

This **Crime Coverage Section** only applies if shown as purchased on the Schedule.

AIG

PrivateEdge



## Crime Coverage Section

In consideration of the payment of the premium, or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

The **General Terms and Conditions** are incorporated by reference into, made a part of, and are expressly applicable to this **Crime Coverage Section**.

All cover under this **Crime Coverage Section** is afforded solely with respect to **Loss** first **Discovered** by the **Insured** and any **Insured Event** first discovered during the **Policy Period** or any applicable **Discovery Period** and reported to the **Insurer** as required by the **General Terms and Conditions**.

The cover available under this **Crime Coverage Section** is subject to the **Crime Limit of Liability**.



Bring on tomorrow

## 1. Insurance Covers

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The **Insurer** shall pay the **Financial Loss** of any **Insured** directly resulting from either:

- (i) fraud or dishonesty committed by any **Employee** (acting alone or in collusion with others); or
- (ii) a **Fraudulent Act** committed by **Any Other Person**;

which is committed with the principal intent to cause the **Insured** to sustain such **Financial Loss**.

## 2. Extensions

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### 2.1. Care, Custody and Control

The **Insurer** will indemnify the **Insured** for **Financial Loss** resulting from the loss of **Money, Securities** or other property belonging to any other individual or organisation, but which is in the care, custody or control of the **Insured** and for which the **Insured** is liable where the loss of such **Money, Securities** or other property is first **Discovered** during the **Policy Period** or **Discovery Period**.

### 2.2. Fees, Costs and Expenses

#### (i) Legal Fees

The **Insurer** will indemnify the **Insured** for reasonable and necessary legal fees, costs and expenses incurred and paid by the **Insured** in the Defence of any demand, claim, suit or legal proceeding which the **Insured** subsequently establishes results directly from a **Financial Loss** covered under this **Policy**, provided that:

- (a) such indemnity is subject to the Sub-Limit specified in Item 5 of the Schedule;
- (b) the **Insurer** shall not be liable to make any payment for fees, costs or other expenses (whether such fees, costs or expenses be for legal, accounting or other services) incurred by the **Insured** in establishing the existence, validity or amount of any **Financial Loss** under this **Policy**, other than if covered under Extension 2.2(ii) (Use of Investigation Specialists);
- (c) such legal fees, costs and expenses are incurred with the prior written consent of the **Insurer**;
- (d) there is no duty upon the **Insurer** to advance any legal fees, costs or expenses to the **Insured** prior to the conclusion of the demand, claim, suit or legal proceeding; and
- (e) such legal fees, costs and expenses are not recoverable from any other party.

For the purpose of this Extension 2.2(i) (Legal Fees) **Defence** shall mean a situation whereby the **Insured** is acting as a defendant in a court of law.

#### (ii) Use of Investigative Specialists

The **Insurer** will indemnify the **Insured** for the reasonable and necessary fees, costs and expenses of an **Investigative Specialist**, to investigate the facts behind a **Financial Loss** covered or **Financial Loss** potentially covered under this **Policy** and to determine the quantum of such **Financial Loss**. Provided that:

- (a) no **Retention** shall be applied to the fees and expense of the **Investigative Specialist**;
- (b) such expense paid by the **Insurer** will be subject to the Sub-Limit specified in Item 5 of the Schedule. Such amount is payable in addition to the **Crime Limit of Liability** specified in Item 4 of the Schedule;
- (c) such fees and expenses are incurred with the prior written consent of the **Insurer**; and

- (d) the **Insurer** will not consent to the appointment of an **Investigative Specialist** if a conflict of interest exists. The **Insurer** retains the right to attend any meeting between the **Insured** and **Investigative Specialist**. The **Investigative Specialist** shall advise how the **Insured's** controls were or may have been breached and summarise recommendations which may prevent future similar **Financial Losses**.

The **Investigative Specialist** shall issue a report in English (in a format agreed by the **Insurer**) in duplicate to the **Insured** and the **Insurer**.

(iii) **Reconstitution Costs**

The **Insurer** will indemnify the **Insured** for the reasonable and necessary cost of rewriting or amending the **Insured's** software programmes or systems with the prior written consent of the **Insurer** where such rewriting or amending is necessary to correct the programmes or amend the security codes following a **Financial Loss** covered under this **Policy**. The **Insurer's** liability for such rewriting or amending is subject to the Sub-Limit specified in Item 5 of the Schedule.

### 2.3. Money or Securities – Damage, Destruction or Disappearance

The **Insurer** will indemnify the **Insured** for:

- (i) the physical loss of or damage to or actual destruction or disappearance of **Money** or **Securities** of the **Insured** including damage to or actual destruction of safes or vaults incurred in connection with such loss; and/or
- (ii) theft of the **Insured's Money** or **Securities** by **Any Other Person**, whether occasioning the use of force or violence or not, occurring:
- (a) within the **Premises**; or
- (b) within the interior of any banking premises or similar recognised place of safe deposit; or
- (c) whilst in transit and in the care, custody and control of a director or **Employee** of or a partner in the **Insured**; or
- (d) whilst in the care, custody and control of any security company or armoured motor vehicle company, which is duly authorised by the **Insured** to retain the care and custody of such **Money** or **Securities**;

provided that cover provided under this Extension 2.3 (Money or Securities – Damage, Destruction or Disappearance) subject to the Sub-Limit specified in Item 5 of the Schedule in respect of any single physical loss of or damage to or actual destruction of **Money** or **Securities** caused by fire and is always in excess of any other valid and collectable insurance or indemnity (or would be valid or collectible except for the application of the retention amount or the exhaustion of the limits of liability), contractual or otherwise, available to the **Insured**.

### 2.4. Impersonation Fraud

The **Insurer** will indemnify the **Insured** for **Financial Loss** resulting directly from the **Insured** having, in good faith:

- (i) transferred funds from its own accounts; or
- (ii) amended current payment details of a customer, supplier, or service provider, as a result of a fraudulent instruction (via e-mail, telephone or facsimile), communicated to an **Employee** of the **Insured**, by a person purporting to be:

- (1) a director, officer, partner, member or sole proprietor of the **Insured** or other **Employee** of the **Insured**;  
or,
- (2) a customer, supplier, service provider or adviser, or a representative or employee of such person or entity, that has a legitimate written agreement or a pre-existing arrangement written agreement to provide goods or services to the **Insured**;

Cover under this Extension 2.4 (Impersonation Fraud) is subject to the condition that prior to making the transfer or amending the current payment details, the **Employee** of the **Insured** receiving the fraudulent instruction has **Verified** that the instruction is coming from a genuine person described in sub-clause (1) or (2) above.

Cover under this Extension 2.4 (Impersonation Fraud) is limited subject to the Sub-Limit specified in Item 5 of the Schedule.

### 2.5. Funds Transfer Fraud

The **Insurer** will indemnify the **Insured** for **Financial Loss** resulting directly from **Funds Transfer Fraud**.

Cover under this Extension 2.5 (Funds Transfer Fraud) is subject to the Sub-Limit specified in Item 5 of the Schedule.

## 3. Definitions

The following definitions are specific to this **Crime Coverage Section**. All other definitions set out within Section 5.2 (Definitions of General Applicability) of the **General Terms and Conditions** shall apply as stated.

### 3.1. Any Other Person

any natural person who:

- (i) is not a director, officer, partner, trustee or **Employee** of any **Insured**; and
- (ii) does not have and does not provide services under any contract for services, written or implied, with any **Insured**; and
- (iii) is not acting in collusion with any **Employee**.

### 3.2. Counterfeit or Counterfeiting

the imitation of an authentic negotiable instrument which that because of the quality of the imitation, the **Insured** believes is the actual instrument.

Fictitious instruments which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not **Counterfeit**.

### 3.3. Credit Arrangement

any credit agreement, extension of credit or hire purchase agreement, loan or transaction in the nature of a loan, lease or rental agreement, invoice, account, agreement or other evidence of debt, payments made or withdrawals from any customer's account involving items which are not finally paid for any reason.

### 3.4. Crime Limit of Liability

the amount specified in Item 4 of the Schedule.

### 3.5. Discovered or Discovery

when any **Insured** or any of the **Insured's** directors, partners, officers, departmental directors, senior managers, trustees or equivalent of any **Insured** becomes aware of any act, omission or event which could give rise to a **Loss** covered by this **Policy** even though the exact amount or details of a **Loss**, act, omission or event are not known at the time of **Discovery**. Such **Discovery** shall constitute knowledge possessed or **Discovery** made by every **Insured**.

### 3.6. Employee

any natural person other than a director or partner of the **Insured**,

- (i) who has entered into or works under a contract of service with any **Insured** and whom such **Insured** compensates by salary, wages and/or commissions and whom the **Insured** has the right to govern and direct in the performance of such service;
- (ii) who is a part-time or temporary worker performing the duties referred to in subsection (i) above under the **Insured's** supervision;
- (iii) who is a retired **Employee** appointed by the **Insured** under a written contract whom the **Insured** governs and directs in the performance of their service as an **Employee**;
- (iv) who is a student, secondee or volunteer pursuing studies, gaining work experience or performing the duties of an **Employee** referred to in subsection (i) above under the **Insured's** supervision;
- (v) who is an ex-employee of the **Insured**, for a period not exceeding 90 days following the formal termination of their employment with the **Insured** (other than where such termination is as a result of an act covered under this **Policy** in accordance with Exclusion 3.9(i)(Fraudulent Acts));
- (vi) who is a trustee, fiduciary, administrator or officer of any **Plan**;
- (vii) who is provided to the **Insured** by an employment agency (or similar source) to perform the duties referred to in subsection (i) above under the **Insured's** supervision;
- (viii) who is an employee of an organisation to whom or which the **Insured Outsource** any normal administrative function;

**Employee** also includes:

- (ix) a director of the **Insured** but only whilst such director is performing acts coming within the scope of the usual duties referred to in subsection (i) above; and
- (x) a natural person who the **Insured** is unable to identify by name but whose act or acts have caused a **Loss** covered under this **Policy**, provided that the evidence submitted proves beyond reasonable doubt that the **Loss** was due to the act of an **Employee** as referred to in subsections (i)-(viii).

Notwithstanding the above the term **Employee** does not mean any person who is or acts on behalf of any external auditor, external accountant, broker, investment adviser or investment manager, factor, commission merchant, consignee, contractor or other similar agent or representative unless specifically agreed by the **Insurer** and endorsed to this **Policy**.

### 3.7. Financial Loss

the direct financial loss sustained by the **Insured** arising from or in connection with any single act or series of related, continuous or repeated acts (which shall be treated as a single act).



**Financial Loss** shall not include fines or penalties, salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits paid by the **Insured** where earned in the normal course of employment.

In no event shall **Financial Loss** include amounts which the **Insurer** is prohibited from paying by law of the **Policy** or the law of the jurisdiction where the **Insured Event** arises.

**Financial Loss** does not mean any loss resulting from or amounting to:

- (a) any dealing or trading in securities, commodities, futures, options, foreign or Federal funds, currencies, foreign exchange and the like unless such **Loss** is covered under Insurance Cover 1 (i) and results in the **Employee** making improper financial gain for themselves or for any other individual or organisation intended by such **Employee** to receive such benefit;
- (b) any reckless or inadvertent acts; or
- (c) the creation of a liability to a third party or the loss of **Money, Securities** or other property belonging to a third party other than as provided under Extension 2.1 (Care, Custody or Control).

### 3.8. Forgery or Forged

the hand-written signing or endorsing of the name of a genuine natural person or a copy of the said person's signature by **Any Other Person** without authority and with intent to deceive. It does not include the signing or endorsing in whole or in part of one's own name, with or without authority, in any capacity, for any purpose. Forgery by mechanically or electronically produced or reproduced signatures are treated the same as hand-written signatures.

### 3.9. Fraudulent Act

- (i) the **Forgery** or **Counterfeiting** or **Fraudulent Alteration** of any **Money, Securities** or instruction upon which the **Insured** has acted or relied and shall include **Incoming Cheque Forgery**;
- (ii) the **Forgery** or **Fraudulent Alteration** of any cheque or similar written promise by the **Insured** to pay a veritable sum representing money drawn upon the **Insured's** account at any bank at which the **Insured** maintain a current or savings account;
- (iii) the fraudulent use of any corporate credit, debit or charge card issued to the **Insured** or any **Employee** of the **Insured** for business purposes where such card is **Forged** or is the subject of **Fraudulent Alteration** provided that the **Insured** and the **Employee** have complied fully with the provisions, conditions or other terms under which the card was issued and provided the **Insured** was legally liable for such **Financial Loss**;
- (iv) the theft of the **Insured's** assets under the direct or indirect control of a computer system by manipulation of computer hardware or software programmes or systems by **Any Other Person** who does not have authorised access to such computer system by the **Insured**; or
- (v) **Incoming Cheque Forgery**.

### 3.10. Fraudulent Alteration

the material alteration to an instrument for a fraudulent purpose by **Any Other Person** other than the person who was authorised to prepare or sign the instrument.

### 3.11. Funds Transfer Fraud

the theft of the **Insured's** funds from an account maintained by the **Insured** at a financial institution (from which the **Insured** or a person or organisation authorised by the **Insured** may request the transfer, payment or delivery of funds), following fraudulent electronic, telegraphic, tested facsimile, tested telex, telephone or written instructions to a financial institution to debit the **Insured's** account and to transfer, pay or deliver funds from such account and which instructions to the financial institution purport to have come from the **Insured** or a person or organisation authorised

by the **Insured** to issue such instructions to the financial institution, but which are fraudulently transmitted or issued by **Any Other Person**, or are **Forged**, or have been the subject of **Fraudulent Alteration** by **Any Other Person**.

### 3.12. Incoming Cheque Forgery

the Fraudulent Alteration of, on or in:

- (i) any cheque or draft:
  - (a) drawn upon by any bank; or
  - (b) drawn upon by any corporation upon itself; or
- (ii) any cheque or written order or direction to pay a veritable sum representing money drawn by any public body upon itself, or any warrant drawn by any public body which the **Insured** shall receive at any of its **Premises** in payment or purported payment for:
  - (a) tangible property sold and delivered; or
  - (b) services rendered,

subject to the **Insured** retaining 20% of the **Financial Loss** in addition to the **Retention**.

### 3.13. Insured

- (i) the Policyholder;
- (ii) any Subsidiary; and
- (iii) any Plan.

### 3.14. Insured Event

**Loss**, matter or event covered under Section 1 (Insuring Cover) or Section 2 (Extensions) of this **Crime Coverage Section**.

### 3.15. Investigative Specialist

any independent investigative specialist firms approved by the **Insurer**.

### 3.16. Loss

- (i) Financial Loss; and
- (ii) any amounts which are not Financial Loss and are covered under Section 2 (Extensions).

**Loss** shall not include fines or penalties, salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits paid by the **Insured** where earned in the normal course of employment.

In no event shall **Loss** include amounts which the **Insurer** is prohibited from paying by law of the **Policy** or the law of the jurisdiction where the **Insured Event** arises.

**Loss** does not mean any loss resulting from or amounting to:

- (a) any dealing or trading in securities, commodities, futures, options, foreign or Federal funds, currencies, foreign exchange and the like unless such **Loss** is covered under Insurance Cover 1 (i) and results in the **Employee** making improper financial gain for themselves or for any other individual or organisation intended by such **Employee** to receive such benefit;



- (b) any reckless or inadvertent acts; or
- (c) the creation of a liability to a third party or the loss of **Money, Securities** or other property belonging to a third party other than as provided under Extension 2.1 (Care, Custody and Control).

### 3.17. Money

currency, coins, bank notes and bullion, cheques, travellers cheques, registered cheques, postal orders, bank drafts and money orders.

### 3.18. Outsource

the retention and authorisation by the **Insured** of a person or an organisation to perform a normal administrative function on behalf of the **Insured**, provided that:

- (i) such function is performed under a written contract;
- (ii) the **Insured** retain the right to audit the performance of such function; and
- (iii) the **Insured** can demonstrate that they have vetted the person or organisation for competency, financial stability and honesty prior to the retention and authorisation by the **Insured** of such person or organisation to perform such function.

Cover in respect of any person or organisation to whom the **Insured Outsource** any normal administrative function shall apply in excess of any indemnification or valid and collectible insurance or indemnity, contractual or otherwise, available to the **Outsource** entity or the **Insured**.

### 3.19. Plan

any pension, employee benefit, welfare benefit, share save or share option plan or charitable fund or foundation established and maintained by the **Insured** for the benefit of the past, present and future **Employees** of the **Insured** or their respective beneficiaries existing at the inception of this **Policy**.

### 3.20. Premises

the interior portion of any building owned or occupied by the **Insured** and in which they conduct their business.

### 3.21. Securities

all negotiable and non-negotiable instruments or contracts, including any note, stock, bond, debenture, evidence of indebtedness, share or other equity or debt security, representing either money or property, but does not include **Money**.

### 3.22. Terrorism

any act of any individual acting for and on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any de jure or de facto government by force or violence.

### 3.23. Verified / Verify

confirmation of the genuineness of a person, who communicated the fraudulent instruction, verified independently from the person who communicated the fraudulent instruction and confirmed by the **Insured**:

- (i) through a telephone call back procedure consisting of calling the requestor by using the telephone number of such requestor which is:

- (a) held on file by the **Insured**, or
  - (b) available in the internal phone directory of the **Insured** or
  - (c) verifiable into the public domain;
- or
- (ii) where such instruction is in the form of an e-mail, by verifying and ensuring that the genuine requestors' work e-mail address has been used for such instruction.

## 4. Exclusions

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The following Exclusions are specific to this **Crime Coverage Section**.

The **Insurer** shall not be liable to make any payment under any Insurance Cover or Extension arising from or related to or amounting to:

### 4.1. Consequential Loss

Indirect or consequential loss of any nature, including but not limited to any loss of income, interest and dividends not realised by the **Insured** or any other individual or organisation because of a **Loss** covered under this **Policy**.

### 4.2. Credit Risks

**Loss** resulting directly or indirectly from the complete or partial non-payment of or default upon any **Credit Arrangement** or **Loss** caused by **Forgery** or the **Fraudulent Alteration** of assets received by the **Insured** in purported payment for property sold and delivered on credit unless such **Loss** is covered under Insurance Cover 1(i) or 1(ii).

### 4.3. Directors / Partners

**Loss** resulting directly or indirectly from any act or series of acts committed by any director or partner, de factor director or partner of the **Insured**, whether acting alone or in collusion, except to the extent that at the time the relevant act is committed such director or partner is deemed to be an **Employee** pursuant to Definition 3.6.

### 4.4. Employee Acts

**Loss** resulting directly or indirectly from any act or series of acts of any **Employee** unless expressly covered under Insurance Cover 1(i) or any relevant extensions.

### 4.5. Fees, Costs and Expenses

Fees, costs or other expenses incurred in establishing the existence or amount of **Loss** covered under this **Policy**, or in prosecuting or defending any claim, suit or legal proceeding, or for any recall costs or costs associated with a recall, except if covered under Extensions 2.2 (i) (Legal Fees) and 2.2 (ii) (Use of Investigative Specialists).

### 4.6. Fines, Penalties or Damages

Fines, penalties or damages of any type for which the **Insured** is legally liable.

### 4.7. Fire

**Loss** or damage caused by fire, other than **Loss** of or damage to **Money, Securities**, safes or vaults if covered under Extension 2.3 (Money or Securities – Damage, Destruction or Disappearance).

#### 4.8. Loss Sustained After Knowledge

**Loss** caused from the time

- (a) any **Insured** or any of the **Insured's** directors, partners, trustees, officers, departmental directors, senior managers (or equivalent); or
- (b) any party to whom the **Insured Outsource**

shall have knowledge or information that an **Employee** or any other individual or organisation has committed any act or acts of fraud, dishonesty, criminal damage or theft:

- (i) whilst such **Employee** is in the **Insured's** service or during the term of employment with any **Insured**; or
- (ii) prior to an **Employee** being employed by any **Insured**, provided the act or acts involved **Money, Securities** or other property valued at £15,000 or more.

#### 4.9. Major Shareholder

**Loss** involving any person who, at the time of committing an act which results in a **Loss**, owns or controls more than 5% of issued share capital of any **Insured**.

#### 4.10. Premises damage

**Loss** resulting directly or indirectly from loss, damage or destruction to any:

- (i) **Premises** or building, however caused; or
- (ii) safes or vaults unless covered under Extension 2.3(i) (Money or Securities – Damage, Destruction or Disappearance).

#### 4.11. Prior or Subsequent Discovery of Loss

**Loss:**

- (i) **Discovered** prior to the inception date the **Policy Period**; or
- (ii) **Discovered** after the expiry of the **Policy Period** or **Discovery Period**.

#### 4.12. Profit, Loss or Inventory Computation

**Loss**, the proof of which is dependent solely upon a:

- (i) profit and loss computation or comparison; or
- (ii) comparison of inventory records with an actual physical count.

However, where an **Employee** is involved and has been identified, inventory records and actual physical count of inventory can be submitted as supporting documentation of **Loss**.

#### 4.13. Proprietary Information, Trade Secrets and Intellectual Property

loss of, damage to, or **Loss** arising from, directly or indirectly, the accessing of confidential information of any kind including but not limited to trade secrets, computer programmes, customer information, patents, trademarks, copyrights or processing methods.

#### 4.14. Radioactivity and Nuclear

**Loss** resulting directly or indirectly from damage or destruction arising out of, based upon or attributable to:

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- (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

#### 4.15. Violent Crime by any Individual or Organisation

**Loss** arising out of theft occasioning the use of forcible and violent means unless:

- (i) if covered under Extension 2.3 (Money or Securities – Damage, Destruction or Disappearance); or
- (ii) committed by an **Employee** (acting alone or in collusion with others) and covered under Insurance Cover 1(i).

#### 4.16. Voluntary Exchange or Purchase

**Loss** arising out of the voluntary giving or surrendering (whether or not such giving and surrendering is induced by deception) of **Money, Securities** or other property in any exchange or purchase, unless:

- (i) such voluntary giving or surrendering is committed by an **Employee** (acting alone or in collusion with others) and covered under Insurance Cover 1(i) or Extensions 2.4 (Impersonation Fraud); or
- (ii) is as a result of a **Fraudulent Act** committed by **Any Other Person** covered under Insurance Cover 1(ii).

#### 4.17. War and Terrorism

**Loss** resulting directly or indirectly out of war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportion of or amounting to a popular uprising, military or usurped power, martial law, riot, the act of any lawfully constituted authority or **Terrorism**.

#### 4.18. Impersonation Fraud

**Loss** sustained by the **Insured** resulting from a third party purporting to be:

- (i) a director, officer, partner, member or sole proprietor the **Insured** or other **Employee**; or,
- (ii) a customer, supplier, service provider or adviser, or a representative or employee of such person or entity;

unless such **Loss** is covered under Insurance Cover 1(i), Extension 2.4 (Impersonation Fraud) or Extension 2.5 (Funds Transfer Fraud).

#### 4.19. Benefit to Another Insured

**Loss** sustained by one **Insured** to the advantage of any other **Insured**.

## 5. Crime Conditions

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### 5.1. Loss Settlement

The **Insurer** may, with the **Insured's** consent, settle any claim for loss of property with the owner. Any property for which the **Insurer** has made indemnification shall become the property of the **Insurer**. At its discretion, the **Insurer** may pay the actual cash value or make applicable repairs or replacements.

## 5.2. Claim Conditions

In addition to the requirements of Section 3 (Claims) of the **General Terms and Conditions**, on **Discovery** of a **Loss** the **Insured** shall:

- (i) give notice to the police unless **Loss** is caused by, involves or implicates any **Employee**; and
- (ii) furnish to the **Insurer** affirmative proof of loss with full particulars within 6 months of **Discovery** in the absence of a conclusive report by an **Investigative Specialist**.

## 5.3. Basis of Valuation

In no event shall the **Insurer** be liable for more than:

- (i) the actual market value, determined by that published in the Financial Times in the United Kingdom or equivalent local daily financial newspaper of **Securities**, foreign funds, currencies or precious metals at the close of business on the day the **Loss** was **Discovered**, or, if less, the actual cost of replacing the **Securities**;
- (ii) the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data furnished by the **Insured** in order to reproduce books of accounts and records;
- (iii) the cost of labour for the actual transcription or copying of electronic data furnished by the **Insured**, in order to reproduce such electronic data;
- (iv) the actual cash value of other property at the time of **Loss** or the actual cost of repairing or replacing the property with property or material of like quality or value, whichever is less. The actual cash value of other property if held by the **Insured** as a pledge, or as collateral for an advance or a loan, shall be considered not to exceed the value of the property as determined and recorded by the **Insured** when making the advance or loan, or in the absence of a record, the unpaid portion of the advance or loan plus accrued interest at legal rates.

## 5.4. Recoveries

Recoveries (except from insurance, reinsurance, sureties or indemnity) following a paid **Loss** under this **Crime Coverage Section**, will be allocated in the following order of reimbursement:

- (i) firstly, for any costs and expenses reasonably and necessarily incurred in relation to the recovery;
- (ii) secondly, the **Policyholder** will be reimbursed for any **Loss** exceeding the **Crime Limit of Liability**;
- (iii) thirdly, the **Insurer** will be reimbursed for any settlement made for **Loss** paid under this **Crime Coverage Section**; and
- (iv) lastly, the **Insured** will be reimbursed for **Loss** equal to the **Retention**.