

03 CO

NO. 96-GQ-7410-0

State Farm



# CRIME POLICY DECLARATIONS FORM A

STATE FARM FIRE AND CASUALTY COMPANY  
3 STATE FARM PLAZA, BLOOMINGTON IL 61791-0001

a Stock Company with Home Offices in Bloomington, Illinois.

1.-2. Named Insured and Mailing Address

STAGESTOP OWNERS ASSOCIATION  
493 STAGESTOP RD  
JEFFERSON CO 80456-9724

3. Policy Period

From: May 20, 2021

until cancelled, as provided in the policy at  
12:01A.M. Standard Time at your mailing  
address shown above.

This Policy consists of this Declarations Form,  
the Common Policy Conditions, the Crime  
General Provisions Form and the Coverage  
Forms indicated as applicable.

**IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS  
POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.**

4. Coverage, Limits of Insurance and Deductible

Coverage Forms Forming Part of This Policy	Limit of Insurance	Deductible Amount
FB-9148.3 CRIME GENERAL PROVISIONS		
IL-0017 11 85 COMMON POLICY CONDITIONS		
FB-9159.1 COVERAGE FORM A-BLANKET	60000	250

5. Endorsements Forming Part of This Policy When Issued:

IL-0228 04 98 CO CHANGES ENDORSEMENT  
SE-9023 02 06 LIMIT OF LIABILITY OCCURRENCE  
CR-1026 10 90 NON COMP OFFICERS AS EMPLOYEES  
CR-1002 01 89 EXCLUDE DESIGNATED PERSONS

INITIAL  
PREMIUM

\$ 255.00

6. Cancellation of Prior Insurance: By acceptance of this Policy you give us notice cancelling prior policy or bond Nos. 96-GQ-7065-8

the cancellation to be effective at the time this Policy becomes effective.

PREPARED  
06/09/2021

Checked by Kathy

JUN 10 2021

Countersigned \_\_\_\_\_

by \_\_\_\_\_

(Authorized Representative)

## COMMON POLICY CONDITIONS

This policy is subject to the following conditions

### A. CANCELLATION

1. The first Named Insured shown in the ~~Declarations may cancel this policy by~~ mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be prorata. If the first Named Insured cancels, the refund may be less than prorata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made apart of this policy.

### C. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy at any time during the policy period and upto three years afterward.

### D. INSPECTIONS AND SURVEYS

We have the right but are not obligated to:

- ~~1. Make inspections and surveys at anytime;~~
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

### E. PREMIUMS

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

In witness whereof, the Company has caused this Policy to be executed on the Declarations page.

  
Secretary

  
President

## COMMERCIAL CRIME

POLICY NUMBER: 96 GO 7410 0 STAGESTOP OWNERS ASSOCIATION

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

### **INCLUDE SPECIFIED NON-COMPENSATED OFFICERS AS EMPLOYEES**

This endorsement applies to the CRIME GENERAL PROVISIONS FORM and all Crime Coverage forming part of the Policy.

#### **A. SCHEDULE**

**OFFICERS  
DIRECTORS  
BOARD MEMBERS**

#### **B. PROVISIONS**

"Employee" also includes your non-compensated officers named in the SCHEDULE.

Effective Date: MAY 20, 2021

Accepted \_\_\_\_\_

*(Signature of Insured or its authorized agent, officer or general partner)*

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COMMERCIAL CRIME

Policy Number **96 GO 7410 0 STAGESTOP OWNERS ASSOCIATION**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUDE DESIGNATED PERSONS OR CLASSES OF PERSONS OR EMPLOYEES**

This endorsement applies to EMPLOYEE DISHONESTY COVERAGE A or PUBLIC EMPLOYEE DISHONESTY COVERAGE FORM O OR P.

**A. SCHEDULE**

**ANY COMPENSATED EMPLOYEE**

**B. PROVISIONS**

"Employee" does not include any person named or class of persons shown in the SCHEDULE.

Effective Date: **MAY 20, 2021**

Accepted \_\_\_\_\_  
(Signature of Insured or its authorized agent, officer or general partner)

CR 1002 0189

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## CRIME GENERAL PROVISIONS

## COMMERCIAL CRIME

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is or is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the DECLARATIONS. The words "we", "us" and "our" refer to the Company providing this insurance.

Words and phrases in quotation marks are defined in the policy.

Unless stated otherwise in any Crime Coverage Form, DECLARATIONS or endorsement, the following General Exclusions, General Conditions and General Definitions apply to all Crime Coverage Forms forming part of this policy.

### A. GENERAL EXCLUSIONS

We will not pay for loss as specified below:

1. **Acts Committed by You or Your Partners:** Loss resulting from any dishonest or criminal act committed by you or any of your partners whether acting alone or in collusion with other persons.
2. **Governmental Action:** Loss resulting from seizure or destruction of property by order of governmental authority.
3. **Indirect Loss:** Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:
  - a. Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, Covered Property.
  - b. Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
  - c. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
4. **Legal Expenses:** Expenses related to any legal action.
5. **Nuclear:** Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.
6. **War and Similar Actions:** Loss resulting from war, whether or not declared, war like action, insurrection, rebellion or revolution, or any related act or incident.

### B. GENERAL CONDITIONS

1. **Concealment, Misrepresentation or Fraud:** This insurance is void in any case of fraud by you as it relates to this insurance at anytime. It is also void if you or any other Insured, at any time, intentionally conceal or misrepresent a material fact concerning:
  - a. This insurance;
  - b. The Covered Property;
  - c. Your interest in the Covered Property; or

d. A claim under this insurance.

2. **Consolidation-Merger:** If through consolidation or merger with, or purchase of assets of, some other entity:
  - a. Any additional persons become "employees"; or
  - b. You acquire the use and control of any additional "premises";
 any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises", but only if you:
  - a. Give us written notice within 30 days there after; and
  - b. Pay us an additional premium.
3. **Coverage Extensions:** Unless stated otherwise in the Coverage Form, our liability under any Coverage Extension is part of, not in addition to, the Limit of Insurance applying to the Coverage or Coverage Section.
4. **Discovery Period for Loss:** We will pay only for covered loss discovered no later than one year from the end of the policy period.
5. **Duties in the Event of Loss**

After you discover a loss or a situation that may result in loss of, or loss from damage to, Covered Property you must

  - a. Notify us as soon as possible.
  - b. Submit to examination under oath at our request and give us a signed statement of your answers.
  - c. Give us a detailed, sworn proof of loss within 120 days.
  - d. Cooperate with us in the investigation and settlement of any claim.
6. **Joint Insured**
  - a. If more than one Insured is named in the DECLARATIONS, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named Insured ceases to be covered, then the next named Insured will become the first named Insured.

b. If any Insured or partner or officer of that insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

c. An "employee" of any Insured is considered to be an "employee" of every Insured.

d. If this insurance or any of its coverages is cancelled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.

e. We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

**7. Legal Action Against Us:** You may not bring any legal action against us involving loss:

a. Unless you have complied with all the terms of this insurance; and

b. Unless 90 days after you have filed proof of loss with us; and

c. Unless brought within 2 years from the date you discover the loss.

**8. Liberalization:** If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this insurance.

**9. Loss Covered Under More Than One Coverage of This Insurance**

If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:

a. The actual amount of loss; or

b. The sum of the Limits of Insurance applicable to those coverages.

**10. Loss Sustained During Prior Insurance**

a. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:

(1) This insurance became effective at the time of cancellation or termination of the prior insurance; and

(2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.

b. The insurance under this condition is part of, not in addition to, the Limits of Insurance applying to this insurance and is limited to the lesser of the amount recoverable under:

(1) This insurance as of its effective date; or

(2) The prior insurance had it remained in effect.

**11. Loss Covered Under This Insurance and Prior Insurance Issued by Us or Any Affiliate:**

If any loss is covered:

a. Partly by this insurance; and

b. Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

**12. Non-Cumulation of Limit of Insurance:**

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

**13. Other insurance:** This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any Deductible Amount, not recoverable or recovered under the other insurance or indemnity. However, this insurance will not apply to the amount of loss that is more than the applicable Limit of Insurance shown in the DECLARATIONS.

**14. Ownership of Property; Interests Covered:** The property covered under this insurance is limited to property:

a. That you own or hold; or

b. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

**15. Policy Period**

a. The Policy Period is shown in the DECLARATIONS.

b. Subject to the Loss sustained During Prior Insurance condition, we will pay only for loss that you sustain through acts committed or events occurring during the Policy Period.



16. **Records:** You must keep records of all Covered Property so we can verify the amount of any loss.

17. **Recoveries**

a. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:

- (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
- (2) Then to us, until we are reimbursed for the settlement made;
- (3) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.

b. Recoveries do not include any recovery:

- (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
- (2) Of original "securities" after duplicates of them have been issued.

18. **Territory:** This insurance covers only acts committed or events occurring within the United States of America, U.S. Virgin Islands, Puerto Rico, Canal Zone, or Canada.

19. **Transfer of Your Rights of Recovery Against Others to Us:**

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

20. **Valuation - Settlement**

a. Subject to the applicable Limit of Insurance provision we will pay for:

- (1) Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
  - (a) At face value in the "money" issued by that country; or
  - (b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.
- (2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:

(a) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or

(b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

- i. Value of the "securities" at the close of business on the day the loss was discovered; or
- ii. Limit of Insurance.

(3) Loss of, or loss from damage to, "property other than money and securities" or loss from damage to the "premises" for not more than the:

- (a) Actual cash value of the property on the day the loss was discovered;
- (b) Cost of repairing the property or "premises"; or
- (c) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it.

If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.

b. We may, at our option, pay for loss of, or loss from damage to, property other than "money":

- (1) In the "money" of the country in which the loss occurred; or
- (2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.

c. Any property that we pay for or replace becomes our property.

## C. GENERAL DEFINITIONS

### 1. "Employee" means:

#### a. Any natural person:

- (1) While in your service (and for 30 days after termination of service); and
- (2) Whom you compensate directly by salary, wages or commissions; and
- (3) Whom you have the right to direct and control while performing services for you; or

#### b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the "premises".

But "employee" does not mean any:

- (1) Agent, broker, factor, commission merchant, consignee, independent contractor, property manager, managing agent, or representative of the same general character; or
- (2) Director or trustee except while performing acts coming within the scope of the usual duties of an "employee".

### 2. "Money" means:

- a. Currency, coins and bank notes in current use and having a face value; and
- b. Travelers checks, register checks and money orders held for sale to the public.

### 3. "Property Other Than Money and Securities" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in any Crime Coverage Form as Property Not Covered.

### 4. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;  
but does not include "money".



## EMPLOYEE DISHONESTY COVERAGE FORM

### A. COVERAGE

We will pay for loss of, and loss from damage to, Covered Property resulting directly from the Covered Cause of Loss.

1. **Covered Property:** "Money", "securities", and "property other than money and securities".
2. **Covered Cause of Loss:** "Employee dishonesty".
3. **Coverage Extension:**

**Employees Temporarily Outside Coverage Territory:** We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory General Condition for a period not more than 90 days.

### B. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the applicable Limit of insurance shown in the Declarations.

### C. DEDUCTIBLE

1. We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, 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 Form even though it falls entirely within the Deductible Amount.
  - b. Upon our request, give us a statement describing the loss.

### D. ADDITIONAL EXCLUSIONS, CONDITION AND DEFINITIONS: In addition to the provisions in the Crime General Provisions, this Coverage Form 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" of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
  - b. **Inventory Shortages:** loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
    - (1) An inventory computation; or
    - (2) A profit and loss computation.

### 2. Additional Condition

**Cancellation As To Any Employee:** This insurance is cancelled as to any "employee":

#### a. Immediately upon discovery by:

- (1) You; or
- (2) Any of your partners, officers or directors not in collusion with the "employee";

of any dishonest act committed by that "employee" whether before or after becoming employed by you.

#### b. On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing.

The mailing of notice to you at the last mailing address known to us will be sufficient proof of notice. Delivery of notice is the same as mailing.

### 3. Additional Definitions

#### a. "Employee Dishonesty" in paragraph A.2. means only dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons, except you or a partner, with the manifest intent to:

- (1) Cause you to sustain loss; and also
- (2) Obtain financial benefit (other than employee benefits earned in the normal course of employment, including salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions) for:
  - (a) The "employee"; or
  - (b) Any person or organization intended by the "employee" to receive that benefit.

#### b. "Occurrence" means all loss caused by, or involving, one or more "employees", whether the result of a single act or series of acts.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COLORADO CHANGES**

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART  
BUSINESSOWNERS POLICY  
COMMERCIAL AUTO COVERAGE PART  
COMMERCIAL CRIME COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
EMPLOYMENT RELATED PRACTICES LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART

- A.** Paragraph 2. of the CANCELLATION Common Policy Condition is replaced by the following:
2. If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
- B.** The following is added to the CANCELLATION Common Policy Condition:
7. Cancellation of Policies in Effect for 60 days or More
- a. If this policy has been in effect for 60 days or more, or is a renewal of a policy we issue, we may cancel this policy by mailing through first-class mail to the first Named Insured written notice of cancellation:
    - (1) Including the actual reason at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
    - (2) At least 45 days before the effective date of cancellation if we cancel for any other reason.
- We may only cancel this policy based on one or more of the following reasons:
- (1) Nonpayment of premium;
  - (2) A false statement knowingly made by the insured on the application for insurance; or
  - (3) A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.
- C.** The following is added and supersedes any other provision to the contrary:

If we decide not to renew this policy, we will mail through first-class mail to the first Named Insured shown in the Declarations written notice of the nonrenewal at least 45 days before the ~~expiration date, or its anniversary date if it is a policy~~ written for a term of more than one year or with no fixed expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

- D. The following Condition is added:

**INCREASE IN PREMIUM OR DECREASE IN COVERAGE**

We will not increase the premium unilaterally or decrease the coverage benefits on renewal of this policy unless we mail through first-class mail written notice of our intention, including the actual reason, to the first Named Insured's last mailing address known to us, at least 45 days before the effective date.

Any decrease in coverage during the policy term must be based on one or more of the following reasons:

1. Nonpayment of premium;
2. A false statement knowingly made by the insured on the application for insurance; or
3. A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.**

## **LIMIT OF LIABILITY / OCCURRENCE ENDORSEMENT**

This endorsement applies to the Crime General Provisions (Loss Sustained), Employee Dishonesty Coverage Form A – Blanket and Employee Dishonesty Coverage Form A – Schedule forming part of this Policy.

### **PROVISIONS**

1. **Additional Definition 3.b. "Occurrence"** of Coverage Form A – Blanket and **Additional Definition 3.c. "Occurrence"** of Coverage Form A – Schedule are deleted and replaced by the following:

"**Occurrence**" means all loss or losses caused by or involving any "employee," acting alone or in collusion with other persons, or any group of "employees" acting together, even if in collusion with other persons, whether the result of a single act or multiple acts and whether or not sustained only during the period of this Policy. All acts by one "employee" acting alone or in collusion with other persons, or by any group of "employees" acting together, whenever performed, can give rise to only one "occurrence."

2. **Section B. Limit of Insurance** of Employee Dishonesty Coverage Form A – Blanket and Employee Dishonesty Coverage Form A – Schedule are deleted and replaced by the following:

The most we will pay for any one "occurrence" is the applicable Limit of Insurance shown in the DECLARATIONS. Regardless of the number of years this Policy, or any other policy we issued to you, has been in force, and how many premiums were paid, you are not entitled to a separate limit of insurance under each policy or renewal, or for each period for which premiums were paid, or to recover up to the sum of the limits of insurance of such policies or renewals.

3. **General Condition B.10 Loss Sustained During Prior Insurance** of the Crime General Provisions is deleted and replaced by the following:

**10. Loss Sustained During Prior Insurance.** If you discover a loss during the period of this Policy which you, or your predecessor in interest, sustained during the periods of any prior policy or policies and you, or the predecessor in interest, could have recorded all or part of the loss under the prior policy or policies except that the time within which to discover loss required by the prior policy or policies had expired, we will pay for the loss under this policy, provided, however, that:

- a. This Policy would have covered the loss had this policy been in force at the time the loss was sustained; and
- b. There was no period of time from the commencement of the first such prior policy to the date the loss was discovered when you, or your predecessor in interest, did not have in force insurance to cover that type of loss; and
- c. The amount of the loss sustained during the term of each such prior policy which we will cover under this Policy is the lower of the loss sustained during the period of that prior policy or the applicable limit of insurance of that prior policy. We will not apply the deductible of the prior policy.

The insurance under this Condition 10 is part of, not in addition to, the coverage under this Policy. The Deductible provided by this Policy applies, and our maximum liability for any one occurrence remains the Limit of Insurance shown in the Declarations, even though all or part of the occurrence is covered under this Condition 10.

4. **General Condition B.11 Loss Covered Under This Insurance and Prior Insurance Issued by Us or Any Affiliate** of the Crime General Provisions is deleted and replaced by the following:

**11. Limit of Insurance for Loss Covered by This Policy and by Any Prior Policy Issued by Us or Any Affiliate:** If an "occurrence" takes place partly within the period of this Policy, any Limit of Insurance applicable to such "occurrence" under this Policy shall be reduced by any amount recoverable with respect to such "occurrence" under any prior policy issued by us, or by any affiliate of ours, to you, or to any affiliate of yours. The most we will pay under any circumstances is the Limit of Insurance under this Policy, or the Limit of Insurance under such prior policy, whichever is larger.

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