



Community Association Policyholder Notice

Your new policy form continues to provide coverage specifically tailored to community associations and your renewal offer will, at a minimum include, the modifications noted below which may affect the coverage previously provided.

- Enhancements found in the General Terms and Conditions
 - Pre-Claim Expense Provision: New benefit – in the event that noticed matter gives rise to a covered claim, the policy will provide a credit to the retention for pre-claim expenses up to 10% of the applicable retention for such claim.
 - Mediation Incentive enhanced from a maximum of \$5,000 to \$10,000 (50% of the deductible or \$10,000, whichever is less)
 - Proceeding Expenses Reimbursement added to General Terms and Conditions
 - Settlement / Consent Clause does not contain a “hammer” clause
 - Settlement / Consent Clause does not require insurer consent if settlement is within retention
- Enhancements found in the Association Liability Coverage Part (If Applicable)
 - Settlement Retention Credit
 - Definition of Harassment added which now includes bullying and other unlawful harassment
- Enhancements found in the Crime Coverage Part (If Applicable)
 - Client Coverage added (Unit Owners – see full definition)
 - Social Engineering Fraud Transfer Coverage added as new Insuring Agreement (versus prior Endorsement)
 - Proof of Loss Costs extension added
 - Record Recovery Costs extension added
 - Computer Restoration Costs extension added
 - Legal Expense Costs extension added related to Forgery and Alteration Insuring Agreement
 - Ex-employee provision expanded to 90 days from 30 days
 - Threshold for pre-employment theft exclusion increased from \$10,000 to \$25,000
 - Coverage provided on a Loss Discovered Basis (versus prior Endorsement)
- Restrictions found in the Association Liability Coverage Part (If Applicable)
 - Cyber Event exclusion added; however, Privacy Event Expense and Network Security and Privacy Regulation Proceeding Endorsements provide a carve-back to the exclusion (see endorsements in the policy for specific wording)
 - Notice and Reporting: you must provide written notice of a claim as soon as reasonably practicable after a responsible person first becomes aware of such claim but no later than 60 days after the policy period expires or terminates, if there is no extended reporting period purchased; or the expiration date of any purchased extended reporting period.
- Restrictions found in the Crime Coverage Part (If Applicable)
 - Cryptocurrency Exclusion added
 - War Exclusion added

If you have questions, please feel free to call us at 1-800-621-2324 Monday through Friday from 9:30 a.m. to 7:00 p.m. Eastern Standard Time. You may also contact us at www.ihginsurance.com.



IMPORTANT INFORMATION

FOR OUR FLORIDA POLICY HOLDERS

As a result of legislation which was signed into law effective July 1, 2013, commercial insurers are permitted to deliver insurance policies electronically in Florida. Electronic transmission of a policy constitutes delivery of the policy under Florida statute 627.421 unless the insured communicates in writing or electronically to the insurer that it does not agree to electronic delivery.

The purpose of this notice is to inform you that you have the right to receive your policy via United States mail rather than via electronic transmission by notifying us that you do not agree to electronic delivery.

To request delivery of your policy by United States mail or if you have any questions, please contact your CNA independent agent or broker.



COMMUNITY ASSOCIATION POLICY
DECLARATIONS - FLORIDA

NOTICE:

THE LIABILITY COVERAGE PARTS PROVIDE CLAIMS MADE COVERAGE, WHICH APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD. THE LIMIT OF LIABILITY TO PAY JUDGMENTS OR SETTLEMENT AMOUNTS SHALL BE REDUCED AND MAY BE EXHAUSTED BY PAYMENT OF DEFENSE COSTS. PLEASE READ THIS POLICY CAREFULLY.

NAMED INSURED AND ADDRESS	NAMED ENTITY AND PHYSICAL ADDRESS
Item 1. KEYSTONE HOMEOWNERS ASSOCIATION, INC. c/o AMERI-TECH REALTY 24701 US Highway 19N Suite 102 Clearwater, FL 33763	24701 US HWY 19 N, SUITE 102 Clearwater, FL 33763
POLICY NUMBER	INSURER
0251101824	Continental Casualty Company CNA Center, 151 North Franklin Street Chicago, IL 60606
Policy Premium: \$326.00	
Surcharge/Tax/Assessment:	
FL Insurance Guaranty Association	
Emergency Assessment (1.0000%): \$0.79	
Total Amount Due: \$326.79	

Item 2. **Policy period:** 07/09/2024 to 07/09/2025 12:01 a.m. local time per address Item 1.

Item 3. Notices:

Claims or Circumstance:

CNA – Claims Reporting
P.O. Box 8317
Chicago, IL 60680-8317
Email: nfpnewloss@cna.com
Fax Number: 866-773-7504

All other notices:

Ian H. Graham Insurance
15303 Ventura Boulevard
12th Floor
Sherman Oaks, CA 91403

Item 4. **Extended reporting period**

- a. Period: One Year Premium: 100% of Policy Premium
- b. Period: Two Year Premium: 175% of Policy Premium
- c. Period: Three Year Premium: 225% of Policy Premium

Item 5. **Liability coverage parts:** N/A

Non-liability coverage parts: Commercial Crime Coverage Part



**COMMUNITY ASSOCIATION POLICY
DECLARATIONS - FLORIDA**

Item 6. COVERAGE PARTS – Limits of Liability Retentions and Sublimits

Association Liability Coverage Part

Maximum Aggregate Limit of Liability:	
Retention:	per claim :
Pending or Prior Litigation Date:	
Wage and Hour Defense Costs Sublimit of Liability (part of Aggregate Limit of Liability):	
Immigration Claims Defense Costs of Sublimit of Liability (part of Aggregate Limit of Liability):	
Additional Defense Costs Aggregate Limit of Liability:	

Commercial Crime Coverage Part

	Limit of Liability	Retention
A. Fidelity Coverage		
1. Employee Theft	\$25,000	\$250
2. Client	\$25,000	\$250
3. ERISA Plan	\$25,000	\$0
B. Forgery or Alteration Coverage	\$25,000	\$250
C. Inside and Outside Premises Coverage		
1. Money or Securities	\$25,000	\$0
2. Property	\$25,000	\$0
3. Damage	\$25,000	\$0
D. Transfer Coverage		
1. Computer	\$25,000	\$250
2. Funds	\$25,000	\$250
3. Social Engineering Fraud	\$25,000	\$250
E. Counterfeit Coverage	\$250,000	\$0

Commercial Crime Coverage Part Coverage Extensions	Sublimit of Liability	
1 Proof of Loss Costs Sublimit	\$5,000	
2 Computer Restoration Costs Sublimit	\$25,000	
3 Record Recovery Costs Sublimit	\$25,000	



**COMMUNITY ASSOCIATION POLICY
DECLARATIONS - FLORIDA**

Item 7. ENDORSEMENTS:

CNA-77863-FL (2/14)	Policyholder Notice - Florida
CNA-103507-FL (10/22)	Table of Contents for Community Association Policy General Terms and Conditions
CNA-103300-XX (10/22)	Community Association Policy General Terms and Conditions
CNA-103509-FL (10/22)	Table of Contents for Community Association Policy Commercial Crime Coverage Part
CNA-103303-XX (10/22)	Community Association Policy Commercial Crime Coverage Part
CNA-103441-XX (10/22)	Telephone Toll Fraud Endorsement
CNA-103505-FL (10/22)	Amendatory Endorsement - Florida
CNA-88892-FL (6/17)	Conditional Renewal Endorsement - Florida
CNA-93283-FL (9/22)	Cancellation Endorsement - Florida
CNA-103503-FL (10/22)	Amendatory Endorsement - Florida

These Declarations, along with the completed and signed **application**, the policy, and any written endorsements attached shall constitute the contract between the **insureds** and the Insurer.

Authorized Representative:

Date: 04/25/2024

Agent's Signature:

Date: 04/25/2024



CONTINENTAL CASUALTY COMPANY
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COMMUNITY ASSOCIATION POLICY GENERAL TERMS AND CONDITIONS

In consideration of the premium, and in reliance upon the **application**, we agree to provide you with the following coverage subject to the terms and conditions of this policy:

I. PREFACE

A Coverage Part is included within this policy and affords coverage only if the Coverage Part is purchased as indicated by a corresponding limit of liability in the Declarations.

The terms and conditions in each Coverage Part apply only to such Coverage Part and will not apply to any other Coverage Part.

If any provision in the General Terms and Conditions is inconsistent with the terms and conditions of any applicable Coverage Part, the terms and conditions of such Coverage Part will control.

Bolded terms in the policy will have the special meaning set forth in the definitions. The terms “we”, “us”, and “our” mean the Insurer named on the Declarations; the terms “you”, “your”, and “yours” mean any **insured**.

II. SUPPLEMENTARY BENEFITS

A. Mediation Retention Reduction

If, prior to, or within sixty (60) days of the service of suit or the institution of arbitration proceedings, we and the **named insured** agree to use a non-binding alternative dispute resolution process to resolve any **claim** reported to us, and such **claim** is entirely resolved through such process, then we will reduce the Retention applicable to such **claim** by the lesser amount of fifty percent (50%) of such Retention or ten thousand (\$10,000) dollars.

B. Proceeding Expenses Reimbursement

If we request an **insured person's** presence at a trial, hearing, deposition, mediation, or arbitration, we will pay up to \$250.00 per day, per **insured person** for reimbursement of costs and expenses incurred in connection with such presence, subject to a maximum of \$2,500 per **claim**, per **policy period**. Such payment will be in addition to the applicable limit of liability and no Retention will apply.

C. Pre-Claim Expenses

In the event a **noticed matter** later gives rise to a covered **claim**, then we will credit the **pre-claim expenses** that you have paid up to ten percent (10%) of the applicable Retention for such **claim**.

III. DEFINITIONS

Any defined word not defined in the General Terms and Conditions will have the meaning assigned to it in the applicable Coverage Part.

Application means any signed application, including its warranty and attachments together with any other materials and representations provided to us in connection with the underwriting and negotiating of the terms and conditions of this policy or any other policy of which this policy is an indirect or direct renewal.

Bodily injury means any actual or alleged bodily injury, sickness, disease, death, emotional distress or mental anguish of any natural person.

Change of control means when: (i) the **named insured** merges into another entity and is no longer the surviving entity; (ii) another person(s) or entity(ies) acquires such an ownership interest in the **named insured** to exercise **management control**; or (iii) the **named insured** emerges from bankruptcy.

Clean-up costs mean any fees, costs, or expenses, including legal and professional fees, incurred in testing for, monitoring, cleaning up, removing, containing, treating, neutralizing, detoxifying, or assessing the effects of **pollutants**.

Extended reporting period means the additional period of reporting time purchased by an **insured** after termination, cancellation, or non-renewal of this policy within which to report a **claim** subject to the provisions of Section V, Extended Reporting Period for Liability Coverage Parts Only.



COMMUNITY ASSOCIATION POLICY GENERAL TERMS AND CONDITIONS

Financial insolvency means: (i) the appointment by a federal, state or local agency or court of a receiver, conservator, liquidator, trustee, rehabilitator, or similar official, to take control of, supervise, manage, or liquidate an **insured entity** or **outside entity**; (ii) an **insured entity** becoming a debtor in possession under United States bankruptcy law or any equivalent foreign bankruptcy law; or (iii) when an **insured entity** can establish affirmatively it is unable at the present time, or in the future, to pay its debts in the ordinary course of business.

Independent contractor means any natural person working for an **insured entity** in the ordinary course of such **insured entity's** business, and in the capacity of an independent contractor, pursuant to a written agreement for services between such **insured entity** and either (i) such natural person; or (ii) any other entity acting on behalf of such natural person.

Insured entity means the **named insured** or any **subsidiary**, including any such entity as a debtor in possession under United States bankruptcy law.

Insured person will have the meaning designated in the respective Coverage Part.

With respect to any **liability coverage part**, **insured person** will also include: (i) assigns, estates, heirs, legal representatives, or assigns of any **insured person** in their capacity as such, provided such **insured person** is deceased or legally incompetent; or (ii) a spouse or domestic partner of an **insured person** in their capacity as such, or due to legal ownership of property identified as potential recovery relief. There will be no coverage afforded under this policy for any act, error or omission of an estate, heir, legal representative, assign, spouse or domestic partner.

Liability coverage part means those Coverage Parts set forth in Item 5 of the Declarations.

Management control means:

- (i) owning or controlling more than fifty-percent (50%) of the outstanding securities, shares or equity ownership representing the right to control an entity as evidenced by the present power to elect, designate or appoint the majority of the board of directors, management committee members or management board members; or
- (ii) having the present right, pursuant to written contract or an organizational document, to elect, designate or appoint the majority of the board of directors, management committee members or management board members of an entity.

Named insured means the entity set forth in Item 1 of the Declarations.

Non-liability coverage part means those Coverage Parts set forth in Item 5 of the Declarations.

Noticed matter means any written notice of circumstance which we have accepted under a **liability coverage part**.

Policy period means the time period from the inception date to the expiration date of this policy set forth in Item 2 of the Declarations, or any such earlier termination or cancellation date. **Policy period** will also include the **extended reporting period**, if purchased.

Pollution means any actual, or threat of, discharge, emission, release, dispersal, escape of, or treatment, removal or disposal of any **pollutants**. **Pollution** also includes any regulation, order, direction, or request to test, monitor, clean up, remove contain, treat or detoxify or neutralize any **pollutants**.

Pre-claim expenses mean the reasonable and necessary fees, costs, and expenses incurred by an **insured** in responding to or defending a **noticed matter**, on or after the date we accepted the notice of circumstances and prior to the date the **noticed matter** became a **claim**. **Pre-claim expenses** will not include **overhead expenses** or any fees, costs, or expenses incurred by an **insured** as a result of any **routine examination**. We have the right to determine the reasonableness, necessity, and allocation of the **pre-claim expenses** (including the right to apply any applicable **claim** exclusions to the **pre-claim expenses**).

Property damage means any actual or alleged: (i) damage to, or destruction or deterioration of, any tangible property; (ii) loss of use, loss of view, or diminution of value to, any tangible property; or (iii) failure to supervise, repair or maintain any tangible property.

Related claims mean all **claims** that are based upon, arising from, or are logically or causally connected by the same, or any related or common, or a series of related or common, facts, circumstances, transactions, or **wrongful acts**.



COMMUNITY ASSOCIATION POLICY GENERAL TERMS AND CONDITIONS

Responsible person means the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, the General Counsel, the Risk Manager or such functionally equivalent positions of the **named insured**.

Routine examination means any routine examination, routine inspection, sweep examination, general requests for information, or any other similar reviews, inquiries, or investigations.

Subsidiary means any not-for-profit: (i) entity while under the **management control** of an **insured entity**; or (ii) charitable trust, political action committee or foundation while such entity is controlled by the **named insured**.

IV. LIMIT OF LIABILITY, SUBLIMITS AND RETENTIONS

The maximum aggregate amount we will pay for all **loss** regardless of the number of **claims, insureds**, losses, parties or requests for coverage under each respective Coverage Part is set forth in Item 6 of the Declarations.

Subject to any additional limits of liability for **defense costs** set forth in a Coverage Part, **defense costs** are part of and not in addition to the limit of liability set forth in Item 6 of the Declarations. Our payment of any **defense costs** will erode and may exhaust the applicable limit of liability. Unless indicated otherwise in a Coverage Part, **defense costs** or any sublimited coverage will be part of, and not in addition to, the aggregate limit of liability of such Coverage Part.

Item 6 of the Declarations sets forth any applicable Retention. Any Retention will be uninsured and the responsibility of the **named insured** to pay regardless of the nature or form of the **claim**. We will be liable to pay only that amount of **loss** in excess of any applicable Retention. If there are two Retentions that apply to the same **claim**, we will only apply the higher Retention.

All premiums, limits, Retentions, **loss** and other amounts under this policy are expressed and payable in United States of America currency unless the parties agree in writing otherwise.

V. EXTENDED REPORTING PERIOD FOR LIABILITY COVERAGE PARTS ONLY

If this policy is terminated, cancelled or non-renewed for any reason other than non-payment of premium or a **change of control**:

- (i) you have the right to elect an **extended reporting period for liability coverage parts** for the additional period(s) and additional premium set forth in Item 4 of the Declarations.
You must notify us in writing of this election within sixty (60) days after the non-renewal, cancellation, or termination. If you do not elect within this time frame, you will have waived your right to purchase the **extended reporting period**;
- (ii) solely with respect to an **executive** who is a past director or officer at the time of such cancellation or non-renewal, an automatic **extended reporting period for liability coverage parts** will apply at no additional charge for an unlimited period; provided such automatic **extended reporting period** will not apply:
 - (a) to any **claim** arising out of an **employment wrongful act** made against such **executive** if such **executive** was not a director or officer at the time of such **employment wrongful act**; or
 - (b) if any other policy of insurance which is a renewal, replacement or extension (including run-off) of this Policy, covering such **executive** is in effect at the time the **claim** is made, whether or not such policy affords coverage for such **claim**.

A purchased or automatic **extended reporting period** will extend to selected Coverage Parts coverage for a period of time but only to **claims** that are:

- (i) first made during the **extended reporting period**;
- (ii) reported to us according to this policy's notice and reporting requirements; and
- (iii) for **wrongful acts** that occurred prior to the date of such termination, cancellation or non-renewal.

Any premium for an **extended reporting period** will be deemed fully earned at the beginning of the **extended reporting period**. There will be no additional limit of liability for any **extended reporting period**.



VI. NOTICE AND REPORTING

A. Reporting a Claim in any Liability Coverage Part

As a condition precedent to our policy obligations, you must provide written notice of a **claim** as soon as reasonably practicable after a **responsible person** first becomes aware of such **claim** but no later than:

- (i) sixty (60) days after the **policy period** expires or terminates, if there is no extended reporting period; or
- (ii) the expiration date of the purchased **extended reporting period**.

B. Reporting a Notice of Circumstances in any Liability Coverage Part

(i) If during the **policy period** (excluding any **extended reporting period**) you first become aware of circumstances that may give rise to a **claim**, you may elect to submit a written notice of circumstance to us. Such written notice must contain a description of the circumstances, the nature of the **wrongful act**, persons involved and the nature of the relief sought.

(ii) Any subsequent **claim** that is based upon or arises out of a **noticed matter** will be deemed to have first been made in the **policy period** in which we accepted the notice of circumstances.

C. **Non-liability coverage parts** will have their own reporting provisions.

D. Except with respect to any applicable **pre-claim expenses** described in Section II Supplementary Benefits paragraph C we will not provide coverage for fees, costs, or expenses incurred prior to the time a **claim** is noticed, even if such fees, costs, or expenses benefit the defense of a covered **claim**.

E. Notice Mailing

Written notices of a **claim** or circumstance should be directed to us at the mailing address or email address indicated in Item 3 of the Declarations. A notice on one Coverage Part will be deemed notice to all Coverage Parts. All other notices should be sent to the address(es) or emails set forth in Item 3 of the Declarations.

We will send all correspondence to you at the address set forth in Item 1 of the Declarations.

We will consider the effective date of notice to be the date of mailing with sufficient proof of mailing.

VII. RELATED CLAIMS

All **related claims** will be treated as one **claim** first made on the date the first of such **related claims** was first made or deemed made according to the provisions of the applicable Coverage Part of this policy.

VIII. COOPERATION AND CONSENT

You agree:

- (i) to provide us full cooperation, assistance, and any information we may reasonably request when seeking coverage under this policy;
- (ii) to do nothing that may increase our liabilities or prejudice our potential or actual rights of recovery or subrogation;
- (iii) not to incur any **loss**, or any other costs or expenses for which you are seeking coverage under this policy, or admit any liability or assume any contractual obligation, without our prior written consent; and
- (iv) not to accept or consent to any settlement, or make any offer of settlement, or stipulate to any judgment, without our prior written consent; however, our consent will not be required if you can settle the **claim**, including all **related claims** and **loss** (including **defense costs**) for an aggregate amount that does not exceed the Retention.

We will:

- (a) make any settlement of any **claim** that we deem reasonable, provided such settlement is made with your written consent (such consent not be unreasonably withheld);
- (b) have the right to make any reasonable investigation into any **claim** or **noticed matter** that we deem necessary or appropriate;
- (c) not withhold written consent unreasonably; and
- (d) not be liable for any **loss**, or any other costs or expenses for which you are seeking coverage under this policy, or admission of liability, or any contractual obligation unless we have provided prior written consent.



IX. APPLICATION

In issuing this policy we have relied upon the truthfulness and accuracy of the statements, representations, and information in the **application**, which is incorporated into this policy. The **insureds** represent and acknowledge that the statements contained in the **application** are true, are the basis of this policy, and are deemed material to the acceptance of this risk or the hazard assumed by us under this policy.

If the **application's** statements, representations, and information contain any actual or knowing misrepresentations or omissions which materially affect our acceptance of the risk or the hazard assumed by us under this policy, then the coverage afforded by this policy will be void and of no effect but only with respect to any:

- (i) **insured person** who had actual knowledge of such misrepresentations or omissions;
- (ii) **insured entity** to the extent it provided indemnification, or owed indemnification to any such **insured person** in (i) above; and
- (iii) **insured entity** if such **insured person** referenced in (i) signed the application.

X. CHANGE OF CONTROL

With respect to any **liability coverage part**:

In the event of a **change of control**, the premium will become fully earned as of the effective date. We will not be liable for any **wrongful act** committed, attempted, or allegedly committed or attempted by any **insured** after the effective date of a **change of control**. We will however, continue to provide coverage until the policy is otherwise cancelled, terminated, or expires, but only for **wrongful acts** by any **insureds** prior to the date of a **change of control**. The extended reporting provision in Section V will not apply to a **change of control** event.

If you notify us in writing at least sixty (60) days prior to the **change of control**, we will provide you with proposed additional terms and conditions for run-off coverage subject to an additional premium and payment by you.

Non-liability coverage parts will have specific change of control provisions applicable to such Coverage Part.

XI. SUBSIDIARY

With respect to any **liability coverage part**:

A **subsidiary** and its **insureds** acquired or created before or during the **policy period** will be afforded coverage for a **claim** arising from **wrongful acts** which occur while that **subsidiary** is under the **management control** of an **insured entity**. There will be no acquisition threshold with respect to any **subsidiary**.

If an **insured entity** ceases **management control** of a **subsidiary** during the **policy period**, coverage will continue until the policy is otherwise terminated or cancelled, but coverage will apply to such **subsidiary** and its **insureds** only for **claims** for **wrongful acts** which occurred prior to such cessation.

XII. CANCELLATION OR TERMINATION

This policy may only be cancelled or terminated by one of the following events:

- (i) by us, for nonpayment of premium, in which event we will send you a written notice twenty (20) days prior to the effective date of such cancellation;
- (ii) by the **named insured** for any reason if we receive written notice twenty (20) days prior to the date the policy should be cancelled; or
- (iii) the expiration of the **policy period**.

Any returned premium will be computed on a pro rata basis.

XIII. SUBROGATION AND RECOUPMENT

If we pay any **loss** or other similar cost or expense under this policy, we reserve all rights to subrogation. We will not subrogate against you. You agree that we have the right to recoup any amount paid to you, or on your behalf, if such amount was not owed under this policy.

Any amounts recovered by subrogation or recoupment, less costs expended for the recovery, will be applied to the limit of liability of the applicable Coverage Part.



**COMMUNITY ASSOCIATION POLICY
GENERAL TERMS AND CONDITIONS**

XIV. GENERAL POLICY PROVISIONS

The **named insured** agrees to act on behalf of all **insureds** with respect to:

- (i) providing or receiving any notice, other than on behalf of an **insured** for a covered **claim** brought by or on behalf of the **named insured** against such other **insured**;
- (ii) the payment of any premiums;
- (iii) receiving any applicable return premiums; and
- (iv) agreeing to and acceptance of any endorsements.

This policy, including the **application**, constitutes the entire contract existing between you and us or any of our agents relating to this insurance.

The provisions of this policy cannot be waived or changed except by written endorsement issued to form a part of this policy. We will not be bound by any assignment of interest under this policy unless this assignment is specifically endorsed to the policy.

XV. REFERENCE TO LAW

Any reference to United States law will also include United States federal, state and local statutory law, and any rules, regulations and amendments of such law or any such equivalent foreign law.

XVI. FINANCIAL INSOLVENCY

Financial insolvency will not impact our obligations, rights or defenses under this policy. We will not object to your efforts to obtain relief or stay from any injunction issued as a result of **financial insolvency**.

XVII. ACTION AGAINST THE COMPANY

No action may be taken against us unless, as a condition precedent, there has been full compliance with all the terms and conditions of this policy. Further, no person or entity will have any right under this policy to join us as a party to any action against any **insured** to determine such **insured's** liability, nor can we be impleaded by the **insured** or legal representatives of such **insured**.

XVIII. STATE AMENDATORY INCONSISTENCY STATEMENT

In the event that there is an inconsistency between the terms and conditions of this policy and any state amendatory endorsement, where permitted by law, we will apply the terms and conditions that are most favorable for you.

XIX. TERRITORY

Coverage will apply worldwide. This policy does not provide coverage for any **insured**, transaction, that part of **loss**, or other similar cost or expense that is uninsurable under the laws or regulations of the United States concerning trade or economic sanctions.

IN WITNESS WHEREOF, we have caused this policy to be executed by our Chairman and Secretary, but this policy shall not be binding upon us unless completed by the attachment of the Declarations.

Chairman

Secretary



CONTINENTAL CASUALTY COMPANY
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COMMUNITY ASSOCIATION POLICY
COMMERCIAL CRIME COVERAGE PART

I. **INSURING AGREEMENTS**

Coverage provided under the following Insuring Agreements applies to loss or damage which is **discovered** during the **policy period** or during the period of time provided in Section XIII Discovery Period.

A. Fidelity Coverage

We will pay for loss of or damage to **money**, **securities**, or **property** of:

1. Employee Theft
an **insured entity** committed by an **employee**, whether identified or not, acting alone or in collusion with others, such loss or damage resulting directly from **theft** or **forgery**.
2. Client
a **client** committed by an **employee**, whether identified or not, provided the **employee** was not acting in collusion with the **client** or its employees, such loss or damage resulting directly from **theft** or **forgery**.
3. ERISA Plan
a **plan** committed by a **fiduciary**, whether identified or not, acting alone or in collusion with others, such loss or damage resulting directly from **theft** or **forgery**.

B. Forgery or Alteration Coverage

We will pay for direct loss resulting from **forgery** or **alteration** of any **payment instrument**.

C. Inside and Outside Premises Coverage

1. Money or Securities

We will pay for loss of **money** or **securities**:

- (i) inside the **premises**; or
- (ii) **outside the premises**,
resulting directly from **theft**, actual destruction, or physical disappearance.

2. Property

We will pay for loss of or damage to **property**:

- (i) inside the **premises**; or
- (ii) **outside the premises**,
resulting directly from an actual or attempted **robbery** or **safe burglary**.

3. Damage

We will pay for damage to the **premises** or its exterior resulting directly from an actual or attempted **robbery** or **safe burglary** provided you own such **premises** or are liable for damage to the **premises**.

D. Transfer Coverage

1. Computer

We will pay for loss of **money**, **securities**, or **property** resulting directly from **computer transfer fraud**.

2. Funds

We will pay for loss of **money** or **securities** resulting directly from **funds transfer fraud**.

3. Social Engineering Fraud

We will pay for loss of **money** or **securities** resulting directly from **social engineering fraud**.

E. Counterfeit Coverage

We will pay for direct loss resulting from **counterfeit fraud**.



COMMUNITY ASSOCIATION POLICY COMMERCIAL CRIME COVERAGE PART

II. COVERAGE EXTENSIONS

The following coverage extensions, if subject to a sublimit, are part of and not in addition to, the applicable limit of liability set forth in Item 6 of the Declarations.

A. Sublimited Proof of Loss Costs Extension

We will pay **proof of loss costs** resulting directly from loss covered under any Insuring Agreement if such covered loss is in excess of the Retention applicable to such Insuring Agreement. The total amount that we will pay for **proof of loss costs** will be the sublimit of liability set forth in Item 6 of the Declarations for the Commercial Crime Coverage Part.

B. Sublimited Computer Restoration Costs Extension

We will pay **computer restoration costs** resulting directly from loss covered under the Fidelity Coverage Insuring Agreements A or the Computer Transfer Coverage Insuring Agreement D1 if such covered loss is in excess of the Retention applicable to such Insuring Agreement. The total amount that we will pay for **computer restoration costs** will be the sublimit of liability set forth in Item 6 of the Declarations for the Commercial Crime Coverage Part.

C. Sublimited Record Recovery Costs Extension

We will pay **record recovery costs** resulting directly from loss covered under the Fidelity Coverage Insuring Agreements A or the Inside and Outside Premises Coverage Insuring Agreements C if such covered loss is in excess of the Retention applicable to such Insuring Agreement. The total amount that we will pay for **record recovery costs** will be the sublimit of liability set forth in Item 6 of the Declarations for the Commercial Crime Coverage Part.

D. Legal Expense Costs

In addition to the limit of liability set forth in the Declarations, we will pay **legal expense costs** resulting directly from loss covered under the Forgery or Alteration Insuring Agreement B.

III. DEFINITIONS

Any defined word not defined in this Coverage Part will have the meaning assigned to it in the General Terms and Conditions. When used in this Coverage Part, the terms “you”, “your”, and “yours” mean any **insured entity**.

Alteration means the material modification of an original document by a person acting without authority and with the intent to deceive.

Client means any unit owner of yours to whom you provide goods or for whom you perform services while under a written contract for a fee; provided such contract does not include the governing documents of an **insured entity** and such fee does not include a standard periodic association membership fee.

Computer breach means the unauthorized and intentional use of **corrupt code** by a **third party** without the knowledge, consent, or intervention of you or your **employees**.

Computer restoration costs mean reasonable expenses incurred by you to recover or restore your **data**, software or other computer programs from a **computer breach**. **Computer restoration costs** will not include any expenses for computer hardware, or expenses that develop, upgrade, or enhance your **data**, software, or other computer programs, or **overhead expenses**.

Computer system means:

- (i) computer hardware,
 - (ii) software; and
 - (iii) all peripheral devices linked through a network,
- that are operated by you and either owned or leased by you and are used to store, collect, transmit, process, maintain, or retrieve your **data**. **Computer system** will include off-line media libraries.



**COMMUNITY ASSOCIATION POLICY
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Computer transfer fraud means the unlawful taking of **money**, **securities**, or **property** resulting directly from a **computer breach**.

Communication means an electronic, telephone or written instruction received by the **insured entity** that directs an **employee** to:

- (i) pay, transfer, or deliver **money** or **securities**, or
- (ii) establish or change the method, destination, or account for payment or delivery of **money** or **securities**; provided such instruction:
 - (a) contains a misrepresentation of a material fact; and
 - (b) is relied upon by an **employee** believing it to be true.

Corrupt code means any virus, malware, Trojan horse, worm or other code or software script used for the purpose of: (i) gaining or enabling unauthorized access to a **computer system**; or (ii) entering, deleting, or otherwise changing the instructions, program logic, or **data** of such **computer system**.

Counterfeit Fraud means any:

- (i) money order allegedly issued by a post office, express company or financial institution which has been exchanged by you in good faith for merchandise, **money**, or services and such money order is not honored or paid upon presentation; or
- (ii) official paper currency of any country that is counterfeit.

Cryptocurrency means any virtual or digital currency in which cryptography or other encryption security techniques are used to regulate the generation of units of currency and/or verify the transfer of funds, operating independently of a central bank.

Custodian means any natural person or entity duly authorized by you to have physical custody of **money**, **securities**, or **property**.

Data means information contained, processed, or stored in a **computer system**.

Discovered or **discovery** means when a **responsible person** acquired knowledge that would lead a reasonable person to believe a covered loss has occurred or will occur, whether or not the amount or details of such loss are known. **Discovery** or **discovered** will not include acquired knowledge of an **executive** participating in a **theft** or **forgery**, whether acting alone or in collusion with an **employee**.

Employee means any natural person while in your service (or within the first ninety (90) days immediately following termination of such service):

- (i) on a full-time, part-time, seasonal, leased, or temporary basis, whom you compensate directly by salary, wages, or commissions, and whose service you have the right to direct and control;
- (ii) as an **executive** serving in the scope of the usual duties of an **employee** defined in (i) above; or
- (iii) as a student, intern, or volunteer.

Employee will also include:

- (a) former or retired **employees** defined in (i) or (ii) above retained as a consultant for an **insured entity** (as evidenced by written contract);
- (b) any **employee** defined in (i) or (ii) above while on medical, military leave, or any other business leave granted by you;
- (c) any **independent contractor**; provided with respect to the Fidelity Coverage Employee Theft Insuring Agreement A1 such **independent contract** does not include any **employee** listed in paragraph (d) below; or
- (d) solely with respect to the Fidelity Coverage Employee Theft Insuring Agreement A1: (i) the **property manager**; (ii) a **property manager employee**; or (iii) a natural person or entity appointed in writing by an **insured entity** to act as its agent in the capacity as bookkeeper or accountant, while acting on behalf of such **insured entity** in such capacity.

Employee does not include any agent, broker, factor, commission merchant, consignee, contractor (other than an **independent contractor**), or other such representative of the same general character.



COMMUNITY ASSOCIATION POLICY COMMERCIAL CRIME COVERAGE PART

ERISA means the Employee Retirement Income Security Act of 1974, (including the Consolidated Omnibus Budget Reconciliation Act of 1985)(COBRA).

Executive means your directors, officers, governors, or managing members of a management committee, in-house General Counsel, Risk Manager, or any such functionally equivalent position.

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

Fiduciary means any natural person who is required to be bonded by the Employee Retirement Income Security Act of 1974 (ERISA).

Financial Institution means any bank, savings bank, credit union, or similar depository institution, trust company, stock brokerage firm, or investment firm in which a **transfer account** is maintained.

Funds transfer fraud means an unlawful instruction, other than **forgery**, purportedly issued by you, directing a **financial institution** to transfer, pay, or deliver **money** or **securities** from your **transfer account** without your knowledge or consent.

Insured means any **insured entity** or any **plan**.

Legal expense costs mean reasonable fees, costs, and expenses incurred by you in defending any civil proceeding seeking to enforce payment of any **payment instrument**. **Legal expense costs** do not include **overhead expenses**.

Money means currency, coins, bullion, or bank notes having a face value; or travelers' checks, register checks, or money orders held for sale to the public.

Outside the premises means being conveyed from one person or place to another by you within the custody of a **custodian**. Such conveyance will be deemed to begin immediately upon receipt by such **custodian** and cease immediately upon delivery.

Overhead expenses mean the salaries, wages, fees, overhead, or benefit expenses associated with any **insured**.

Owner means any natural person who has an ownership interest in an **insured entity**.

Partner means any natural person who:

- (i) has an ownership interest of ten percent (10%) or more in any **insured entity**, or
- (ii) is a partner of any **insured entity** formed as a partnership.

Payment instrument means any: (i) checks, drafts, or similar written promises, orders, or directions to pay a sum certain in **money**, that are made or drawn by or drawn upon by you, by anyone acting as your agent or purporting to have been so made or drawn; or (ii) written instrument required in connection with any credit or debit card issued to you or at your request to any **employee**.

Personal information means any nonpublic personal information relating to an identified or identifiable natural person.

Plan means any employee benefit plan, pension benefit plan, or welfare benefit plan, as each is defined under **ERISA**, sponsored solely by an **insured entity** or sponsored jointly by an **insured entity** and a labor organization, for the benefit of your employees. **Plan** does not include any multi-employer plan.

Policy period will not include any **extended reporting period**.

Premises means the interior portion of any: (i) building that you occupy in conducting your business; or (ii) building, including the night depository chute, occupied by a **financial institution**.

Proof of loss costs mean reasonable expenses, other than **overhead expenses**, incurred by you to establish the amount of a covered loss. **Proof of loss costs** do not include fees or expenses related to the filing of, defense of or proposed civil or criminal litigation or actions.



COMMUNITY ASSOCIATION POLICY COMMERCIAL CRIME COVERAGE PART

Property means any tangible property, other than **money** or **securities** that has intrinsic value. **Property** does not include computer programs or **data**.

Property manager means the entity or natural person providing **property management services** to the **named insured** or any **subsidiary**, including any such entity as a debtor in possession under United States bankruptcy law.

Property manager employee means any natural person in the regular service of a **property manager** in the ordinary course of such **property manager's** business, provided such **property manager** governs and directs in the performance of such service. Such natural persons include any part-time, seasonal, leased or temporary employee, or any duly elected or appointed director, officer, member of the board of managers or management committee member while performing **property management services** in such capacity.

Property management services mean the following services provided for a fee pursuant to a written contract in connection with the management of property under the ownership, management or control of the **insured entity**:

- (i) development of management plans and budget;
- (ii) oversight of physical maintenance of property;
- (iii) solicitation, evaluation and securing of tenants and management of tenant relations, collection of rent and processing evictions;
- (iv) development, implementation and management of loss control and risk management plans for real property;
- (v) solicitation and negotiation of contracts for sale and leasing of real property;
- (vi) development, implementation and management of contracts and subcontracts (excluding property and liability insurance contracts) necessary to the daily functioning of the property;
- (vii) personnel administration; or
- (viii) record keeping.

Record recovery costs mean reasonable expenses, other than **overhead expenses**, incurred by you to reproduce information contained in any lost or damaged manuscripts, records, accounts, ledgers, or other similar recordkeeping methods that are lost or damaged for a reason other than a **computer breach**.

Responsible person will also mean the President, Director of Human Resources or such functionally equivalent positions of the **insured**, or the person responsible for the purchase and placement of your insurance.

Robbery means the unlawful taking of **money**, **securities**, or **property** from a **custodian** by a third party who:
(i) causes or threatens physical harm to such **custodian**; or (ii) commits an unlawful act in the presence of such **custodian** or any other witness.

Safe burglary means the unlawful taking of **money**, **securities**, or **property** from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior. **Safe burglary** will also include the unlawful taking of a safe or vault from within the **premises**.

Securities mean negotiable and non-negotiable instruments or contracts representing either **money** or **property**. **Securities** include tokens, tickets, revenue, and other stamps in current use as well as evidences of debt issued in connection with credit or charge cards, which cards are not issued by you. **Securities** do not include **money**.

Social engineering fraud means the intentional misleading of an **employee** through the use of a **communication** by a person or entity who is not, but purports to be, an **owner**, **client**, **employee**, or **vendor**.

Theft means the unlawful taking of **money**, **securities**, or **property** to the deprivation of: (i) an **insured**; or (ii) solely with respect to the Client Fidelity Coverage Insuring Agreement A2, a **client**.

Third party means a natural person other than:

- (i) an **employee**; or
- (ii) a natural person acting in collusion with an **employee**.

Trading means any loss as a result of trading in a genuine or fictitious account.

Transfer account means an account you maintain at a **financial institution** from which you can initiate the transfer, payment, or delivery of **money** or **securities**.



**COMMUNITY ASSOCIATION POLICY
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Vendor means any person or entity that has provided goods or services to you under a genuine, pre-existing arrangement or other written agreement. **Vendor** does not include any **financial institution**, asset manager, armored motor vehicle company, or such similar entity.

War means any: (i) war, including undeclared or civil war; (ii) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or (iii) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

IV. COVERAGE PART EXCLUSIONS

A. Exclusions applicable to all Insuring Agreements

1. This policy does not cover:

(a) Acts

loss or damage resulting from any fraudulent, dishonest or criminal act committed by:

- (i) your **partners** whether acting alone or in collusion with others, provided this exclusion (i) will not apply to the ERISA Plan Fidelity Coverage Insuring Agreement A3;
- (ii) an **employee**, whether acting alone or in collusion with others, except when covered under the Fidelity Coverage Insuring Agreements; or
- (iii) an **employee** who had committed any criminal, fraudulent or dishonest act prior to his/her employment with the **insured entity** involving any property valued at \$25,000 or more, provided that you, or any of your **executives**, had knowledge of such act prior to the inception of this policy.

(b) Advantage

loss by any **insured** to the advantage of any other **insured**.

(c) Authority

loss or damage resulting from seizure or destruction of property by order of governmental authority.

(d) Confidential Information

loss or unauthorized use of confidential information of any kind including trade secrets, patents, processing methods, or customer lists, whether such confidential information is yours or others.

(e) Cryptocurrency

loss of or damage to **cryptocurrency**.

(f) Custody

loss of or damage to **money**, **securities**, or **property** while in the custody of any **custodian**, unless the loss or damage is in excess of the amount you recover under any contract with or insurance carried by such **custodian**.

(g) Data Security Breach Expenses

loss arising from a data security breach including:

- (i) forensic audit expenses;
- (ii) fines, penalties, or expenses to comply with Payment Card Industry Data Security Standard or such similar federal and state laws, statutes, or standards;
- (iii) notification expenses to individuals whose **personal information** may have been stolen, accessed, downloaded or misappropriated while in the **insured entity's** care, custody or control.

(h) Exchanges

loss or damage resulting from the giving or surrendering of **money**, **securities**, or **property** in any exchange or purchase with a **third party**, provided that this exclusion (h) will not apply to otherwise covered loss under the Fidelity Coverage Insuring Agreements A, the Counterfeit Coverage Insuring Agreement E, or otherwise covered loss of **property** under the Computer Transfer Coverage Insuring Agreement D1.

(i) Fire



COMMUNITY ASSOCIATION POLICY
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- loss or damage resulting from fire, except loss of **money** or **securities**, or damage to any safe or vault in a **safe burglary**.
- (j) Indirect Loss
loss that is indirect or consequential including:
(i) loss of income, profits or revenue;
(ii) fines or penalties;
(iii) payment of damages for which you are legally liable, except for compensatory damages arising directly from covered loss under this Coverage Part;
(iv) legal fees, costs or expenses incurred in defending or prosecuting any legal action, except for **legal expense costs**;
(v) fees, costs or expenses incurred in establishing the amount of a covered loss under this Coverage Part, except for **proof of loss costs**; or
(vi) costs to reproduce information contained in any lost or damaged property, except for **record recovery costs** or **computer restoration costs**.
- (k) Kidnap/Ransom or Extortion
loss or damage as a result of kidnap, ransom or other extortion payment (except in a **robbery**) surrendered under threat of bodily harm, or damage to (including loss of use) property (including a **computer system**).
- (l) Known Loss
loss or damage that an **insured discovered** prior to the inception of this policy.
- (m) Nuclear
loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, regardless of cause.
- (n) Trading
loss resulting from any authorized or unauthorized **trading**, whether or not in your name and whether or not in a genuine or fictitious account, provided this exclusion (n) will not apply to direct losses caused by **theft** or **forgery**, committed by an **employee**, which result in improper financial gain to such **employee**.
- (o) War
loss or damage resulting from **war**.

B. Exclusions Applicable to Specific Insuring Agreements

1. This policy does not cover loss or damage under the Inside and Outside Premises Insuring Agreements C:
 - (a) Accounting
resulting from accounting or arithmetical errors or omissions.
 - (b) Mail
while the **money** or **securities** is in the mail.
 - (c) Other Coverages
due to **forgery**, **computer transfer fraud**, **funds transfer fraud**, **social engineering fraud**, or **counterfeit fraud**.
2. This policy does not cover loss under the Forgery or Alteration Coverage Insuring Agreement B caused by or attributable to **computer transfer fraud**, **funds transfer fraud** or **social engineering fraud**.
3. This policy does not cover loss under the Computer Transfer Coverage Insuring Agreement D1 caused by or attributable to **funds transfer fraud** or **social engineering fraud**.
4. This policy does not cover loss under the Funds Transfer Coverage Insuring Agreement D2 caused by or attributable to **computer transfer fraud** or **social engineering fraud**.
5. This policy does not cover loss under the Social Engineering Fraud Transfer Coverage Insuring Agreement D3:



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- (a) Contract
due to the failure of any party to perform under any contract.
- (b) Credit
due to the extension of any loan, credit, or similar promise to pay.
- (c) Defect
due to failure, malfunction, inadequacy, or illegitimacy of any product or service.
- (d) Gambling
due to any gambling, game of chance, lottery, or similar game.
- (e) In Transit
or damage to **money** or **securities** while in the mail or in the custody of any carrier for hire including any armored vehicle company.
- (f) Investment
due to investment in any **securities**, or ownership in any entity or real property or similar investment, whether or not such investment is genuine.
- (g) Other Coverages
caused by or attributable to **computer transfer fraud**, **funds transfer fraud**, or **counterfeit fraud**.
- (h) Payment Card
due to any party's use or acceptance of any credit card, debit card, or similar payment method, whether genuine or not.

V. **LIMITS OF LIABILITY, SINGLE LOSS AND RETENTIONS**

A. Maximum Limit

Subject to the following Section VI ERISA Plans:

- (i) the most we will pay for each loss or damage regardless of the number of **insureds** or **plans** sustaining the loss or damage is the limit of liability set forth in Item 6 of the Declarations for the Commercial Crime Coverage Part of the Declarations. In the event of more than one **insured** incurring loss or damage, the most we will pay will not exceed the amount we would be liable for if all losses or damages were incurred by one **insured**; and
- (ii) if any loss or damage is covered under more than one Insuring Agreement or Coverage Extension (other than the Legal Expenses Costs Coverage Extension D), the most we will pay will not exceed the largest applicable limit of liability of any applicable Insuring Agreement.
- (iii) if any loss is covered under the Forgery or Alteration Coverage Insuring Agreement B and the Legal Expenses Costs Coverage Extension D, the most we will pay for direct loss resulting from such **forgery** or **alteration** will not exceed the limit of liability set forth in Item 6B of the Declarations for the Commercial Crime Coverage Part.

B. Non-Accumulation of Limit

Our limit of liability will not be cumulative from **policy period** to **policy period** regardless of the number of years this coverage remains in effect or the premiums paid.

C. Single Loss

All loss resulting from any single act, a number of acts, or a series of acts by any **employee(s)** or any other party or parties, and all loss whether such acts occurred before or during the **policy period**, will be treated as a single loss.

D. Retention



COMMUNITY ASSOCIATION POLICY COMMERCIAL CRIME COVERAGE PART

We will only be liable for that part of loss or damage which exceeds the applicable Retention set forth in Item 6 of the Declarations for the Commercial Crime Coverage Part.

In the event an **insured** receives payment for loss or damage, after applying a retention or deductible, under another policy or bond ("other insurance"), for loss or damage also covered under this Coverage Part, then the applicable Retention for such loss or damage under this Coverage Part will be reduced by the amount of such other retention or deductible paid by you under the other insurance.

VI. ERISA PLANS

A. Conditions

Solely with respect to loss incurred by a **plan** that is covered under the ERISA Plan Fidelity Coverage Insuring Agreement A3:

- (i) payment for all covered loss will be to the **plan** incurring such loss;
- (ii) if two or more **plans** are insured under this policy, any payment made by us for loss:
 - (a) sustained by two or more **plans**; or
 - (b) of commingled **money, securities** or **property** of two or more **plans**, will be shared by each **plan** sustaining the loss in the proportion that the amount of insurance required for each such **plan** under **ERISA** bears to the total of such payments;
- (iii) no Retention will apply to such loss;
- (iv) if such payment is in excess of the amount of coverage required by **ERISA** for such **plan**, such excess will be held for the use and benefit of any other **plan** should such **plan** also discover loss recoverable under this Coverage Part; and
- (v) the definition of **theft** set forth in Section II Definitions above is deleted and replaced with the following:

Theft means any fraudulent or dishonest act, including larceny, theft, embezzlement, misappropriation, wrongful abstraction, wrongful conversion, and willful misapplication.

B. Limit

If the limit of liability set forth in item 6 of the Declarations for the Commercial Crime Coverage Part is less than or equal to the limit of insurance required under **ERISA** then the limit of liability will be deemed increased to the lesser amount to meet such requirement or:

- (i) \$500,000 if the **plan** does not have any qualified employer securities; or
- (ii) \$1,000,000 if the **plan** includes qualified employer securities.

VII. NOTICE AND PROOF OF LOSS IN THE EVENT OF LOSS DISCOVERED

As a condition precedent to any obligation to you under this Coverage Part:

A. Requirements

upon **discovery** the **named insured** as soon as practicable but no later than one hundred and eighty (180) days after **discovery** must:

- (i) provide written notice to us; and
- (ii) provide written proof of loss or damage with full and sufficient details to establish the loss or damage.

B. Conditions

- (i) upon our request the **insured** incurring the loss or damage will:
 - (a) maintain and preserve all records relevant to the loss to allow for verification of and proof;
 - (b) produce records relevant to the loss as reasonably requested by us;
 - (c) submit to an examination under oath;
 - (d) allow us access for examination and inspection of records or relevant other information.
- (ii) you may offer an inventory computation in determining the value of loss claimed, but only where you have established, wholly apart from such computation, that you have sustained a covered loss, caused by an **employee**.



**COMMUNITY ASSOCIATION POLICY
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VIII. OWNERSHIP INTERESTS AND PAYMENT OF LOSS

- A. Covered loss or damage under this Coverage Part is limited to:
- (i) **money, securities, property, or premises** an **insured entity** owns, leases, or holds for others;
 - (ii) **premises** an **insured entity** is legally liable for and was legally liable for prior to the date the loss or damage occurred; or
 - (iii) solely for the purposes of the Client Fidelity Coverage Insuring Agreement A2, **money, securities, or property** owned or held by a **client** for which you or your **client** are legally liable.
- B. Any coverage under this Coverage Part is for the benefit of the **named insured** only and provides no rights or benefits to any other person or organization.
- C. Any payment of loss or damage, other than with respect to a **plan**, under this Coverage Part will be to the **named insured**, or jointly to the **named insured** and any payee as directed by the **named insured**.
- D. In the event of payment of loss or damage by us, you agree to transfer to us all of your rights of recoveries against any person or entity.

IX. CHANGE OF CONTROL

In the event of a **change of control** coverage under this Coverage Part will continue until the expiration of the **policy period** unless otherwise cancelled or terminated as described herein.

X. SUBSIDIARY

A **subsidiary** and its **plans** acquired or created before or during the **policy period** will be afforded coverage for loss **discovered** during the **policy period**, subject to the following Section XI Liability for Prior Losses or Damages. There will be no acquisition threshold with respect to any **subsidiary**.

XI. LIABILITY FOR PRIOR LOSSES OR DAMAGES

Coverage for loss or damages incurred prior to the effective date:

- (i) of this Coverage Part;
- (ii) for any additional **insureds** (pursuant to Section X Subsidiary above); or
- (iii) any coverage added by endorsement;

will be subject to the following:

- (a) if you or any of your predecessor(s) in interest carried a prior bond or policy that afforded coverage for a loss or damage incurred during the period of such prior bond or policy (the "former policy") and the former policy was not issued by us or any of our subsidiaries or affiliates and such loss or damage was first **discovered** before the expiration of the discovery period under the former policy, then no coverage will be available under this Coverage Part, unless the total amount of covered loss or damage exceeds the limit of liability of the former policy. Our limit of liability for any such loss or damage will be in excess of the limit of liability of the former policy and subject to all of the terms and conditions of this Coverage Part.
- (b) if you or any of your predecessor(s) in interest carried a prior bond or policy that afforded coverage for a loss or damage incurred during the period of such prior bond or policy (the "prior policy") and the prior policy was issued by us or any of our subsidiaries or affiliates, then the prior policy will terminate as of the inception of this policy and the prior policy will not cover any loss or damage not **discovered** and noticed to us prior to the inception of this policy. Our limit of liability for such loss or damage will be the applicable limit of liability set forth in Item 6 of the Declarations for the Commercial Crime Coverage Part.
- (c) Section XVI Other Insurance will not apply in the event that paragraphs (a) or (b) directly above apply.



COMMUNITY ASSOCIATION POLICY
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XII. TERMINATION OF COVERAGE

A. Employee

Coverage under this Coverage Part will terminate immediately with respect to any **employee** upon **discovery** of any unlawful taking of property or any criminal, fraudulent, or dishonest act, in excess of (\$1,000) one-thousand dollars, committed by such **employee** while employed by the **insured entity**.

B. Cessation of Subsidiary

Coverage under this Coverage Part will terminate immediately with respect to any **insured entity** on the date that such entity ceases to be a **subsidiary** of the **named insured**.

C. Liquidation or Dissolution of the Named Insured

Coverage under this Coverage Part will terminate immediately for any loss or damage occurring after the **named insured's** liquidation or dissolution.

D. Prior Bonds or Policies

Any prior bonds or policies issued by us or any of our subsidiaries or affiliates will terminate, if not already terminated, as of the inception of this policy.

XIII. DISCOVERY PERIOD

If this policy is cancelled or terminated for reason other than non-payment, we will pay:

- (i) loss or damage to an **insured** if such loss or damage is **discovered** within ninety (90) days after the effective date of cancellation or termination;
- (ii) loss to a **plan** if such loss is **discovered** within one (1) year after the effective date of cancellation or termination.

Provided, any discovery period referenced above will terminate immediately at the inception date of any other insurance policy replacing the insurance afforded under this Coverage Part, regardless of whether the replacement insurance policy provides coverage for such loss.

XIV. LEGAL PROCEEDINGS

It is agreed that no action may be taken against us earlier than ninety (90) days after a proof of loss has been provided to us or later than two (2) years after **discovery**.

XV. VALUATION

For purposes of determining valuation for covered loss or damages the following will apply:

- A. **Securities** valuation will be based upon the lesser of the actual market value of the lost, damaged or destroyed **securities** on the day before the loss was **discovered**, or the cost of any lost instrument bond required to issue duplicate **securities**.
- B. **Money** valuation will be based upon the actual face value of the **money** on the date the loss was **discovered**. United States of America currency value of foreign currency will be based on the exchange rate published by the *Wall Street Journal* on the date the loss was **discovered**.
- C. **Property** valuation will be based upon the lesser of the following:
 - (i) actual cash value of the **property** on the date the loss was **discovered**;
 - (ii) cost to repair or replace the **property** (other than precious metals) with that of similar quality and value on the date the proof of loss was submitted;
 - (iii) purchase price paid by you for the **property**.
- D. United States of America currency value of precious metals will be based on the rate published by the *Wall Street Journal* for precious metals on the date the loss was **discovered**.



**COMMUNITY ASSOCIATION POLICY
COMMERCIAL CRIME COVERAGE PART**

XVI. OTHER INSURANCE

This Coverage Part does not apply to loss or damage recoverable or recovered under any other bond, insurance or indemnity. However, if the limit of the other bond, insurance or indemnity is insufficient to cover the entire amount of the loss or damage, this Coverage Part, subject to all of its limits of liability, terms and conditions will apply to that part of the loss or damage in excess of the Retention, and the amount recoverable or received under such other bond, insurance or indemnity.

XVII. RECOVERIES

Notwithstanding Section XIII Subrogation and Recoupment of the General Terms and Conditions, in the event that we make any recovery of loss or damage paid by us, such recovery will be distributed as follows:

- (i) to you, until you are fully reimbursed for any loss or damage that you sustain that exceeds the limit of liability and the Retention, if any;
- (ii) then to us, until we are reimbursed for any loss or damage paid by us; and
- (iii) then to you until you are reimbursed for that part of the loss or damage equal to the Retention, if any.

Any recovery to be distributed will not include amounts from:

- (a) insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
- (b) original **securities** after duplicates of the **securities** have been issued.



TELEPHONE TOLL FRAUD ENDORSEMENT

In consideration of the premium, the Commercial Crime Coverage Part is amended as follows:

- I. Item 6 of the Commercial Crime Coverage Part Declarations is amended to add the following:

TELEPHONE TOLL FRAUD

- Single Loss Limit of Liability: \$25,000
- Single Loss Retention: \$2,500

- II. Section I, Insuring Agreements is amended to add the following Insuring Agreement

TELEPHONE TOLL FRAUD

We will pay for loss sustained by an **insured** resulting directly from **telephone toll fraud**.

It is a condition precedent to coverage under this Insuring Agreement that the **insured** provide written notice of the loss at the earliest practicable moment to us, but in no event later than sixty (60) days after the receipt of the first telephone service charge bill from the telephone carrier in which **telephone toll fraud** is documented.

- III. Solely with respect to the coverage provided by this endorsement, Section III, Definitions is amended to add the following definitions:

- **Telephone toll fraud** means the fraudulent infiltration and manipulation of the **insured's telephone system** by a person other than an **employee** which results in the **insured entity** being liable for toll and line charges.
- **Telephone system** means a private branch exchange, voice mail processor, automated callback attendants or **computer system**, which operates in the same manner, and which is:
 - (i) owned or leased by an **insured entity**; and
 - (ii) used for the direction or routing of telephone calls in a voice communication **computer system**.

- IV. Solely with respect to the coverage afforded by this endorsement, Section IV, Coverage Part Exclusions is amended to add the following exclusions:

This policy does not cover:

- loss as a result of a threat:
 - (a) to do bodily harm to any person;
 - (b) to do damage to the premises or **property** of an **insured**;
 - (c) to do damage to a **computer system** operations, or
 - (d) to do damage to a **telephone system**;
- resulting directly or indirectly from the use of a telephone credit, debit, charge, identification or similar card;
- resulting directly or indirectly from the input of **data** into a **computer system** terminal device either on the premises of a customer of the **insured** or under the control of such customer by a person who had authorized access to the customer's authentication mechanism;
- more than thirty (30) days after the last day of the billing cycle shown in the first telephone service charge bill from the telephone carrier in which **telephone toll fraud** is documented.

- V. Solely with respect to the coverage provided by this endorsement, Section VII, Notice and Proof of Loss in the Event of Loss Discovered is amended to add of the following:

After the **insured** discovers an incident of **telephone toll fraud**, the **insured** must take all reasonable steps to curtail the unauthorized use of the **telephone system** and otherwise mitigate the loss by notifying the installer of the **telephone system** and the affected telephone carriers.



All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



AMENDATORY ENDORSEMENT - FLORIDA

In consideration of the premium, the Commercial Crime Coverage Part of the policy is amended as follows:

I. Section XIV, Legal Proceedings is deleted and replaced with the following:

It is agreed that no action may be taken against us earlier than ninety (90) days after a proof of loss has been provided to us or later than five (5) years after **discovery**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



CONDITIONAL RENEWAL ENDORSEMENT-FLORIDA

Wherever used in this endorsement: 1) Insurer means “we”, “us”, “our” or the “Company” as those terms are defined in the policy; and 2) Named Insured means the first person or entity named on the declarations page; and 3) “Insured(s)” means all persons or entities afforded coverage under the policy.

Any cancellation, non-renewal or termination provision(s) in the policy are amended to add the following:

CONDITIONAL RENEWAL

- I. The Insurer will mail or deliver written notice of the renewal premium to the Named Insured, at the last mailing address known to the Insurer, at least forty-five (45) days in advance.
- II. The Insurer must also mail or deliver a written notice of change in policy terms to the Named Insured, at the last mailing address known to the Insurer, at least forty-five (45) days prior to policy expiration. This notice of change in policy terms will address the modification, addition, or deletion of any term, coverage, duty or condition from the previous policy.
- III. The notice of renewal premium and the notice of change in policy terms must be separate notices, but they must be sent together in one mailing. If there is no change in policy terms, send only the notice of renewal premium.
- IV. If notice is mailed, proof of mailing will be sufficient proof of notice.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



CANCELLATION ENDORSEMENT - FLORIDA

In consideration of the premium, Section XII Cancellation or Termination of the General Terms and Conditions of the policy is deleted and replaced with the following:

CANCELLATION OR TERMINATION

This policy may only be cancelled or terminated by one of the following events:

- (i) by us, for nonpayment of premium, in which event we will send you a written notice twenty (20) days prior to the effective date of such cancellation;
- (ii) by the **named insured** for any reason by providing us written notice; or
- (iii) the expiration of the **policy period**.

Any returned premium will be computed on a pro rata basis. The unearned premium is to be mailed within fifteen (15) working days after the effective date of the cancellation.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



AMENDATORY ENDORSEMENT - FLORIDA

In consideration of the premium, solely with respect to the General Terms and Conditions, the policy is amended as follows:

I. The following is added to the policy:

If an insured has any questions regarding this policy, please call 1-800-621-2324 for assistance.

II. The definition of **application**, set forth in Section III, Definitions of the General Terms and Conditions is deleted and replaced with the following:

Application means any signed application, including its representations and attachments together with any other materials and representations provided to us in connection with the underwriting and negotiating of the terms and conditions of this policy or any other policy of which this policy is an indirect or direct renewal.

III. Section V, Extended Reporting Period For Liability Coverage Parts Only and Section X, Change Of Control are amended to delete the reference to fully earned premium.

IV. The following paragraph is added to the policy:

In any case in which a person and we have agreed in writing to the settlement of a **claim**, we shall tender payment no later than twenty (20) days after such settlement is reached or such other date as the agreement may provide. The tender of payment may be conditioned upon execution by such person of a release mutually agreeable to us and the claimant, but if the payment is not tendered within twenty (20) days, or such other date as the agreement may provide, it shall bear interest at a rate of 12 percent (12%) per year from the date of the agreement; however, if the tender of payment is conditioned upon the execution of a release, the interest shall not begin to accrue until the executed release is tendered to us.

Every judgment or decree for the recovery of money entered in any of the courts of this state against us shall be fully satisfied within sixty (60) days from and after the entry thereof or, in the case of an appeal from such judgment or decree, within sixty (60) days from and after the affirmance of the same by the appellate court.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.