

EMPLOYEE DISHONESTY COVERAGE A – SCHEDULE

A. COVERAGE

We will pay for loss of, and loss from damage to, money, securities, and property other than money and securities resulting directly from **employee dishonesty**.

“**Employee Dishonesty**” means only dishonest acts committed by an identified “**employee**”, acting alone or in collusion with other person, except **you** or a partner, with the manifest intent to:

1. cause **you** to sustain loss; and also
2. obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - a. the “**employee**”; or
 - b. any person or organization intended by the “**employees**”, whether the result of a single act or series of acts.

B. LIMIT OF INSURANCE

1. The most **we** will pay for loss in any one “**occurrence**” is the applicable limit of Insurance shown in the schedule on the Declaration Page.
2. Regardless of the number of years this insurance applies as respects a specific “**employee**”, the most **we** will pay in the aggregate is the largest limit of insurance applicable to that “**employee**” even though:
 - a. the coverage for that “**employee**” is not continuous because it has been cancelled for one or more periods; or
 - b. the limit of insurance applicable to the “**employee**” is changed.
3. If this insurance applies on a Position Schedule basis, the following provisions also apply:
 - a. The most **we** will pay for an “**employee**” serving in more than one position is the largest limit of insurance in effect and applicable to any one of those positions at the time loss is discovered.
 - b. If at the time loss is discovered there are more “**employees**” serving in a covered position than the number of “**employees**” listed in the schedule, the limit of insurance applicable to that position will be reduced.

The reduced limit of insurance will be computed by multiplying the limit shown in the schedule by a factor obtained by dividing the number of “**employees**” shown in the schedule by the actual number of “**employees**” serving in that position at the time loss is discovered.

C. DEDUCTIBLE

1. We will not pay for loss in any one “**occurrence**” unless the amount of loss exceeds the deductible amount shown on the Declaration Page. We will then pay the amount of loss in excess of the deductible amount shown on the Declaration Page, up to the Limit of Insurance.
2. **You** must:
 - a) give **us** notice as soon as possible of any loss of the type insured under this coverage even though it falls entirely within the deductible amount.
 - b) Upon **our** request, give **us** a statement describing the loss.

D. ADDITIONAL EXCLUSIONS, CONDITIONS AND DEFINITIONS

In addition to the provisions in the Crime General Provision CR1000 this coverage is subject to the following:

1. **Additional Exclusions:** We will not pay for loss as specified below:
 - a. **Employee Cancelled Under Prior Insurance:** Loss caused by any “**employee**” for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
 - b. **Inventory Shortage:** loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - i. An inventory computation; or
 - ii. A profit and loss computation
2. **Additional Cancellation As To Any Employee:** This insurance is cancelled as to any “**employee**” immediately upon discovery by:
 - a. **You;** or
 - b. Any of **your** partners, officers, or director not in collusion with the “**employee**”: of any dishonest act committed by that “**employee**” whether before or after

becoming employed by **you** on the date specified in a notice mailed to **you**. That date will be at least 60 days after the date of mailing. The mailing of notice to **you** at the last known address will be sufficient proof of notice.

3. **Additional Definitions:**

- A. **“Occurrence”** means all loss caused by, or involving, one or more **“employees”**, whether the results of a single act or series of acts.
 - B. **“employee”** means:
 - 1. any person named in the schedule, if coverage applies on a name schedule basis; or
 - 2. any person **you** engage to perform the duties of a position shown in the schedule if coverage applies on a position schedule basis.
- The **“Employee”** General Definition does not apply to this coverage.