

CALIFORNIA JPIA
8081 Moody Street, La Palma, California 90623

April 1, 2007

C 07
(Supersedes FB 06)

PROGRAM: **Crime Insurance Program** (formerly Blanket Fidelity Bond)

PROTECTION PERIOD: April 1, 2007 to July 1, 2008 at 12:01 a.m. Pacific Time

COVERS: **Faithful Performance**
Employee dishonesty and failure of any employee to faithfully perform their duties. Includes all employees, the Agency Treasurer, Agency Clerk and/or Tax Collector and any employee required by law to be individually bonded.

COVERS: **Depositor's Forgery**
Loss by forgery or alteration of, on or in any check, draft, promissory note or similar written promise, order or direction to pay money that is made or drawn upon the Member's accounts by someone acting as the Member's agent or that are purported to have been so made or drawn. This coverage protects you against forgery losses caused by a person other than an employee.

COVERS: **Crime - Money and Securities**
Covers loss of your money or securities by theft, disappearance or destruction while they are on your premises or on banking premises, or while your money or securities are outside your premises in the possession of a messenger. This coverage protects you from theft, robbery and safe burglary caused by persons other than an employee.

COVERS: **Computer Fraud**
Theft directly related to the use of any computer to fraudulently cause a transfer of money, securities or other property from inside the premises or banking premises to a person or place outside those premises.

LIMITS: \$1,000,000 per Member (higher limits available upon request)

DEDUCTIBLE: \$2,500 per occurrence (optional \$25,000 per occurrence)

COVERAGE NOTE: CALIFORNIA JPIA Members' individual premium calculations are based on total total number of employees and the insurer's minimum premium requirements. Excess limits are available for additional premium.

THE ABOVE IS A SUMMARY ONLY!
IT DOES NOT MODIFY THE INSURANCE POLICY.
FOR FULL COVERAGE DETAILS CONSULT YOUR POLICY.
EFFECTIVE APRIL 1, 2007.

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**CALIFORNIA JPIA CRIME INSURANCE
ALLIANT CRIME INSURANCE PROGRAM (ACIP)
SUMMARY OF INSURANCE**

NAMED INSURED: Members in the California JPIA Crime Program

INSURER: National Union Fire Insurance Company of Pittsburgh, PA (AIG)

POLICY NUMBER: Policy Number: 713-20-35

***AM BEST'S GUIDE RATING:** A+, Superior; Financial Size Category 15;
(VERIFIED AS OF 06/06/07) Greater than \$2,000,000,000

***STANDARD & POOR'S RATING:** AAA, Extremely Strong Financial Security
(VERIFIED AS OF 06/06/07)

CALIFORNIA STATUS: Admitted

POLICY PERIOD: April 1, 2007 to July 1, 2008 (15 Months)

COVERAGE: Government Crime Policy - Discovery Form including:

- Employee Theft – Per Loss Coverage including Faithful Performance of Duty
- Forgery or Alteration including Credit, Debit or Charge Card Forgery
- Inside the Premises - Theft, Disappearance and Destruction of Money and Securities
- Inside the Premises - Robbery & Safe Burglary or Other Property
- Outside the Premises (Money, Securities and Other Property)
- Computer Fraud including Funds Transfer Coverage
- Money Orders & Counterfeit Paper Currency

LIMITS & DEDUCTIBLES: Limit Options Available:
\$ 1,000,000
\$ 3,000,000
\$ 5,000,000
\$ 10,000,000

Deductibles:
\$ 2,500
\$25,000

Limits and Deductibles apply separately to each coverage

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ENDORSEMENTS:

- California Changes – Cancellation and Non-renewal
- Add Faithful Performance of Duty Coverage for Governmental Employees
- Delete Exclusions for Treasurer/Tax Collector and Bonded Employees
- Include Volunteer Workers as Employees
- Include Specified Directors or Trustees as Employees “if any” (Blanket Coverage)
- Include Specified Non-Compensated Officers as Employees “if any” (Blanket Coverage)
- Include Chairperson and Members of Specified Committees as Employees
- Notice of Cancellation – 90 Days
- Credit, Debit or Charge Card Forgery - Limit per Forgery or Alteration Limit
- Funds Transfer Fraud Coverage
- Claims Expense Coverage for third party investigation of covered losses - \$50,000 sub-limit for all members
- Revision of Discovery
- California Premium Rider

EXCLUSIONS:

(Including but not limited to)

- Government Action
- Indirect Loss
- Legal Expenses
- Nuclear
- War and Similar Actions
- Inventory Shortages
- Trading
- Accounting or Arithmetical Errors & Omissions
- Fire
- Money Operated Devices
- Motor Vehicles or Equipment and Accessories
- Transfer or Surrender of Property
- Vandalism
- Voluntary Parting of Title to Possession of Property
- Office of Foreign Assets Control (OFAC) Exclusion
- Non-compliance with Credit, Debit or Charge Card issuer’s requirements
- Loss caused by an employee if that employee had also committed a dishonest act (resulting in a loss of \$10,000 or more) prior to the effective date of this policy – Exclusion does not apply unless the prior dishonest act is discovered by the Risk Management Dept. or other Dept. designated to handle insurance matters for the named insured prior to the effective date of this policy
- Loss resulting from unauthorized disclosure of confidential information
- Pollution

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**ADDITIONAL TERMS AND
CONDITIONS:**

- Joint Loss Payable Endorsement (if any)
- Designated Agents as Employees Endorsement (if any)

PREMIUM:

Member Specific

BROKER:

ALLIANT INSURANCE SERVICES, INC.

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*THIS SUMMARY OF INSURANCE IS FOR INFORMATION PURPOSES ONLY AND DOES NOT ALTER THE POLICY IN ANY WAY.
PLEASE REFER TO THE POLICY FORM FOR COMPLETE COVERAGE, TERMS & CONDITIONS AND EXCLUSIONS.*

Commissions are customarily paid by the insurance carriers to their agents and to brokers as a percentage of premiums. In addition to the commissions that Alliant Insurance Services, Inc., receives, its related entity, Alliant Underwriting Services (AUS) may receive compensation from Alliant Insurance and/or the carrier for providing underwriting services. The financial impact of the compensation received by AUS is a cost included in the premium. Additionally, the related entities of Alliant Business Services (ABS) and/or Strategic HR may receive compensation from Alliant Insurance and/or the carrier for providing designated, value-added services. Services contracted for by the client directly will be invoiced accordingly. Otherwise, services will be provided at the expense of Alliant Insurance and/or the carrier. Except as specifically directed by the client, AIS and its affiliates may also receive income as a result of contingent income agreements with insurance carriers. Further information is available upon written request directed to: Alliant Insurance Services, Attention: Chief Operating Officer, 1301 Dove Street, Suite 200, Newport Beach, CA 92660.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations.

Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com

For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com

To learn more about companies doing business in California, visit the California Department of Insurance website at www.insurance.ca.gov