured does not notify the Company within 10 days of receipt of the notice referred to in paragraph 2b. above that the Insured intends itself to pursue a claim for the loss, Ginnie Mae shall have full authority to provide the proof of loss, negotiate, settle, file suit or take any other action that this Bond requires or permits the Insured to do, without any further action or approval by the Insured. The Insured shall cease to have the right to file the proof of loss, negotiate, settle, file suit or take any other action with respect to the loss. In the event the Insured has provided the notice of loss in compliance with **SECTION 5. the NOTICE/PROOF LEGAL PROCEEDINGS AGAINST COMPANY** condition of this Bond and Ginnie Mae provides the proof of loss and the Insured does not notify the Company within 10 days of receipt of the notice referred to in paragraph 2b. above that the Insured intends itself to pursue a claim for the loss, Ginnie Mae shall have full authority to negotiate, settle, file suit or take any other action that this Bond requires or permits the Insured to do, without any further action or approval by the Insured. The Insured shall cease to have the right to negotiate, settle, file suit or take any other action with respect to the loss. Any suit shall be filed in the name of the insured for the benefit of Ginnie Mae.
4. In the event Ginnie Mae provides such notice of loss or proof of loss and the Insured notifies the Company within 10 days of receipt of the notice referred to in paragraph 2b. above that the Insured intends itself to pursue a claim for the loss, unless otherwise ordered by a court of competent jurisdiction, and subject to Ginnie Mae's rights under paragraph 3, the Insured shall have full authority to negotiate, settle, file suit or take any other action in relation to the loss, but Ginnie Mae shall be a loss payee of any payment for a covered loss along with the Insured as their interests may appear, and any payment shall be made as described in paragraph 5.

5. Any payment of the Insured's loss after such notice of loss or proof of loss provided by Ginnie Mae, or after Ginnie Mae notifies Company and Insured in writing that it claims an interest in any payment due under this Bond, shall, at the Company's option, be made by check or draft either (a) jointly payable to the Insured and Ginnie Mae, as their interests may appear, or (b) payable solely to Ginnie Mae, and, in either case, mailed to Ginnie Mae.
6. Nothing in this rider shall make Ginnie Mae an Insured under this Bond, nor obligate the Company to pay any loss not suffered by the Insured, nor obligate the Company to pay any loss or any amount which it would not owe had the Insured alone submitted the claim.
7. Should this Bond be canceled, reduced, non-renewed or restrictively modified by the Company, the Company will endeavor to give 30 days written advance notice to Ginnie Mae, but failure to do so shall not impair or delay the effectiveness of such cancellation or reduction, nor shall the Company be liable for any damages allegedly caused by its failure to give such notice.
8. Should this Bond be canceled or reduced at the request of the Insured, the Company will endeavor to notify Ginnie Mae in writing of such cancellation or reduction within 10 business days after receipt of such request, but failure to do so shall not impair or delay the effectiveness of such cancellation or reduction, nor shall Company be liable for any damages allegedly caused by its failure to give such notice.
9. Insured and Company agree that Ginnie Mae may obtain a copy of this Bond upon written request to the Insured. In addition, upon the request of Ginnie Mae, the Company will confirm whether this Bond is in effect and will endeavor to provide information regarding the Limits of Liability, Insuring Agreements and riders of this Bond.
10. All notices to be submitted to Ginnie Mae shall be sent to the following address: <enter address>
11. Except as provided above, this Bond remains in full force and effect according to its terms, and the Limits of Liability, deductibles, and all of its other terms and conditions continue to apply.
12. The Insured agrees that the inclusion of this rider on the Bond is absolute proof of consent by the Insured to allow the Company to comply with the terms of this rider even when action by the Company in compliance with this rider may detrimentally affect the Insured's rights with regard to other claims and/or may not be in the best interest of the Insured.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

EXPANDED FORGERY, ALTERATION OR UNAUTHORIZED SIGNATURES RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

INSURING AGREEMENTS, (D) FORGERY OR ALTERATION is deleted and replaced with the following:

D. FORGERY, ALTERATION OR UNAUTHORIZED SIGNATURES

Loss resulting directly from the Insured having, in good faith, paid or transferred any Property in reliance on any Written Original:

- (1) Negotiable Instrument (except an Evidence of Debt);
- (2) Certificate of Deposit;
- (3) Letter of Credit;
- (4) Withdrawal Order;
- (5) Acceptance;
- (6) Receipt for the withdrawal of Property; or
- (7) Instruction or advice directed to the Insured and purportedly signed by a customer of the Insured or by a Financial Institution,

which:

- (a) bears a handwritten signature that is a Forgery; or
- (b) is Altered, but only to the extent the Forgery or Alteration directly causes the loss.

Actual physical possession by the Insured of the items listed in 1. through 7. is a condition precedent to the Insured having relied on the faith of such items.

A reproduction of a handwritten signature is treated the same as the handwritten signature. An electronic or digital signature is not treated as a reproduction of a handwritten signature.

Accepting, paying or cashing any negotiable instruments or withdrawal orders (except a withdrawal order transmitted through a telefacsimile device) 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. Also, for purposes of this paragraph only, the definition of forgery contained in **CONDITIONS AND LIMITATIONS, SECTION 1. DEFINITIONS** of this bond shall not apply.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

EXPANDED KIDNAP & EXTORTION RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. Subpart (g) of Subsection (2) of **INSURING AGREEMENTS, (X) KIDNAP & EXTORSION INCLUDING CYBER EXTORTION THREATS** is deleted and replaced with the following:

(g) paying reasonable fees for independent psychiatric care, medical care (including costs of cosmetic or plastic surgery required to correct any permanent disfigurement sustained by an Insured Person), or legal advice incurred prior to the Insured Person's release and within thirty six (36) months following Kidnap, Hijack or Detention; or

2. Subsection (2) of **INSURING AGREEMENTS, (X) KIDNAP & EXTORSION INCLUDING CYBER EXTORTION THREATS** is amended to add the following:

paying reasonable personal financial loss of an Insured Person because of his or her physical inability to attend to personal financial matters due to a Kidnap, Detention, or Hijack.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

EXPANDED CONSOLIDATED ASSETS RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

GENERAL AGREEMENTS, (B) ADDITIONAL OFFICES OR EMPLOYEES-CONSOLIDATION, MERGER OR PURCHASE OF ASSETS-NOTICE paragraphs (3) and (4) are amended as follows:

The percentage of assets and liability is changed from 25% to _____%.

All other provisions of **GENERAL AGREEMENTS, (B)** are unchanged.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

VIRTUAL CURRENCY RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. **INSURING AGREEMENTS** is amended to add the following Insuring Agreement:

VIRTUAL CURRENCY

Loss resulting directly from the loss or use of Virtual Currency as may be covered under the terms of **INSURING AGREEMENTS, (A) DISHONESTY, Subparts (a) and (b); INSURING AGREEMENTS, (X) KIDNAP AND EXTORTION INCLUDING CYBER EXTORTION THREATS; INSURED'S ERISA PLANS** (if coverage added by endorsement); and **ENHANCED COMPUTER SYSTEMS** (if coverage added by endorsement).

2. The following definition is added to **CONDITIONS AND LIMITATIONS, SECTION 1. DEFINITIONS:**

Virtual Currency means a digital or electronic medium of exchange that is used and accepted as a means of payment but that is not issued by, or guaranteed by, a central bank, government, or public authority.

3. Solely with respect to the Virtual Currency Insuring Agreement, **CONDITIONS AND LIMITATIONS, SECTION 4. SINGLE LOSS LIMIT OF LIABILITY - NON ACCUMULATION OF LIABILITY** is deleted and replaced by the following:

SECTION 4. AGGREGATE LIMIT OF LIABILITY - NON ACCUMULATION OF LIABILITY

Aggregate Limit of Liability

The Company's total liability for all losses under the Virtual Currency Insuring Agreement shall not exceed the Aggregate Limit of Liability below. The Aggregate Limit of Liability shall be reduced by the amount of any payment made under the terms of this Rider.

Upon exhaustion of the Aggregate Limit of Liability by such payments, the Company shall have no further liability for loss or losses regardless of when discovered and whether or not previously reported to the Company.

Aggregate Limit of Liability \$ _____

Non Accumulation of Liability

The Aggregate Limit of Liability of the Company shall not be cumulative in amount from Bond Period to Bond Period regardless of the number of years this Bond shall be in force, the number of times this Bond may be renewed, and the number of premiums which shall be payable or paid.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

EXPANDED UNATTENDED AUTOMATED MECHANICAL DEVICES RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

Definition (ww), Unattended Automated Mechanical Devices, in **CONDITIONS AND LIMITATIONS, SECTION 1. DEFINITIONS** is deleted and replaced as follows:

(ww) Unattended Automated Mechanical Devices mean automated mechanical devices and video teller machine which, on behalf of the Insured, disburse Money, accept deposits, cash checks, drafts or similar written instruments, or make credit card Loans and are not situated within or attached to or made a part of an office of the Insured which office is permanently staffed by an Employee whose duties are those usually assigned to a teller.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

REMOVE COLLUSION REQUIREMENT RIDER

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

INSURING AGREEMENTS, (A) DISHONESTY Paragraph (1) is deleted and replaced with the following:

- (1) Loans (except Loans that are fictitious and fabrications of one or more Employees), that portion of the loss is not covered unless the Employee has received, in connection with these transactions, an improper financial benefit, or other persons with whom the Employee was dishonestly or fraudulently acting in collusion received an improper financial benefit and the Insured establishes that the Employee intended to share or participate in the improper financial benefit, or

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

SERFF Tracking #:

UNKP-130812489

State Tracking #:

Company Tracking #:

DC-FB-1701-01-1603

State: District of Columbia
 TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
 Product Name: Financial Institutions Bond
 Project Name/Number: /DC-FB-1701-01-1603

Filing Company: Security National Insurance Company

Supporting Document Schedules

Bypassed - Item:	Readability Certificate
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Copy of Trust Agreement
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Consulting Authorization
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Side by Sides
Comments:	
Attachment(s):	BI FIB 0034 1116 SbyS to 12 11 Debit Card.pdf FB990004 1016 SbyS to BI FIB 0017 12 11 Central Handling of Securities Rider.pdf FB990012 1016 SbyS to BI FIB 0062 05 12 Rate Adjustment Rider.pdf FB990013 1016 SbyS to BI FIB 0005 Freddie Mac or Fannie Mae Rider.pdf FB990020 1016 SbyS to BI FIB 0053 Ginnie Mae Rider.pdf
Item Status:	
Status Date:	

Financial Institution Bond Policy

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

DEBIT CARD RIDER

~~This rider is attached to and forms a part of Financial Institution Bond No.:~~

Effective:

~~It is agreed that the Bond is amended as follows:~~

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. ~~Adding an additional Insuring Agreement as follows:~~

INSURING AGREEMENTS is amended to add the following Insuring Agreement:

DEBIT CARD

Loss resulting directly from the fraudulent use of a Debit Card to obtain cash or pay for products or services by gaining access to an Electronic Terminal provided that such device electronically verifies the customers available funds in the customer's depository account at the insured as part of the transaction.

2. As respects the Debit Card Insuring Agreement:

- (a) Debit Card means a card issued or which purports to have been issued by or on behalf of the Insured, which is used at Electronic Terminals to obtain cash or pay for products, or services by debiting the customers depository account at the Insured. ~~Debit Card does not mean the use of only the account number without the actual physical possession of the debit card.~~
- (b) Electronic Terminal means an electronic device, other than a telephone or computer operated by a consumer, through which a consumer may initiate an Electronic Fund Transfer. The term includes, but is not limited to, point-of-sale terminals, automated teller machines, and cash dispensing machines.
- (c) Electronic Fund Transfer means any transfer of funds that is initiated through an Electronic Terminal for the purpose of ordering, instructing or authorizing a financial institution to debit or credit an account.
- (d) Activation System means an electronic or manual fraud prevention system that verifies the authorized cardholder's identity prior to activating Debit Cards.
- (e) Chargeback means a formal process to charge the amount of the transaction back to the acquiring financial institution because the merchant has not complied with the Card Association's rules.
- (f) Compliance Process means a Card Association dispute resolution process for a rule violation when no chargeback is available, which is pursued through final determination from the Card Association.
- (g) Card Association means an association of financial institutions that allows its members to issue Debit Cards under the brand or logo of the association.

3. ~~Item (a) of SECTION 2. EXCLUSIONS is deleted and replaced by the following:~~

Subparts (a), (k), (l) and (p) of CONDITIONS AND LIMITATIONS, SECTION 2. EXCLUSIONS are deleted and replaced by the following:

~~Financial Institution Bond Policy~~

- (a) loss resulting directly or indirectly from forgery or alteration, except when covered under Insuring Agreement (A), (D), (E), (F) or Debit Card.

~~4. Item (k) of SECTION 2. EXCLUSIONS is deleted and replaced by the following:~~

- (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,
 - (2) 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 AGREEMENTS (A)** or Debit Card;

~~5. Item (l) of SECTION 2. EXCLUSIONS is deleted and replaced by the following:~~

- (l) loss (including loss of Property) involving automated mechanical devices (whether or not unattended) which, on behalf of the Insured, disburse Money, accept deposits, cash checks, drafts or similar written instruments or make credit card loans, resulting from
 - (1) damage to such automated mechanical devices from vandalism or malicious mischief unless such vandalism or malicious mischief is perpetrated from within an office of the Insured, or
 - (2) the mechanical breakdown or failure of such automated mechanical devices to function properly, or
 - (3) misplacement or mysterious unexplainable disappearance while such Property is located within any such automated mechanical devices,
 except when covered under **INSURING AGREEMENTS (A)** or Debit Card.

~~6. Item (p) of SECTION 2. EXCLUSIONS is deleted and replaced by the following:~~

- (p) loss resulting directly or indirectly from counterfeiting, except when covered under **INSURING AGREEMENTS (A), (D), (E), (F)** or Debit Card.

~~7~~ 4. The following additional exclusions are applicable to the Debit Card Insuring Agreement:

- (1) Loss Resulting directly or indirectly from the use of a Debit Card that was issued and mailed to a cardholder but not activated through an Activation System, except when a Debit Card was fraudulently issued by an unauthorized persons or persons.
- (2) Loss resulting from the use of any debit card outside the United States of America, the District of Columbia, Virgin Islands, Puerto Rico and Canada.
- (3) Loss which the Insured could have charged back to, or obtained reimbursement from:
 - (a) the Debit Card holder,
 - (b) any person, firm or corporation agreeing to honor Debit Cards of the Insured, or
 - (c) any other financial institution, plastic card association or clearing house representing the Insured.

Financial Institution Bond Policy

- (4) Loss resulting directly or indirectly from violation of any federal or state electronic funds transfer laws.
- (5) Loss resulting directly or indirectly from the application of a hold harmless agreement the Insured provides to a Debit Card processor or any group owning or sharing an automated device.
- (6) Loss resulting directly or indirectly from the failure to mitigate a loss utilizing the Compliance Process, regardless of whether any Compliance Process was pursued.
- (7) Loss resulting directly or indirectly from the Insured's failure to mitigate a loss utilizing a Chargeback, regardless of whether any Chargeback was pursued.

8.5. ~~Solely for the purpose of this Insuring Agreement, **CONDITIONS AND LIMITATIONS, SECTION 4. SINGLE LOSS LIMIT OF LIABILITY NON ACCUMULATION OF LIABILITY** and **SECTION 12. DEDUCTIBLE AMOUNT** are deleted and replaced by the following:~~

~~**LIMITS OF LIABILITY AND DEDUCTIBLE AMOUNT**~~

- ~~(a) The Company's liability for each Single Loss discovered during the Bond Period shall not exceed the applicable Single Loss Limit of Liability set forth in (d) below.~~
- ~~(b) The Company's maximum liability for all loss under the Debit Card Insuring Agreement from the same Card Number shall be limited to the Each Debit Card Limit of Liability set forth in (d) below.~~
- ~~(c) The Company's liability under the Debit Card Insuring Agreement shall apply only to loss which is in excess of the Each Debit Card Deductible Amount and excess of the Single Loss Deductible Amount as set forth in (d) below and such deductible amounts shall be borne by the Insured uninsured and at the Insured's own risk. The Each Debit Card Deductible Amount shall continue to apply after exhaustion of the Single Loss Deductible Amount. The Single Loss Deductible Amount shall be reduced only by payments made in excess of the Each Debit Card Deductible Amount.~~

The Single Loss Limit of Liability and Single Loss Deductible for this Rider are as follows:

- ~~(d) Single Loss Limit of Liability \$~~

- Single Loss Deductible Amount \$

- ~~Each Debit Card Limit of Liability \$~~

- ~~Each Debit Card Deductible Amount \$~~

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

Financial Institution Bond

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

CENTRAL HANDLING OF SECURITIES RIDER (ENHANCED)

~~This rider is attached to and forms a part of Financial Institution Bond No.:~~

Effective:

~~It is agreed that~~ In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond ~~is amended~~ as follows:

1. ~~These premises of Depositories listed in the following Schedule shall be deemed to be Premises of the Insured but only as respects coverage on Certificated Securities:~~

SCHEDULE

~~_____ DEPOSITORY _____ LOCATION COVERED~~

Any premises of any Depositories engaged in the central handling of securities for the Insured shall be deemed to be premises of the Insured as respects coverage on Certificated Securities or Uncertificated Securities. Certificated Securities held by such Depository shall be deemed to be Property as defined in the attached bond to the extent of the Insured's Interest therein as effected by the making of appropriate entries on the books and records of such Depository. When the Underwriter indemnified the Insured for a loss covered hereunder, the Insured will assign the rights and causes of action to the extent of the claim payment against the Depository, or any other entity or person against whom it has a cause of action, to the Underwriter.

2. ~~Certificated Securities held by such Depository shall be deemed to be Property as defined in the bond to the extent of the Insured's interest therein as effected by the making of appropriate entries on the books and records of such Depository.~~
3. ~~The Bond does not afford coverage in favor of any Depository listed in the Schedule above. When the company indemnifies the Insured for a covered loss, the Insured will assign the rights and causes of action to the extent of the claim payment against the Depository, or any other entity or person against whom it has a cause of action, to the Company.~~
4. ~~If the rules of the Depository named in the Schedule above provide that the Insured shall be assessed for a portion of the judgment (or agreed settlement) taken by the Company based upon the assignment set forth in part 3. above and the Insured actually pays such assessment, then the Company will reimburse the Insured for the amount of the assessment but not exceeding the amount of the loss payment by the Company.~~

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

~~Financial Institution Bond~~

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

RATE ADJUSTMENT RIDER

~~This rider is attached to and forms a part of Financial Institution Bond No.:~~

~~Effective:~~

~~It is agreed that~~ In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond ~~is amended~~ as follows:

- ~~The attached Bond is amended by adding the following to~~ **GENERAL AGREEMENTS** is amended to add the following General Agreement:

RATE ADJUSTMENT

- (1) The Insured must give the Company Written notice as soon as practicable if any of the following occur during the Bond Period:

- ~~the Insured's tangible equity capital falls below [insert percentage]% of tangible assets;~~
- ~~the Insured's non-performing assets (loans greater than [insert nbr of days] days past due, non-accruals, and Other Real Estate Owned) are greater than [insert percentage]% of risk based capital; or~~
- ~~the receipt by any Insured of any regulatory order from, or the entry by any Insured into any agreement or memorandum of understanding with, any regulatory agency or authority having jurisdiction over it, including any Written warning or criticism by such regulatory agency or authority in connection with any actual or alleged violation by the Insured of any provision of a federal or state statute;~~
- paid loss ratio in excess of 50%; or

(e) Other conditions: NONE

- (2) If during any Bond Year any of the transactions or events described in Subparagraph (1) above have occurred, then effective as of the end of the Bond Year in which such transaction or event occurs, the Company will be entitled to impose such additional terms, conditions and limitations of coverage and to charge such additional premium as the Company, in its sole discretion, may require. If the Insured declines to accept any additional terms, conditions or limitations of coverage or to pay any additional premium which the company requires pursuant to this rider, then this Bond will be deemed to have been cancelled by the Insured effective as of the end of the Bond Year in which such transaction or event occurred.

2. The following definition is added to the **CONDITIONS AND LIMITATIONS, SECTION 1. DEFINITIONS:**

Bond Year means the period of one year following the effective date and hour of this Bond or any anniversary thereof. If the Bond Period is extended beyond its original expiration date, the period of the extension shall be a part of the Bond Year which would have ended on the original expiration date.

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

This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____

FREDDIE MAC OR FANNIE MAE ~~OR GINNIE MAE~~ RIDER

~~This rider is attached to and forms a part of Financial Institution Bond No.:~~

~~Effective:~~

~~It is agreed that the Bond is amended as follows:~~

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. At the written request of the named Insured, any payment in satisfaction of loss covered by said Bond involving Money or other Property in which the Freddie Mac, Fannie Mae, GNMA or other government sponsored entity has an interest shall be paid by an instrument issued to that organization and the named Insured as joint loss-payees, subject to the following conditions and limitations:
 - a. The attached Bond is for the sole use and benefit of the named Insured as expressed herein. The organization named above shall not be considered as an Insured under the Bond, nor shall it otherwise have any rights or benefits under said Bond.
 - b. Notwithstanding any payment made under the terms of this rider or the execution of more than one of such similar rider, the amount paid for any one loss occurrence or otherwise in accordance with the terms of this Bond shall not exceed the limits of liability as set forth in the Declarations.
 - c. Nothing herein is intended to alter the terms, conditions and limitations of the Bond.
2. Should this Bond be canceled, reduced, non-renewed or restrictively modified by the Company, the Company will give thirty (30) days advance notice to the organization named above, but failure to do so shall not impair or delay the effectiveness of any such cancellation, reduction, non-renewal or restrictive modification, nor shall the Company be held liable in any way.
3. Should this Bond be cancelled or reduced at the request of the Insured, the Company will notify the organization named above of such cancellation or reduction within ten (10) business days after receipt of such request, but failure to do so shall not impair or delay the effectiveness of such cancellation or reduction, nor shall the Company be held liable in any way.

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

~~Financial Institution Bond~~

~~This rider is attached to and forms a part of Financial Institution Bond No. _____ effective _____~~

GINNIE MAE RIDER

~~This rider is attached to and forms a part of Financial Institution Bond No.:~~

~~Effective: _____~~

~~It is agreed that the Bond is amended as follows:~~

In consideration of the premium paid, the Company and the Insured agree that this rider amends the Bond as follows:

1. Except with respect to paragraphs 7 and 8 of this Rider, this Rider takes effect if, but only if, the Government National Mortgage Association (hereinafter Ginnie Mae) terminates the Insured's right to service mortgages that are owned by Ginnie Mae. Paragraphs 7 and 8 shall be effective when this Rider becomes effective.
2. In the event of such a termination, and where the Insured has failed to file a claim under this Bond for a loss sustained prior to the termination set forth in Paragraph 1, including failure to file notice of loss or proof of loss, as the case may be, Ginnie Mae shall have the right to file a claim directly under this Bond no later than 10 business days after expiration of the time period that this Bond required the Insured to take such action. The notice of loss or proof of loss submitted by Ginnie Mae must be accompanied by:
 - a. proof of Ginnie Mae's interest in the funds or other Property related to the loss, and
 - b. proof that Ginnie Mae notified the Insured in writing that if the Insured failed to comply with the notice/proof requirements set forth by **SECTION 5**, the **NOTICE/PROOF LEGAL PROCEEDINGS AGAINST COMPANY** condition of this Bond. Ginnie Mae would take action to comply with the requirements of such condition. Ginnie Mae's notice shall be mailed to the Insured's last address known to Ginnie Mae or the Insured's address on this Bond. Proof of mailing shall be sufficient proof of notice.
3. In the event Ginnie Mae provides such notice of loss and the Insured does not notify the Company within 10 days of receipt of the notice referred to in paragraph 2b. above that the Insured intends itself to pursue a claim for the loss, Ginnie Mae shall have full authority to provide the proof of loss, negotiate, settle, file suit or take any other action that this Bond requires or permits the Insured to do, without any further action or approval by the Insured. The Insured shall cease to have the right to file the proof of loss, negotiate, settle, file suit or take any other action with respect to the loss. In the event the Insured has provided the notice of loss in compliance with **SECTION 5**, the **NOTICE/PROOF LEGAL PROCEEDINGS AGAINST COMPANY** condition of this Bond and Ginnie Mae provides the proof of loss and the Insured does not notify the Company within 10 days of receipt of the notice referred to in paragraph 2b. above that the Insured intends itself to pursue a claim for the loss, Ginnie Mae shall have full authority to negotiate, settle, file suit or take any other action that this Bond requires or permits the Insured to do, without any further action or approval by the Insured. The Insured shall cease to have the right to negotiate, settle, file suit or take any other action with respect to the loss. Any suit shall be filed in the name of the insured for the benefit of Ginnie Mae.
4. In the event Ginnie Mae provides such notice of loss or proof of loss and the Insured notifies the Company within 10 days of receipt of the notice referred to in paragraph 2b. above that the Insured intends itself to pursue a claim for the loss, unless otherwise ordered by a court of competent jurisdiction, and subject to Ginnie Mae's rights under paragraph 3, the Insured shall have full authority to negotiate, settle, file suit or take any other action in relation to the loss, but Ginnie Mae shall be a

~~Financial Institution Bond~~

loss payee of any payment for a covered loss along with the Insured as their interests may appear, and any payment shall be made as described in paragraph 5.

5. Any payment of the Insured's loss after such notice of loss or proof of loss provided by Ginnie Mae, or after Ginnie Mae notifies Company and Insured in writing that it claims an interest in any payment due under this Bond, shall, at the Company's option, be made by check or draft either (a) jointly payable to the Insured and Ginnie Mae, as their interests may appear, or (b) payable solely to Ginnie Mae, and, in either case, mailed to Ginnie Mae.
6. Nothing in this Rider shall make Ginnie Mae an Insured under this Bond, nor obligate the Company to pay any loss not suffered by the Insured, nor obligate the Company to pay any loss or any amount which it would not owe had the Insured alone submitted the claim.
7. Should this Bond be canceled, reduced, non-renewed or restrictively modified by the Company, the Company will endeavor to give 30 days written advance notice to Ginnie Mae, but failure to do so shall not impair or delay the effectiveness of such cancellation or reduction, nor shall the Company be liable for any damages allegedly caused by its failure to give such notice.
8. Should this Bond be canceled or reduced at the request of the Insured, the Company will endeavor to notify Ginnie Mae in writing of such cancellation or reduction within 10 business days after receipt of such request, but failure to do so shall not impair or delay the effectiveness of such cancellation or reduction, nor shall Company be liable for any damages allegedly caused by its failure to give such notice.
9. Insured and Company agree that Ginnie Mae may obtain a copy of this Bond upon written request to the Insured. In addition, upon the request of Ginnie Mae, the Company will confirm whether this Bond is in effect and will endeavor to provide information regarding the Limits of Liability, Insuring Agreements and riders of this Bond.
10. All notices to be submitted to Ginnie Mae shall be sent to the following address:
11. Except as provided above, this Bond remains in full force and effect according to its terms, and the Limits of Liability, deductibles, and all of its other terms and conditions continue to apply.
12. The Insured agrees that the inclusion of this Rider on the Bond is absolute proof of consent by the Insured to allow the Company to comply with the terms of this Rider even when action by the Company in compliance with this Rider may detrimentally affect the Insured's rights with regard to other claims and/or may not be in the best interest of the Insured.

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