13. BASIC FORMS AND ENDORSEMENTS APPLICABLE

A. Crime Coverage Forms

The following form and endorsements apply to the Commercial Crime Coverage Form and Government Crime Coverage Form (These coverage forms are available for use with the Commercial Package Policy.):

1. Common Policy Conditions

Attach Common Policy Conditions Form IL 00 17 to the Commercial Crime Coverage Form and Government Crime Coverage Form.

2. Computer-related Losses

Use Exclusion Of Certain Computer-related Losses Endorsement IL 09 35**.** This endorsement specifies that certain risks associated with computer or other electronic equipment failure, malfunction, inadequacy or inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times are excluded from coverage. There is no premium consideration for this endorsement.

3. Policy Changes

Use Policy Changes Endorsement IL 12 01 to make changes in the Common Policy Declarations IL DS 00**.**

4. Premium Calculation

Use Calculation Of Premium Endorsement IL 00 03 to specify that the policy premium was computed based on rates in effect at the time the policy was issued. Upon renewal, premiums will be based on rates and rules then in effect.

B. Crime Policies

The following endorsements apply to the Commercial Crime Policy, Commercial Fidelity And Forgery Policy, Government Crime Policy and Government Fidelity And Forgery Policy (These stand-alone policies are written outside of the Commercial Package Policy.):

1. Computer-related Losses

Use Exclusion Of Certain Computer-related Losses Endorsement CR 20 21**.** This endorsement specifies that certain risks associated with computer or other electronic equipment failure, malfunction, inadequacy or inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times are excluded from coverage. There is no premium consideration for this endorsement.

2. Premium Calculation

Use Calculation Of Premium Endorsement CR 20 20 to specify that the policy premium was computed based on the rates in effect at the time the policy was issued. Upon renewal, premiums will be based on rates and rules then in effect.

C. Crime Coverage Forms And Policies

The following endorsements apply to the Commercial Crime Coverage Form, Commercial Crime Policy, Commercial Fidelity And Forgery Policy, Government Crime Coverage Form, Government Crime Policy and Government Fidelity And Forgery Policy:

1. Aggregate Limit Of Insurance

Use Convert To An Aggregate Limit Of Insurance Endorsement CR 20 08 to provide an aggregate limit of insurance when the coverage form or policy is written for a period of one year or less. The premium is determined by multiplying the company premium for the coverage form or policy by the factor shown in Table **13.C.1.(RF)** before applying the provisions of the Crime and Fidelity Experience and Schedule Rating Plan.

Should the aggregate limit be exhausted or partially exhausted, it may, upon request of the insured and acceptance by the company, be rewritten or reinstated. Charge a prorated company premium for the remainder of the policy or premium period.

2. Arbitration (Binding)

Use Binding Arbitration Endorsement CR 20 12 to settle disputes between the insured and company through binding arbitration. There is no premium consideration for this endorsement.

3. Arbitration (Nonbinding)

Use Nonbinding Arbitration Endorsement CR 20 13 to settle disputes between the insured and company through nonbinding arbitration. There is no premium consideration for this endorsement.

4. Cancellation Notice To Another Entity (Not Required)

Use Provide Notice Of Cancellation Or Termination To Another Entity Endorsement CR 20 16 to provide notice of cancellation to another entity on a "best efforts" basis. There is no premium consideration for this endorsement.

5. Cancellation Notice To Another Entity (Required)

Use Provide Required Notice Of Cancellation Or Termination To Another Entity Endorsement CR 20 17 to provide notice of cancellation to another entity as required by statute or regulation. There is no premium consideration for this endorsement.

6. Coinsurance

Use Coinsurance Endorsement CR 20 34 when coverage is written on a coinsurance basis. Refer to Rule **20.**

7. Co-surety

Use Co-surety Endorsement CR 20 11 when coverage is written on a co-surety basis. There is no premium consideration for this endorsement.

8. Deductibles – Varying

Use Provide Varying Deductibles Endorsement CR 20 27**.** Refer to Rule **14.B.**

9. Definition Of Financial Institution

Use Amend Definition Of Financial Institution Endorsement CR 20 32 to include or delete institutions from the definition of financial institutions. There is no premium consideration for this endorsement.

10. Digital Tokens And Other Electronic Instruments

Use Exclude Digital Tokens And Other Electronic Instruments Endorsement CR 20 42 to exclude digital tokens, including non-fungible tokens (NFT's), and amend the definition of "securities" to cover tangible securities, unless otherwise specified. There is no premium consideration for this endorsement.

11. Excess Over Underlying Insurance

Use Excess Over Underlying Insurance Endorsement CR 20 33 to schedule the name of the primary insurer, policy number and description of underlying insurance. Compute a company premium for a limit of insurance equal to the total of the primary and excess limits of insurance. Subtract a company premium for a limit of insurance equal to the primary limit. The result is the company premium for the excess limit.

12. Extended Period To Discover Loss (Change)

Use Change Extended Period To Discover Loss Endorsement CR 20 04 to change the 60-day discovery period of a coverage form or policy written on a discovery basis. The premium for the extended discovery period is determined by prorating the annual company premium for the coverage form or policy based on the length of time of the discovery period being provided. Multiply the result by the factor shown in Table **13.C.12.(RF).**

13. Joint Insured(s)

Use Include As Joint Insured(s) Endorsement CR 20 31 to include specified entity(ies) as joint insured(s). Include the employees and premises of the joint insured(s) in computing the company premium for the coverage form or policy.

14. Joint Insured(s) – Employee Benefit Plans ("Omnibus" Provision)

Use Include As Joint Insured(s) – Employee Benefit Plans ("Omnibus" Provision) Endorsement CR 20 35to include ERISA and/or non-ERISA employee benefit plans as joint insureds. Include the employees or ERISA plan officials handling the assets of such plans in computing the company premium for the coverage form or policy.

15. Joint Venture Or Partnership

Use Include Joint Venture Or Partnership As Insured(s) Endorsement CR 20 18 to provide coverage on joint ventures or partnerships. Include the employees and premises of the joint venture or partnership in computing the company premium for the coverage form or policy. This endorsement does not apply to the Government Crime Coverage Form, Government Crime Policy or Government Fidelity And Forgery Policy.

16. Loss Payable

Use Loss Payable Endorsement CR 20 14 to make payment for covered loss to a loss payee. There is no premium consideration for this endorsement.

17. Loss Payable (Joint)

Use Joint Loss Payable Endorsement CR 20 15 to make payment for covered loss to the insured and a loss payee. There is no premium consideration for this endorsement.

18. Obligee

Use Obligee Endorsement CR 20 19 to indemnify an obligee for loss covered under the Government Crime Coverage Form, Government Crime Policy or Government Fidelity And Forgery Policy. There is no premium consideration for this endorsement.

19. Policy Change (Discovery Form)

Use Policy Change (Discovery Form) Endorsement CR 20 01 to make midterm changes to a coverage form or policy written on a discovery basis. Refer to Rule **11.**

20. Policy Change (Loss Sustained Form)

Use Policy Change (Loss Sustained Form) Endorsement CR 20 02 to make midterm changes to a coverage form or policy written on a loss sustained basis. Refer to Rule **11.**

21. Protective Devices Or Services

Use Add Protective Devices Or Services Endorsement CR 20 28 to require the insured to maintain protective devices or services. This endorsement does not apply to the Commercial Fidelity And Forgery Policy or Government Fidelity And Forgery Policy. Refer to the company for premium consideration.

22. Retroactive Date

Use Include Retroactive Date Endorsement CR 20 05 to provide coverage only for loss occurring in its entirety after the retroactive date when the coverage form or policy is written on a discovery basis. There is no premium consideration for this endorsement.

23. Retroactive Date (Provide Limited Coverage For Loss Occurring Before Retroactive Date)

Use Provide Limited Coverage For Loss Occurring Before Retroactive Date Endorsement CR 20 24 to provide coverage for loss occurring in its entirety after the retroactive date or partly before and partly after the retroactive date when the coverage form or policy is written on a discovery basis. There is no premium consideration for this endorsement.

24. Territory – Worldwide Coverage

Use Amend Territory Condition Endorsement CR 20 30 to exclude from coverage any territory shown in the Schedule and any territory which is subject to trade or other economic sanction or embargo by the United States of America. Do not charge for employees or premises located in any territory excluded by this endorsement.

25. Terrorism

For applicable Terrorism endorsements, refer to Rule **21.**

26. Waive Acts Committed By Employees

Use Waive Acts Committed By Employees Below An Amount Endorsement CR 20 37 to waive prior acts committed by employees below the amount specified in the Schedule. There is no premium consideration for this endorsement. This endorsement does not apply to the Commercial Crime Coverage Form, Commercial Crime Policy or Commercial Fidelity Or Forgery Policy.

27. Waive Acts Committed By Employees Or ERISA Plan Officials

Use Waive Acts Committed By Employees Or ERISA Plan Officials Below An Amount Endorsement CR 20 36to waive prior acts committed by employees or ERISA plan officials below the amount specified in the Schedule. There is no premium consideration for this endorsement. This endorsement does not apply to the Government Crime Coverage Form, Government Crime Policy or Government Fidelity Or Forgery Policy.

D. Kidnap/Ransom And Extortion Coverage Form

The following form and endorsements apply to the Kidnap/Ransom And Extortion Coverage Form:

1. Common Policy Conditions

Attach Common Policy Conditions Form IL 00 17 to the Kidnap/Ransom And Extortion Coverage Form.

2. Policy Changes

Use Policy Changes Endorsement IL 12 01 to make changes in the Common Policy Declarations IL DS 00**.**

3. Premium Calculation

Use Calculation Of Premium Endorsement IL 00 03 to specify that the policy premium was computed based on using the rates in effect at the time the policy was issued. Upon renewal, premiums will be based on rates and rules then in effect.

E. Kidnap/Ransom And Extortion Policy

The following endorsement applies to the Kidnap/Ransom And Extortion Policy:

Use Calculation Of Premium Endorsement CR 20 20 to specify that the policy premium was computed based on using the rates in effect at the time the policy was issued. Upon renewal, premiums will be based on rates and rules then in effect.

F. Kidnap/Ransom And Extortion Coverage Form And Policy

The following endorsements apply to the Kidnap/Ransom And Extortion Coverage Form and Kidnap/Ransom And Extortion Policy:

1. Arbitration (Binding)

Use Binding Arbitration Endorsement CR 20 12 to settle disputes between the insured and company through binding arbitration. There is no premium consideration for this endorsement.

2. Arbitration (Nonbinding)

Use Nonbinding Arbitration Endorsement CR 20 13 to settle disputes between the insured and company through nonbinding arbitration. There is no premium consideration for this endorsement.

3. Joint Insured(s)

Use Include As Joint Insured(s) Endorsement CR 20 31 to include specified entity(ies) as joint insured(s). Include the employees and premises of the joint insured(s) in computing the company premium for the coverage form or policy.

4. Policy Changes

Use Policy Change Endorsement CR 45 01 to make midterm changes to the coverage form or policy. Refer to Rule **11.**

28. COMMERCIAL CRIME COVERAGE FORM AND COMMERCIAL CRIME POLICY – ERISA PLAN OFFICIAL DISHONESTY INSURING AGREEMENT

A. ERISA Plan Official Dishonesty Insuring Agreement

This insuring agreement covers loss of or damage to money, securities and other property belonging to an ERISA employee benefit plan resulting directly from fraud or dishonesty committed by:

**1.** An ERISA plan official, whether identified or not; or

**2.** You, but only if you are a sole proprietor;

acting alone or in collusion with other persons.

B. Premium Development

1. Rating Data

**a.** Based on the predominant activity of the insured, determine the applicable Class Code. Refer to the Classification Table Section of this division.

**Note:** If the first named insured is the ERISA employee benefit plan, use the industry Class Code of the entity that is sponsoring the plan.

**b.** Using the Class Code, determine the company rate for the Employee Theft Insuring Agreement. Refer to Supplemental Table **#1(LC)** in the Multistate Loss Costs Section of this division.

**c.** Determine the number of ratable employees. Ratable employees consist of:

**(1)** All ERISA plan officials; and

**(2)** You, but only if you are a sole proprietor.

2. Premium Computation

**a.** Select the limit of insurance to be written based on the total amount of coverage for all ERISA employee benefit plans.

**b.** Refer to Rule 113. Based on the total limit of insurance determined in Paragraph **B.2.a.,** compute the exposure units for the number of ratable employees determined in Paragraph **B.1.c.**

**c.** Multiply the result determined in Paragraph **B.2.b.** by the company rate determined in Paragraph **B.1.b.** and then by the factor shown in Table **28.B.2.c.(RF).** The result is the premium for the ERISA Plan Official Dishonesty Insuring Agreement.

C. Coverage Amendments

1. Agents

**a.** Use Include Designated Agents As ERISA Plan Officials EndorsementCR 25 49**.** Treat each covered agent (including any partners, members, officers and employees of the agent) as an ERISA plan official. Based on the predominant activity of each covered agent, determine the applicable company rate. Refer to Supplemental Table **#1(LC)** in the Multistate Loss Costs Section of this division.

**b.** Select the limit of insurance to be written on each covered agent.

**c.** Separate the agents into groups according to their predominant activity and written at the same limit of insurance. Refer to Rule 114. The premium is calculated separately for each group of agents:

**(1)** For the first five agents in the group, using Part **I.** Exposure Units For Each Of The First Five Or Less Employees, compute the exposure units for the limit of insurance determined in Paragraph **C.1.b.**

**(2)** If there are more than five agents in the group, using Part **II.** Exposure Units For Each Employee Over Five, compute the exposure units for the limit of insurance determined in Paragraph **C.1.b.**

**(3)** Add the exposure units produced in Paragraphs **C.1.c.(1)** and **C.1.c.(2)** and multiply the result by the company rate for the agents determined in Paragraph **C.1.a.** and then by the factor shown in Table **28.C.1.c.(3)(RF).**

**d.** Add the separate premiums developed in Paragraph **C.1.c.** for each group of agents. The result is the premium for the endorsement.

2. ERISA Employee Benefit Plans – Schedule Limit Of Insurance

Use ERISA Employee Benefit Plans – Schedule Limit Of Insurance CR 25 50**.** The sum of the individual limits of insurance for scheduled plans must equal the limit of insurance for the ERISA Plan Official Dishonesty Insuring Agreement.

3. Excess Limit Of Insurance For Specified Employees Or Positions

Use Add Schedule Excess Limit Of Insurance For Specified Employees, ERISA Plan Officials Or Positions Endorsement CR 25 34**.**

**a.** Select the specific excess limit of insurance to be written on each scheduled ERISA Plan Official by name or position. Add to this limit the primary limit of insurance (i.e., the ERISA Plan Official Dishonesty Insuring Agreement) to produce the total limit of insurance used in rating.

**b.** Separate the ERISA Plan Officials into groups containing common limits of specific excess insurance. Refer to Rule 114. The premium is calculated separately for each group of ERISA Plan Officials:

**(1)** For the first five ERISA Plan Officials in the group, using Part **I.** Exposure Units For Each Of The First Five Employees:

**(a)** Compute the exposure units for the total limit of insurance determined in Paragraph **C.3.a.**

**(b)** Compute the exposure units for the primary limit (i.e., the ERISA Plan Official Dishonesty Insuring Agreement).

**(c)** Subtract the exposure units computed in Paragraph **C.3.b.(1)(b)** from the exposure units computed in Paragraph **C.3.b.(1)(a).** Multiply the result by the number of ERISA Plan Officials in the group.

**(2)** If there are more than five ERISA Plan Officials in the group, using Part **II.** Exposure Units For Each Employee Over Five, compute the exposure units using the procedures in Paragraph **C.3.b.(1).**

**(3)** Add the exposure units produced in Paragraphs **C.3.b.(1)** and **C.3.(b)(2)** for each group of ERISA Plan Officials and multiply the result by the company rate for the insured.

**c.** Add the separate premiums developed in Paragraph **C.3.b.** The result is the premium for the endorsement.

4. Schedule Change (Discovery Form)

Use Change Schedule Excess Limit Of Insurance For Specified Employees, ERISA Plan Officials Or Positions (Discovery Form) Endorsement CR 25 38**.** This endorsement is used to make changes in the:

**a.** Add Schedule Excess Limit Of Insurance For Specified Employees, ERISA Plan Officials Or Positions Endorsement CR 25 34**;** or

**b.** Prior version of Endorsement CR 25 38**;**

when the coverage form or policy is written on a discovery basis. Refer to Rule 11.

5. Schedule Change (Loss Sustained Form)

Use Change Schedule Excess Limit Of Insurance For Specified Employees, ERISA Plan Officials Or Positions (Loss Sustained Form) Endorsement CR 25 39**.** This endorsement is used to make changes in the:

**a.** Add Schedule Excess Limit Of Insurance For Specified Employees, ERISA Plan Officials Or Positions Endorsement CR 25 34**;** or

**b.** Prior version of Endorsement CR 25 39**;**

when the coverage form or policy is written on a loss sustained basis. Refer to Rule 11.

33. COMMERCIAL CRIME COVERAGE FORM AND COMMERCIAL CRIME POLICY – OUTSIDE THE PREMISES INSURING AGREEMENT

A. Outside The Premises Insuring Agreement

This insuring agreement covers loss of money and securities in the care and custody of a messenger or armored motor vehicle company resulting directly from theft, disappearance or destruction. Also covered is loss of other property in the care and custody of a messenger or armored motor vehicle company resulting directly from an actual or attempted robbery.

B. Premium Development

1. Rating Data

**a.** Based on the predominant activity of the insured, determine the applicable Class Code. Refer to the Classification Table Section of this division.

**b.** Using the Class Code, determine the Outside The Premises Insuring Agreement factor for the insured. Refer to Supplemental Tables **#1(RF)** through **#4(RF)** in the Rating Relativities and Factors Section of this division.

2. Premium Computation

**a.** If both the limit of insurance and deductible are being written in the same amounts as those in the Employee Theft Insuring Agreement, multiply the premium determined for that insuring agreement by the factor determined in Paragraph **B.1.b.** The result is the premium for the Outside The Premises Insuring Agreement.

**b.** If either the limit of insurance or deductible is being written in a different amount than that in the Employee Theft Insuring Agreement, then:

**(1)** Using the procedures in Rule **27.B.,** compute the exposure units for the limit of insurance and deductible amount selected based on the total number of ratable employees and additional premises determined for the Employee Theft Insuring Agreement.

**(2)** Multiply the exposure units computed in Paragraph **B.2.b.(1)** by the company rate determined for the Employee Theft Insuring Agreement.

**(3)** Multiply the result produced in Paragraph **B.2.b.(2)** by the factor determined in Paragraph **B.1.b.** The result is the premium for the Outside The Premises Insuring Agreement.

C. Coverage Amendments

1. General Use

a. Agents

Use Include Covered Property In Custody Of Designated Agents Endorsement CR 35 27**.** Property of the insured may be covered while inside an agent's (other than an armored motor vehicle company) premises.

**(1)** Based on the predominant activity of the agent, determine the applicable Class Code. Refer to the Classification Table Section of this division.

**(2)** Using the Class Code, determine the:

**(a)** Employee Theft Insuring Agreement company rate for the agent. Refer to Supplemental Table **#1(LC)** in the Multistate Loss Costs Section of this division.

**(b)** Outside The Premises Insuring Agreement factor for the agent. Refer to Supplemental Tables **#1(RF)** through **#4(RF)** in the Rating Relativities and Factors Section of this division.

**(3)** Multiply the Employee Theft Insuring Agreement company rate determined in Paragraph **C.1.a.(2)(a)** by the Outside The Premises Insuring Agreement factor determined in Paragraph **C.1.a.(2)(b).** The result is the company rate for the agent.

**(4)** Select the limit of insurance to be written. Add the deductible amount applicable to the Outside The Premises Insuring Agreement to produce the total limit of insurance used in rating.

**(5)** Refer to Exposure Units Per Premises in Rule **113.:**

**(a)** For the total limit of insurance determined in Paragraph **C.1.a.(4),** compute the exposure units based on the number of premises of the agent.

**(b)** For the deductible amount applicable to the Outside The Premises Insuring Agreement, compute the exposure units based on the number of premises of the agent and multiply the result by the factor shown in Table **33.C.1.a.(5)(b)(RF).**

**(6)** Subtract the exposure units computed in Paragraph **C.1.a.(5)(b)** from the exposure units computed in Paragraph **C.1.a.(5)(a).** Multiply the resultby thecompany rate for the agent determined in Paragraph **C.1.a.(3)** and then by thefactor shown in Table **33.C.1.a.(6)(RF).** The result is the premium for the endorsement.

**(7)** If more than one agent is being covered, compute the premium for each covered agent using the procedures in Paragraphs **C.1.a.(1)** through **C.1.a.(6).**

b. Carrier For Hire (Other Than Armored Motor Vehicle Companies)

Use Include Covered Property In Custody Of Designated Agents Endorsement CR 35 27**.** Property of the insured may be covered while inside a carrier for hire's (other than an armored motor vehicle company) premises.

**(1)** Based on the predominant activity of the carrier for hire, determine the applicable Class Code. Refer to the Classification Table Section of this division.

**(2)** Using the Class Code, determine the:

**(a)** Employee Theft Insuring Agreement company rate for the carrier for hire. Refer to Supplemental Table **#1(LC)** in the Multistate Loss Costs Section of this division.

**(b)** Outside The Premises Insuring Agreement factor for the carrier for hire. Refer to Supplemental Tables **#1(RF)** through **#4(RF)** in the Rating Relativities and Factors Section of this division.

**(3)** Multiply the Employee Theft Insuring Agreement company rate determined in Paragraph **C.1.b.(2)(a)** by the Outside The Premises Insuring Agreement factor determined in Paragraph **C.1.b.(2)(b).** The result is the company rate for the carrier for hire.

**(4)** Select the limit of insurance to be written. Add the deductible amount applicable to the Outside The Premises Insuring Agreement to produce the total limit of insurance used in rating.

**(5)** Refer to Exposure Units Per Premises in Rule **113.:**

**(a)** For the total limit of insurance determined in Paragraph **C.1.b.(4),** compute the exposure units based on the number of premises of the carrier for hire.

**(b)** For the deductible amount applicable to the Outside The Premises Insuring Agreement, compute the exposure units based on the number of premises of the carrier for hire and multiply the result by the factor shown in Table **33.C.1.b.(5)(b)(RF).**

**(6)** Subtract the exposure units computed in Paragraph **C.1.b.(5)(b)** from the exposure units computed in Paragraph **C.1.b.(5)(a).** Multiply the resultby thecompany rate for the carrier for hire determined in Paragraph **C.1.b.(3)** and then by thefactor shown in Table **33.C.1.b.(6)(RF).** The result is the premium for the endorsement.

**(7)** If more than one carrier for hire is being covered, compute the premium for each covered carrier for hire using the procedures in Paragraphs **C.1.b.(1)** through **C.1.b.(6).**

c. Checks (Require Record)

Use Require Record Of Checks Endorsement CR 35 22**.** Multiply the premium determined in Paragraph **B.2.** by the factor shown in Table **33.C.1.c.(RF).** The result is the premium for the endorsement.

d. Increase Limit Of Insurance For Specified Periods

Use Increase Limit Of Insurance For Specified Periods Endorsement CR 35 24**.**

**(1)** For each selected increased limit of insurance, using the procedures in Rule **27.B.,** compute the exposure units based on the total number of ratable employees, additional premises and deductible amount applicable to the Outside The Premises Insuring Agreement.

**(2)** Determine the average exposure units:

**(a)** For each increased limit of insurance, multiply the proportion of time that each increased limit is in effect by the proportion of the number of premises at each increased limit relative to the total number of premises.

**(b)** For the original Outside The Premises Insuring Agreement limit of insurance, calculate the proportion of time as one minus the sum of the results determined in Paragraph **C.1.d.(2)(a).**

**(c)** For each limit of insurance, determine the contributing exposure units:

**(i)** For each increased limit of insurance, multiply the results determined in Paragraph **C.1.d.(2)(a)** by the corresponding exposure units computed in Paragraph **C.1.d.(1).** The resulting products are the contributing exposure units at each limit.

**(ii)** For the original Outside The Premises Insuring Agreement limit of insurance, multiply the result determined in Paragraph **C.1.d.(2)(b)** by the corresponding exposure units computed for the insuring agreement. The resulting product is the contributing exposure units for the original limit.

**(d)** The sum of the contributing exposure units determined in Paragraphs **C.1.d.(2)(c)(i)** and **C.1.d.(2)(c)(ii)** is the average exposure units.

**(3)** Subtract the exposure units computed for the original Outside The Premises Insuring Agreement limit of insurance from the average exposure units computed in Paragraph **C.1.d.(2)(d).**

**(4)** Multiply the result produced in Paragraph **C.1.d.(3)** by the company rate determined for the Employee Theft Insuring Agreement and then by the Outside The Premises Insuring Agreement factor determined in Paragraph **B.1.b.**

**(5)** Multiply the result produced in Paragraph **C.1.d.(4)** by the factor shown in Table **33.C.1.d.(5)(RF).** The result is the premium for the endorsement.

e. Outside The Premises (Robbery Only)

Use Limit Coverage For Money And Securities Outside The Premises To Robbery Only Endorsement CR 35 32**.** Multiply the premium determined in Paragraph **B.2.** by the factor shown in Table **33.C.1.e.(RF).** The result is the premium for the endorsement.

f. Property (Exclude)

Use Exclude Specified Property Endorsement CR 35 01**.** There is no premium consideration for this endorsement.

g. Sublimits For Money, Securities Or Checks

Use Provide Sublimits For Money, Securities Or Checks Endorsement CR 35 31**.** There is no premium consideration for this endorsement.

2. Class Of Business – Manufacturers, Processors And Converters

Use Include Selling Price Or Processing Charge Endorsement CR 35 25**.** Multiply the company premium determined in Paragraph **B.2.** by the factor shown in Table **33.C.2.(RF).** The result is the premium for the endorsement.

35. COMMERCIAL CRIME COVERAGE FORM AND COMMERCIAL CRIME POLICY – FRAUDULENT IMPERSONATION INSURING AGREEMENT

A. Fraudulent Impersonation Insuring Agreement

This insuring agreement covers loss resulting directly from the insured having acted upon a transfer request that was in fact issued by a client or vendor, but in which the bank account information or wire transfer instructions of such client or vendor had been changed by the insured acting in good faith reliance upon a change of account request purportedly issued by an authorized person or the client or vendor, but which change of account request proves to have been fraudulently issued by an imposter without the knowledge or consent of the authorized person, client or vendor and the insured transferred, paid or delivered money or securities to a person or entity beyond the insured's control.

Also covered is loss resulting directly from the insured having acted in good faith reliance upon a transfer instruction purportedly issued by an authorized person, client or vendor and transferred, paid or delivered money or securities to a person or entity beyond the insured's control, but which transfer instruction proves to have been fraudulently issued by an imposter without the knowledge or consent of the authorized person, client or vendor.

B. Premium Development

**1.** If both the limit of insurance and deductible are being written in the same amounts as those in the Employee Theft Insuring Agreement, multiply the premium determined for that insuring agreement by the appropriate factor shown in Table **35.B.1.(RF).** The result is the premium for the Fraudulent Impersonation Insuring Agreement.

**2.** If either the limit of insurance or deductible is being written in a different amount than that in the Employee Theft Insuring Agreement, then:

**a.** Using the procedures in Rule **27.B.,** compute the exposure units for the limit of insurance and deductible amount selected based on the total number of ratable employees and additional premises determined for the Employee Theft Insuring Agreement.

**b.** Multiply the exposure units computed in Paragraph **B.2.a.** by the company rate determined for the Employee Theft Insuring Agreement.

**c.** Multiply the result produced in Paragraph **B.2.b.** by the appropriate factor shown in Table **35.B.1.(RF).** The result is the premium for the Fraudulent Impersonation Insuring Agreement.

C. Extended Coverage

To extend coverage when property other than money and securities is also being covered, use the Fraudulent Impersonation – Extended Coverage Endorsement CR 04 18**.** Refer to Rule **51.**

D. Coverage Amendment

Amend Verification Condition

Use Amend Verification Condition Endorsement CR 25 55 to supplement the Verification Condition in the coverage form or policy to include an additional control directed at contact information included in a change of account request or transfer instruction. There is no premium consideration for this endorsement.

64. GOVERNMENT CRIME COVERAGE FORM AND GOVERNMENT CRIME POLICY – FRAUDULENT IMPERSONATION INSURING AGREEMENT

A. Fraudulent Impersonation Insuring Agreement

This insuring agreement covers loss resulting directly from the insured having acted upon a transfer request that was in fact issued by a client or vendor, but in which the bank account information or wire transfer instructions of such client or vendor had been changed by the insured acting in good faith reliance upon a change of account request purportedly issued by an authorized person or the client or vendor, but which change of account request proves to have been fraudulently issued by an imposter without the knowledge or consent of the authorized person, client or vendor and the insured transferred, paid or delivered money or securities to a person or entity beyond the insured's control.

Also covered is loss resulting directly from the insured having acted in good faith reliance upon a transfer instruction purportedly issued by an authorized person, client or vendor and transferred, paid or delivered money or securities to a person or entity beyond the insured's control, but which transfer instruction proves to have been fraudulently issued by an imposter without the knowledge or consent of the authorized person, client or vendor.

B. Premium Development

**1.** If both the limit of insurance and deductible are being written in the same amounts as those in the Employee Theft – Per Loss Coverage Insuring Agreement, multiply the premium determined for that insuring agreement by the appropriate factor shown in Table **64.B.1.(RF).** The result is the premium for the Fraudulent Impersonation Insuring Agreement.

**2.** If either the limit of insurance or deductible is being written in a different amount than that in the Employee Theft – Per Loss Coverage Insuring Agreement, then:

**a.** Using the procedures in Rule **57.B.,** compute the exposure units for the limit of insurance and deductible amount selected based on the total number of ratable employees and additional premises determined for the Employee Theft – Per Loss Coverage Insuring Agreement.

**b.** Multiply the exposure units computed in Paragraph **B.2.a.** by the company rate determined for the Employee Theft – Per Loss Coverage Insuring Agreement.

**c.** Multiply the result produced in Paragraph **B.2.b.** by the appropriate factor shown in Table **64.B.1.(RF).** The result is the premium for the Fraudulent Impersonation Insuring Agreement.

C. Extended Coverage

To extend coverage when property other than money and securities is also being covered, use the Fraudulent Impersonation – Extended Coverage Endorsement CR 04 18**.** Refer to Rule **77.**

D. Coverage Amendment

Amend Verification Condition

Use Amend Verification Condition Endorsement CR 25 55 to supplement the Verification Condition in the coverage form or policy to include an additional control directed at contact information included in a change of account request or transfer instruction. There is no premium consideration for this endorsement.

85. COMMERCIAL FIDELITY AND FORGERY POLICY – ERISA PLAN OFFICIAL DISHONESTY INSURING AGREEMENT

A. ERISA Plan Official Dishonesty Insuring Agreement

This insuring agreement covers loss of or damage to money, securities and other property belonging to an ERISA employee benefit plan resulting directly from fraud or dishonesty committed by:

**1.** An ERISA plan official, whether identified or not; or

**2.** You, but only if you are a sole proprietor;

acting alone or in collusion with other persons.

B. Premium Development

1. Rating Data

**a.** Based on the predominant activity of the insured, determine the applicable Class Code. Refer to the Classification Table Section of this division.

**Note:** If the first Named Insured is the ERISA employee benefit plan, use the industry Class Code of the entity that is sponsoring the plan.

**b.** Using the Class Code, determine the company rate for the Employee Theft Insuring Agreement. Refer to Supplemental Table **#1(LC)** in the Multistate Loss Costs Section of this division.

**c.** Determine the number of ratable employees. Ratable employees consist of:

**(1)** All ERISA plan officials; and

**(2)** You, but only if you are a sole proprietor.

2. Premium Computation

**a.** Select the limit of insurance to be written based on the total amount of coverage for all ERISA employee benefit plans.

**b.** Refer to Rule 113. Based on the total limit of insurance determined in Paragraph **B.2.a.,** compute the exposure units for the number of ratable employees determined in Paragraph **B.1.c.**

**c.** Multiply the result determined in Paragraph **B.2.b.** by the company rate determined in Paragraph **B.1.b.** and then by the factor shown in Table **85.B.2.c.(RF).** The result is the premium for the ERISA Plan Official Dishonesty Insuring Agreement.

C. Coverage Amendments

1. Agents

**a.** Use Include Designated Agents As ERISA Plan Officials EndorsementCR 25 49**.** Treat each covered agent (including any partners, members, officers and employees of the agent) as an ERISA plan official. Based on the predominant activity of each covered agent, determine the applicable company rate. Refer to Supplemental Table **#1(LC)** in the Multistate Loss Costs Section of this division.

**b.** Select the limit of insurance to be written on each covered agent.

**c.** Separate the agents into groups according to their predominant activity and written at the same limit of insurance. Refer to Rule 114. The premium is calculated separately for each group of agents:

**(1)** For the first five agents in the group, using Part **I.** Exposure Units For Each Of The First Five Or Less Employees, compute the exposure units for the limit of insurance determined in Paragraph **C.1.b.**

**(2)** If there are more than five agents in the group, using Part **II.** Exposure Units For Each Employee Over Five, compute the exposure units for the limit of insurance determined in Paragraph **C.1.b.**

**(3)** Add the exposure units produced in Paragraphs **C.1.c.(1)** and **C.1.c.(2)** and multiply the result by the company rate for the agents determined in Paragraph **C.1.a.** and then by the factor shown in Table **85.C.1.c.(3)(RF).**

**d.** Add the separate premiums developed in Paragraph **C.1.c.** for each group of agents. The result is the premium for the endorsement.

2. ERISA Employee Benefit Plans – Schedule Limit Of Insurance

Use ERISA Employee Benefit Plans – Schedule Limit Of Insurance CR 25 50**.** The sum of the individual limits of insurance for scheduled plans must equal the Limit of Insurance for the ERISA Plan Official Dishonesty Insuring Agreement.

3. Excess Limit Of Insurance For Specified Employees Or Positions

Use Add Schedule Excess Limit Of Insurance For Specified Employees, ERISA Plan Officials Or Positions Endorsement CR 25 34**.**

**a.** Select the specific excess limit of insurance to be written on each scheduled ERISA Plan Official by name or position. Add to this limit the primary limit of insurance (i.e., the ERISA Plan Official Dishonesty Insuring Agreement) to produce the total limit of insurance used in rating.

**b.** Separate the ERISA Plan Officials into groups containing common limits of specific excess insurance. Refer to Rule 114. The premium is calculated separately for each group of ERISA Plan Officials:

**(1)** For the first five ERISA Plan Officials in the group, using Part **I.** Exposure Units For Each Of The First Five Employees:

**(a)** Compute the exposure units for the total limit of insurance determined in Paragraph **C.3.a.**

**(b)** Compute the exposure units for the primary limit (i.e., the ERISA Plan Official Dishonesty Insuring Agreement).

**(c)** Subtract the exposure units computed in Paragraph **C.3.b.(1)(b)** from the exposure units computed in Paragraph **C.3.b.(1)(a).** Multiply the result by the number of ERISA Plan Officials in the group.

**(2)** If there are more than five ERISA Plan Officials in the group, using Part **II.** Exposure Units For Each Employee Over Five, compute the exposure units using the procedures in Paragraph **C.3.b.(1).**

**(3)** Add the exposure units produced in Paragraphs **C.3.b.(1)** and **C.3.(b)(2)** for each group of ERISA Plan Officials and multiply the result by the company rate for the insured.

**c.** Add the separate premiums developed in Paragraph **C.3.b.** The result is the premium for the endorsement.

4. Schedule Change (Discovery Form)

Use Change Schedule Excess Limit Of Insurance For Specified Employees, ERISA Plan Officials Or Positions (Discovery Form) Endorsement CR 25 38**.** This endorsement is used to make changes in the:

**a.** Add Schedule Excess Limit Of Insurance For Specified Employees, ERISA Plan Officials Or Positions Endorsement CR 25 34**;** or

**b.** Prior version of Endorsement CR 25 38**;**

when the coverage form or policy is written on a discovery basis. Refer to Rule 11.

5. Schedule Change (Loss Sustained Form)

Use Change Schedule Excess Limit Of Insurance For Specified Employees, ERISA Plan Officials Or Positions (Loss Sustained Form) Endorsement CR 25 39**.** This endorsement is used to make changes in the:

**a.** Add Schedule Excess Limit Of Insurance For Specified Employees, ERISA Plan Officials Or Positions Endorsement CR 25 34**;** or

**b.** Prior version of Endorsement CR 25 39**;**

when the coverage form or policy is written on a loss sustained basis. Refer to Rule 11.

13. BASIC FORMS AND ENDORSEMENTS APPLICABLE

|  |  |
| --- | --- |
|  | Factor |
|  | 0.90 |

Table 13.C.1.(RF) Aggregate Limit Of Insurance Factor

|  |  |
| --- | --- |
|  | Factor |
|  | 0.10 |

Table 13.C.12.(RF) Change Extended Period To Discover Loss Factor