

EXHIBIT C

BURR • FORMAN LLP
results matter

Dana H. Hayes
dhayes@burr.com
T 864.271.4940
F 864.271.4015

Poinsett Plaza
104 South Main Street
Suite 700
Greenville, SC 29601

Mailing Address
Post Office Box 447
Greenville, SC 29602

May 6, 2025

Office (864) 271-4940
Fax (864) 271-4015

Via Federal Express

BURR.COM

CUMIS Insurance Society, Inc.
c/o CT Corporation System, Registered Agent
400 E. Court Avenue
Des Moines, IA 50309

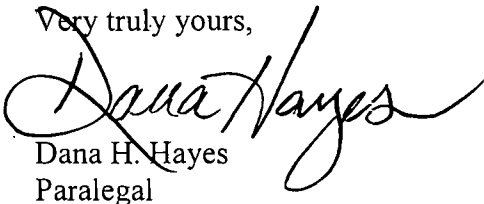
Re: Greenville Federal Credit Union v. CUMIS Insurance Society, Inc. d/b/a TruStage
Civil Action No.: 2025-CP-23-02765
Our File No.: 0051988.0000001

Dear Sir/Madam:

Enclosed for service upon you in your capacity as the registered agent for the Defendant CUMIS Insurance Society, Inc., is a file stamped copy of the Summons and Complaint filed on April 29, 2025, in the above-referenced case.

With kind regards, I remain

Very truly yours,



Dana H. Hayes
Paralegal

DHH
Enclosure

STATE OF SOUTH CAROLINA)
)
 COUNTY OF GREENVILLE)

IN THE COURT OF COMMON PLEAS
 CIVIL ACTION NO. 2025-CP-23 _____

Greenville Federal Credit Union,)
)
 Plaintiff,)

**SUMMONS
 (JURY TRIAL DEMANDED)**

v.)
)
)

CUMIS Insurance Society, Inc. d/b/a)
 TruStage,)
)
 Defendant,)
 _____)

TO THE DEFENDANTS NAMED ABOVE:

YOU ARE HEREBY SUMMONED and required to answer the Complaint herein, a copy of which is herewith served upon you, and to serve a copy of your Answer to said Complaint upon the subscriber at his office, Post Office Box 447 (104 South Main Street, Suite 700), Greenville, South Carolina 29602, within thirty (30) days after service hereof, exclusive of the day of such service hereof. If you fail to answer the Complaint within the time aforesaid, the Plaintiff will apply to the Court for the relief demanded therein, and judgment by default will be rendered against you for the relief demanded in the Complaint.

s/ Bernie W. Ellis

Bernie W. Ellis / S.C. Bar #64841

BURR & FORMAN LLP

Post Office Box 447

Greenville, SC 29602

(864) 271-4940

Attorneys for Plaintiff

April 29, 2025

STATE OF SOUTH CAROLINA)
)
 COUNTY OF GREENVILLE)

IN THE COURT OF COMMON PLEAS
 CIVIL ACTION NO. 2025-CP-23 _____

Greenville Federal Credit Union,)
)
 Plaintiff,)

**COMPLAINT
 (JURY TRIAL DEMANDED)**

v.)
)
)

CUMIS Insurance Society, Inc. d/b/a)
 TruStage,)
)
 Defendant,)
 _____)

Plaintiff, Greenville Federal Credit Union ("GFCU"), hereby complains of the Defendant, CUMIS Insurance Society, Inc. ("CUMIS") as set forth below:

JURISDICTION AND VENUE

1. GFCU is a federal credit union headquartered in Greenville County, South Carolina.
2. CUMIS is an insurance provider organized under the laws of the State of Wisconsin, which regularly does business in Greenville County, South Carolina.
3. This matter involves a failure of CUMIS to pay a claim of GFCU based upon Fidelity Bond No. 297541-14 issued by CUMIS to GFCU covering the period from 09/01/2023 to 09/01/2024 (the "Bond"). Relevant pages of the Bond are attached hereto as **Exhibit 1**.
4. The Loss upon which this claim arose occurred in Greenville County.
5. Therefore this court has subject matter jurisdiction over the parties to this action and over the subject matter of this dispute, and venue is proper in this county pursuant to S.C. Code Ann. § 15-7-70.

FACTS

6. GFCU operates several automated teller machines ("ATM") in Greenville County.
7. On or about January 16, 2024, GFCU learned there had been an attack on two on-premises ATM's operated by GFCU causing a loss to GFCU of \$82,400.00 (the "Loss").
8. GFCU's investigation showed that the bad actors causing the Loss had accessed the inside of the ATM where the computer and software resided.
9. The bad actors disconnected the electronic communication equipment of the ATMs and attached an electronic device created to clear and route the transactions, dispensing money to the bad actors without going through GFCU's network.
10. A second electronic device was hidden on top of the ATMs and acted as a hotspot to run the electronic device within the ATMs.
11. The bad actors used a plastic card simply as an "authentication mechanism." Information on the card was not used to clear or route the transactions to dispense cash. This was conducted by the electronic device installed inside the ATMs.
12. GFCU submitted the Loss to CUMIS for coverage under the Bond.
13. CUMIS denied coverage as set forth in Exhibit 2 hereto on the grounds that the Loss was excluded under the Plastic Card/PIN exclusion which excluded coverage for losses resulting directly or indirectly from the use of a personal identification number to access an ATM or the use of a plastic or other type of card, or plastic card number, to effect a transaction, except as may be covered under:
 - a. Employee or Director Dishonesty Coverage;
 - b. Third-Party Vendor Theft Coverage;

- c. Business Credit or Debit Cards Coverage within Business Credit or Debit Cards/Travel Advance Coverage;
- d. Fraudulent Deposit Coverage, but only if the loss involves use by an “accountholder” of his/her own PIN, card or card number; or
- e. Forgery or Alteration Coverage.

14. CUMIS also denied coverage on the ground that the Bond excludes coverage for any loss resulting directly or indirectly from burglary, robbery or mysterious unexplainable disappearance, damage or destruction on an ATM or its contents except as may be covered under:

- a. Employee or Director Dishonesty Coverage;
- b. On Premises Coverage;
- c. ATM-Off Premises Coverage; or
- d. Third-Party Vendor Theft Coverage.

15. CUMIS’s denial letter states that where two exclusions are relevant to a loss, potential coverage under the Bond is limited to coverage exceptions common to both exclusions.

16. GFCU responded to CUMIS’s denial as set forth in Exhibit 3, explaining that the Kiosk Endorsement in the Bond as well as the On Premises Coverage referenced in the ATM Exclusion would both provide coverage under the Bond.

17. On Premises coverage, which is an exception to the ATM Exclusion, states, “We will pay you for your loss of “covered property” resulting directly from: a. Robbery, burglary, misplacement, mysterious unexplainable disappearance and damage thereto or destruction thereof.”

18. According to the Bond, "Covered Property" means "physical items in which you have a financial interest or which are held by you in any capacity," including currency, coins, bank notes, or Federal Reserve Notes.

19. CUMIS replied to GFCU's letter asserting that the Kiosk Endorsement, which modifies the Plastic Card/PIN Exclusion to add Electronic Crime Coverage as an exception to the Plastic Card/PIN Exclusion does not apply because the card was not used strictly as an "authentication mechanism," but that the evidence supports that the plastic card numbers were used to route the transactions through the card network. Exhibit 4.

20. CUMIS did not deny that the On Premises coverage in the ATM Exclusion would apply to the Loss; however, CUMIS still asserted that the Plastic Card/PIN Exclusion trumps all other provisions under the facts of this case.

21. CUMIS's denial is completely meritless because it is clear that the plastic cards used in the Loss were used strictly as an "authentication mechanism," and the card numbers were not used for clearing/routing the transaction. Therefore, the Kiosk Endorsement, which changes the Plastic Card/PIN Exclusion applies. Therefore, the On Premises coverage in the Bond applies as well.

22. CUMIS is aware of the problems with its position because it has been sued on similar facts in Kinecta Federal Credit Union v. Trustage Financial Group, Inc. Case No. 24TRCV00478, filed in Superior Court for Los Angeles County, California.

**FOR A FIRST CAUSE OF ACTION
(Declaratory Judgment)**

23. The foregoing paragraphs are incorporated herein.

24. GFCU contends that it is entitled to coverage for the Loss. CUMIS asserts that GFCU is not so entitled.

25. Pursuant to S.C. Code Ann. § 15-53-20, this court has jurisdiction to declare rights, status, and other legal relations whether or not further relief is or could be claimed.

26. Pursuant to S.C. Code Ann. § 15-53-30, this court may determine the rights of the parties to a contract.

27. There is a justiciable controversy as set forth above to be decided between the parties.

28. GFCU, therefore, asks this court to determine that GFCU is entitled to coverage for the Loss described above and requests an order of the court that such Loss be reimbursed.

**FOR A SECOND CAUSE OF ACTION
(Breach of Contract)**

29. The foregoing paragraphs are incorporated herein.

30. The Bond is a contract between GFCU and CUMIS.

31. Pursuant to the terms of that contract, GFCU is entitled to be reimbursed for the Loss, as described above.

32. GFCU has duly made demand on CUMIS for reimbursement pursuant to the terms of the Bond, and CUMIS has refused payments in violation of the Bond's terms.

33. Therefore, CUMIS is in breach of the Bond, and GFCU is entitled to damages in the amount of \$82,400.00.

WHEREFORE, Greenville Federal Credit Union seeks a declaratory judgment against CUMIS finding that the Bond requires CUMIS to pay and ordering CUMIS to pay the principal amount of \$82,400.00 plus pre-judgment interest as allowed by law, attorney fees, if allowed by law or contract, and costs of this action: or,

That the court find that CUMIS is in breach of contract for failing to pay amounts due under the Bond in the principal amount of \$82,400.00, plus pre-judgment interest as allowed by law, attorney fees, if allowed by law or contract, and costs of this action, and

For such other and further relief as this court deems just and proper.

April 29, 2025

Respectfully submitted.

BURR & FORMAN, LLP

s/Bernie W. Ellis
Bernie W. Ellis
S.C. Bar No. 64841
104 South Main Street
Suite 700
Greenville, South Carolina 29605
Tel. 864-271-4940
Fax 864-250-2049
bellis@burr.com

Attorney for Greenville Federal
Credit Union.

Exhibit 1

**TruStage | CUMIS Insurance Society**039-0206-6
297541-14Home Office:
2000 Heritage Way
Waverly, IA 50677Administrative Office:
5910 Mineral Point Road
Madison, WI 53705**DECLARATIONS
FIDELITY BOND**

Insured:Greenville Federal Credit Union
1501 Wade Hampton Blvd
Greenville SC 29609 5047

Bond Number: 297541-14

This Bond is effective at 12:01 a.m. on 09/01/2023 and expires on 09/01/2024 at 12:01 a.m.

These Declarations are effective at 12:01 a.m. on 09/01/2023 and supersede any previous Declarations.

Reason for new Declarations:

Renewal

ELECTRONICALLY FILED - 2025 Apr 29 12:36 PM - GREENVILLE - COMMON PLEAS - CASE#2025CP2302765

297541

DECLARATIONS FIDELITY BOND

The Total Annual Bond Premium shown below is for an entire Annual Bond Period, whether or not your coverage is in effect during that entire period.

IF "NOT COVERED" IS INSERTED OPPOSITE ANY COVERAGE BELOW, THAT COVERAGE IS NOT AFFORDED AND IS DEEMED DELETED FROM THIS BOND.

SECTION 1

<u>Coverage</u>	<u>Single Loss Limit Of Liability</u>	<u>Single Loss Deductible</u>
Basic Coverages		
A. Employee Or Director Dishonesty	\$5,000,000	\$25,000
B. On Premises	\$1,000,000	\$10,000
C. In Transit	\$1,000,000	\$0
D. Defense Costs	\$3,500,000	\$0
E. Counterfeit Currency	\$1,000,000	\$1,000
F. Employee And Accountholder Property	\$1,000,000	\$0
G. Reward Payment	\$100,000	\$0
H. Payments for Injury Or Death		
Death Payments	\$100,000	\$0
Injury Payments	\$100,000	\$0
I. Trauma Counseling	\$10,000	\$0
Optional Coverages		
J. Faithful Performance - Enhanced	Not Covered	
K. Faithful Performance	\$1,500,000	\$25,000
L. Extortion, Kidnap And Ransom Loss	\$3,000,000	\$0
M. Extortion-Kidnap/Investigation Expense	\$413,000	\$0
N. Cash Letter	\$3,000,000	\$0
O. Funds Transfer	\$1,500,000	\$10,000
Co-Payment 50%		
Attachment \$25,000		
P. Electronic Crime	\$3,000,000	\$10,000
Q. Audit Expense	\$100,000	\$0
R. Fraudulent Deposit	\$1,000,000	\$10,000
S. Forgery Or Alteration	\$1,000,000	\$10,000
T. Stop Payment And Wrongful Dishonor	\$1,000,000	\$1,000
U. Unauthorized Signature	\$1,000,000	\$1,000
V. Mortgage Defective Signature	\$1,000,000	\$1,000
W. Counterfeit Share Draft Or Securities	\$1,000,000	\$10,000
X. Business Credit Card/Travel Advance	Not Covered	
Y. IRA And EDCP	Not Covered	
Z. ATM - Off Premises	\$200,000	\$1,500
AA. Telephone Toll Crime	Not Covered	
BB. Signature Guarantee	Not Covered	

297541

DECLARATIONS FIDELITY BOND

Rated for a Share Draft program: Yes

SECTION 2 – Optional Coverages with Annual Aggregate Limits Of Liability. Any Single Loss Limit Of Liability is included within the applicable Annual Aggregate Limit Of Liability and is not in addition to the applicable Annual Aggregate Limit Of Liability.

<u>Coverage</u>	<u>Annual Aggregate Limit Of Liability</u>	<u>Single Loss Limit Of Liability</u>	<u>Single Loss Deductible</u>
CC. Electronic Crime – Loan	\$500,000	\$250,000	\$25,000
II. Fraudulent Mortgage Loan Documentation	\$1,000,000	\$250,000	\$2,500
JJ. Fraudulent Mortgage Loan Documentation - Enhanced	Not Covered		
KK. Third-Party Vendor Theft Co-Payment 20%	\$200,000	\$100,000	\$1,000
<u>Coverage</u>	<u>Annual Aggregate Limit Of Liability</u>		<u>Annual Aggregate Deductible</u>
DD. Computer Crisis Management	Not Covered		

SECTION 3 – Optional Coverages Added by Endorsement. Any Single Loss Limit Of Liability is included within the applicable Annual Aggregate Limit Of Liability and is not in addition to the applicable Annual Aggregate Limit Of Liability.

<u>Coverage</u>	<u>Single Loss Limit Of Liability</u>	<u>Single Loss Deductible</u>
Safe Deposit Box		
EE. Safe Depository	\$500,000	\$0
FF. Loss Of Renters' Property: Money Included	\$500,000	\$0

<u>Coverage</u>	<u>Annual Aggregate Limit Of Liability</u>	<u>Single Loss Limit Of Liability</u>	<u>Single Loss Deductible</u>
GG. Consumer Legislation Co-Payment 20%	\$1,000,000	\$500,000	\$5,000

Total Annual Bond Premium:

\$20,721.00

Premium Discount Plan:

Your premium above reflects discounts based on:

- + Purchase of Other CUMIS Insurance Society, Inc. (CUMIS) Coverages
- + Recognition of Your Long-Term Purchase of CUMIS Products
- + Three Year Renewal Discount
- + 5% Savings for timely completion of Required Renewal Questionnaire

297541

**DECLARATIONS
FIDELITY BOND**

The following forms along with these Declarations complete this Bond:
See Schedule Attached

ELECTRONICALLY FILED - 2025 Apr 29 12:36 PM - GREENVILLE - COMMON PLEAS - CASE#2025CP2302765

FORMS SCHEDULE

POLICY NUMBER: 297541

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

REFER TO DECLARATIONS FOR APPLICABLE PREMISES AND COVERAGES

<u>Form and Edition</u>	<u>Description</u>
Bond 505 05 13	SAFE DEPOSIT BOX ENDORSEMENT
Bond 507 05 13	CONSUMER LEGISLATION ENDORSEMENT
Bond 559 03 09	SPECIFIED LIMIT ATM OFF PREMISES ENDORSEMENT
Bond 579 03 09 SC	NONRENEWAL ENDORSEMENT
Bond 578 01 16	CANCELLATION ENDORSEMENT PREFERRED
Bond 500 01 21	FIDELITY BOND COVERAGE
Bond 575 01 16	FAITHFUL PERFORMANCE LIMIT
Bond 580 03 09	KIOSK ENDORSEMENT
Bond 531 05 13	MULTI-YEAR PREMIUM ENDT
Bond 593 03 11	AUDIT AND CLAIMS EXPENSE ENDORSEMENT
Bond 598 01 21	DISCOVERY EXTENSION CONDITION
Bond 607 01 16	ELECTRONIC CRIME - LOAN ENHANCED ENDORSEMENT
Bond 608 01 16	FRAUDULENT DEPOSIT ENHANCED ENDORSEMENT
Bond 616 01 19	ATM - OFF PREMISES ENDORSEMENT
Bond 620 01 23	ON PREMISES COVERAGE ENDORSEMENT
Bond 621 01 23	THIRD PARTY VENDOR THEFT ENDORSEMENT

FIDELITY BOND**CONTENTS**

COVERAGES	2
DEFINITIONS	15
EXCLUSIONS.....	35
IRA AND EDCP ADDITIONAL EXCLUSIONS	46
THIRD-PARTY VENDOR THEFT ADDITIONAL EXCLUSIONS	47
GENERAL AGREEMENTS	48
CONDITIONS.....	52
INDEX.....	62

FIDELITY BOND

This Fidelity Bond applies to covered loss discovered by you while this Bond is in effect. Some provisions restrict coverage. Do not rely on the titles or captions used in this Bond. Read this entire Bond carefully to determine your rights, duties and what is or is not covered.

Throughout this Bond the words you and your refer to the Insured shown on the Declarations. The words we, us and our refer to CUMIS Insurance Society, Inc.

Words and phrases appearing in quotation marks in this Bond are defined under the Definitions section of this Bond.

All coverages in this Bond are subject to the Declarations, Definitions, Exclusions, General Agreements and Conditions, except as modified in any endorsement.

Coverages set forth below are only afforded to you if, and to the extent that, coverage is indicated on the Declarations.

COVERAGES

A. Employee Or Director Dishonesty

We will pay you for your loss resulting directly from dishonest acts committed by an "employee" or "director," acting alone or in collusion with others.

Such dishonest acts must be committed by the "employee" or "director" with the intent to:

- a. Cause you to sustain such loss; or
- b. Obtain an improper financial benefit for the "employee," "director," or for any other person or entity.

However, if some or all of your loss resulted directly or indirectly from a "loan" or "trade," that portion of the loss is not covered unless you establish that the portion of the loss involving a "loan" or "trade" resulted directly from dishonest acts committed by the "employee" or "director," acting alone or in collusion with others, with the intent to:

- 1) Cause you to sustain such loss; and
- 2) Obtain an improper financial benefit for the "employee" or "director," or a financial benefit for any other person or entity.

As used in this coverage, an improper financial benefit does not include any employment benefits received in the course of employment including salaries, commissions, fees, bonuses, promotions, awards, profit sharing, business entertainment or pensions.

As used in this coverage, loss does not include any employment benefits, including: salaries, commissions, fees, bonuses, promotions, awards, profit sharing, business entertainment or pensions, intentionally paid by you.

FIDELITY BOND
COVERAGES

B. On Premises

1. We will pay you for your loss of "covered property" resulting directly from:
 - a. Robbery, burglary, misplacement, mysterious unexplainable disappearance and damage thereto or destruction thereof; or
 - b. "Theft," false pretenses, common-law or statutory larceny, committed by a person physically present on your "premises" at the time the "covered property" is surrendered,

while such "covered property" is lodged or deposited within offices or premises located anywhere.
2. We will pay you for loss of or damage to the property listed below resulting directly from a "theft" or attempted "theft" on your "premises":
 - a. Offices;
 - b. Furnishings;
 - c. Fixtures;
 - d. Supplies;
 - e. Paper books;
 - f. Paper records; or
 - g. Equipment.

Coverage is provided only if you own or are legally liable for the above property. Coverage is not provided if the loss or damage results directly or indirectly from fire in connection with the "theft" or attempted "theft."

3. We will pay you for the reasonable costs you incur to replace "covered property" resulting directly from contamination caused by exposure to floodwater; bodily fluids; sewage; any foreign substance or chemical, including dye packs, which may pose a health hazard or safety risk or mold or mildew.

C. In Transit

We will pay you for your loss of "covered property" resulting directly from its "theft," mysterious unexplainable disappearance, misplacement, damage or destruction while physically (not electronically) in transit and within the custody of:

- a. An "employee" or other natural person you have selected to act as your "messenger"; or
- b. An armored motor vehicle company and being transported in an armored motor vehicle.

FIDELITY BOND
COVERAGES

N. Cash Letter - continued

- 1) There was a mechanical failure of the equipment;
- 2) The photographic or electronic image record was damaged or destroyed;
- 3) The photographic or electronic image record is not readable; or
- 4) Your "employee" made an error or omission in complying with your procedure.

O. Funds Transfer

1. We will pay you for your loss resulting directly from fraudulent instruction through "e-mail," "telefacsimile" or "telephonic" means received by you from a person who purports to be:
 - a. Your "acountholder," your "acountholder's" authorized representative, your "vendor" or your "employee" but is not your "acountholder," your "acountholder's" authorized representative, your "vendor" or your "employee"; or
 - b. An authorized representative of a title company or an authorized real estate closing agent, but is not an authorized representative of a title company or an authorized real estate closing agent involving a request to transfer funds for a real estate closing.

Such instruction received by you must be either recorded or logged by you and must cause the debit or credit of an account.

2. We will pay you for your loss resulting directly from fraudulent instruction through "e-mail," "telefacsimile" or "telephonic" means purportedly sent by your authorized "employee," but was not sent by your authorized "employee," to a financial institution other than you at which you have an account. Such instruction must cause the debit or credit of an account.
3. We will pay you for your loss resulting directly from a fraudulent and unauthorized ACH debit from your "acountholder's" account that was originated through a financial institution other than you, provided:
 - a. Your "acountholder" signs a written affidavit stating that the debit was not authorized; and
 - b. You have attempted to return the unauthorized ACH debit as allowed under the ACH rules.

P. Electronic Crime

1. We will pay you for your loss resulting directly from fraudulent:
 - a. Entry of "electronic data" or "computer program" into; or
 - b. Change of "electronic data" or "computer program,"

FIDELITY BOND
COVERAGES

P. Electronic Crime - continued

within any "computer system" operated by you, whether owned or leased, "service bureau" "computer system," or "electronic funds transfer system," provided the entry or change causes:

- 1) Property to be transferred, paid or delivered; or
 - 2) An account to be added, deleted, debited or credited.
2. We will pay you for your loss resulting directly from the malicious destruction of or damage to your "electronic data" or "computer programs," while stored within your "computer system" by a computer virus or other malicious use of "computer programs."

Our liability for loss of or damage to "electronic data" or "computer programs" is limited to the cost of duplication of such "electronic data" or "computer programs" from other "electronic data" or "computer programs" you furnish.

If the "computer programs" cannot be duplicated from other "computer programs," the amount we will pay is limited to the reasonable cost incurred to restore the "computer programs" to substantially the previous level of operational capability. Such costs may include:

- a. Computer time;
 - b. Computer programmers;
 - c. Consultants; or
 - d. Other technical specialists.
3. We will pay you for your loss resulting directly from payments or transfers of funds fraudulently effectuated through the withdrawal or transfer of the proceeds of an "accountholder's" existing "loan" by a person other than the "accountholder" who has obtained unauthorized access into the "accountholder's" account information, as maintained in "electronic data" form on a "computer system."

Q. Audit Expense

1. We will pay you for the necessary and reasonable fees and expenses you pay for a special audit of your records. Such special audit must establish a valid and collectible loss under Employee Or Director Dishonesty Coverage, Faithful Performance Coverage or Faithful Performance - Enhanced Coverage.

Such special audit must be performed by a recognized provider of auditing services. "Employees" salaries and other expenses are not covered without our prior consent.

2. We will not pay under paragraph 1. above for:
 - a. A routine or periodic audit even though it may result in the establishment of a covered loss; or

FIDELITY BOND
DEFINITIONS

Acceptance

"Acceptance" means a check, draft or share draft that the drawee has, by signature written on the check, draft or share draft, engaged to honor as presented.

Accountholder

"Accountholder" means any entity or natural person that has:

- a. A deposit account with you; or
- b. A "loan" account with you.

Audio Response Systems

"Audio response systems" means a touch-tone or voice-activated automated telephone system which allows "accountholders" to initiate their own banking transactions, without voice communication to a person.

Authentication Mechanism

"Authentication mechanism" means a password, Personal Identification Number (PIN) or other confidential and protected string of characters or code, or other electronic identification method that identifies or authenticates the access rights of a person.

Automated Teller Machine

"Automated teller machine" means an electronic mechanical device which requires the use of an access card, PIN or other electronic identification method to disburse currency or accept deposits. "Automated teller machine" includes a "personal teller machine."

Call Center Services

"Call center services" means providing your "accountholders" with remote account inquiry, transactional or lending services on your behalf.

Cash Letter

"Cash letter" means:

- a. A letter containing restrictively endorsed checks, restrictively endorsed share drafts and restrictively endorsed drafts, promissory notes and like items that you have accepted for deposit, payment, collection or exchanged for cash, together with a detailed listing of same; or

FIDELITY BOND

DEFINITIONS

Consumer Legislation - continued

- c. Consumer Leasing Act [Regulation M] (15 U.S.C. § 1667);
- d. Fair Credit Reporting Act of 1970, Public Law No. 91-508, excluding the amendments from the Fair and Accurate Credit Transactions Act of 2003 as established in Public Law No. 108-159, and any amendments or revisions thereto;
- e. Equal Credit Opportunity Act [Regulation B] (15 U.S.C. § 1691);
- f. Real Estate Settlement Procedures Act [RESPA] (12 U.S.C. § 2601);
- g. Federal Trade Commission Holder in Due Course Rule (16 C.F.R. § 433), such coverage limited to statutory penalties for failure to provide required notice disclosures;
- h. Electronic Fund Transfers Act [Regulation E] (15 U.S.C. § 1693); or
- i. Expedited Funds Availability Act [Regulation CC] (12 U.S.C. § 4001) Subpart A (General) and Subpart B (Availability of Funds and Disclosure of Funds Availability Policies) only.

Counseling Expenses

"Counseling expenses" means the cost of psychiatric consultation or post-trauma counseling by a licensed professional.

Counterfeit

"Counterfeit" means an imitation which is intended to deceive and to be taken as an original.

Covered Property

"Covered property" means the following physical (not electronic) items in which you have a financial interest or which are held by you in any capacity:

- a. Currency, coins, bank notes or Federal Reserve Notes;
- b. Checks, drafts or share drafts;
- c. Original mortgages, documents of title, evidences of debt, security agreements, money orders, certificates of deposit or "certificated securities"; or
- d. Precious metals, jewelry, gemstones, tickets, stamps or coupons.

FIDELITY BOND

DEFINITIONS

Premises

"Premises" means:

- a. Any of your offices;
- b. Offices of any financial institutions used by you for safekeeping;
- c. Your retained attorneys' office;
- d. Your "automated teller machine" located anywhere within the building housing your office; or
- e. Your "automated teller machine" located in a parking lot, driveway or sidewalk immediately adjacent to your office but not greater than 500 feet from your office.

"Premises" does not include a "service center's" place of business.

Ransomware

"Ransomware" means any software that encrypts "electronic data" within a "computer system" that demands a ransom payment in order to decrypt and restore such "electronic data."

Residential Mortgage Loan

"Residential mortgage loan" means a transaction in which a mortgage, deed of trust or equivalent consensual security interest is created or retained against a single family dwelling that is a residence of the borrower.

Safe Deposit Box

"Safe deposit box" means a locked and fire resistant box used for the safe storage of valuables.

Secondary Market Services

"Secondary market services" means selling loans to the secondary markets on your behalf.

Security Agreement

"Security agreement" means a written agreement that creates an interest in personal property or fixtures and secures payment or performance of an obligation.

Service Bureau

"Service bureau" means a natural person, partnership or corporation authorized by a written agreement to perform data processing services using a "computer system."

FIDELITY BOND
DEFINITIONS

Service Center

"Service center" means a business entity that:

- a. Is not a financial institution; and
- b. Has a place of business at which "acountholders" of two or more financial institutions may interact with a person to transact business with the "acountholder's" respective financial institutions.

To be a "service center" the business entity must offer share or savings deposit and share or savings withdrawal transactions among its services.

Your staffed office locations falling within the definition of "service outlet" are not "service centers" for any purposes of this Bond and endorsements. A "service center's" place of business may be located at a financial institution's place of business but the "service center" must operate as a separate incorporated entity.

Service Outlet

A "service outlet" means a staffed financial institution office location that, under a contract with a shared branch service network, provides "acountholders" of financial institutions belonging to the shared branch service network, in addition to its own "acountholders," the ability to interact with an employee to transact business with the "acountholder's" respective financial institutions, including at a minimum share or savings deposit and share or savings withdrawal transactions.

Servicing Contractor

"Servicing contractor" means any person or entity duly authorized by you to perform any of the following services and only while performing such services:

- a. Collect and record payments on real estate mortgage or home improvement loans;
- b. Establish tax or insurance escrow accounts on real estate mortgage or home improvement loans, made, held or assigned by you; or
- c. Manage real property owned by you or under your supervision and control.

"Servicing contractor" includes the partners, officers and employees of entities duly authorized by you to perform any of the above services.

Shared Branching Services

"Shared branching services" means a shared branch "service center" or a shared branch "service outlet" that provides your "acountholders" with account inquiry, transactional or lending services on your behalf.

FIDELITY BOND
DEFINITIONS

Single Loss

"Single loss" means all loss covered under this Bond resulting from:

- a. Any one act or omission, or series of related acts and/or omissions, on the part of any person or persons (whether "employee(s)," "director(s)," or not), whenever occurring;
- b. All acts and omissions, whether related or not, on the part of any person (whether an "employee," "director," or not), or in which such person is concerned or implicated, whenever occurring; or
- c. Any one casualty or event not specified in a. or b. above.

Telefacsimile

"Telefacsimile" means a system of transmitting a duplicate image of a document by means of signals sent over telephone lines.

Telephonic

"Telephonic" means telephone voice communication from one person to another person, whether live or recorded.

Theft

"Theft" means the taking of property:

- a. Without your consent and with the intent to deprive you of the property; or
- b. By false pretense and with the intent to deprive you of the property.

"Theft" does not mean the taking of property by means of forgery, alteration or "counterfeit."

Third-Party Vendor

"Third-party vendor" means persons you authorize, or persons employed by a partnership or corporation you authorize to perform any of the following services for you and only while performing such services for you pursuant to an agreement:

- a. Insurance agency or insurance brokerage services;
- b. "Loan production services";
- c. Funds transfer services;
- d. "Secondary market services";
- e. "Automated teller machine" services;

FIDELITY BOND

EXCLUSIONS

We will not pay for:

Attorneys' Fees

Any attorneys' fees, court costs or other legal expenses incurred by you, except as may be covered under:

- a. Defense Costs Coverage;
- b. Extortion-Kidnap/Investigation Expense Coverage;
- c. Safe Depository Coverage found within Safe Deposit Box Endorsement;
- d. Consumer Legislation Endorsement; or
- e. Audit Expense Coverage.

Audit Expense

Any fees, cost and expenses incurred by you to establish the existence of or amount of loss covered under this Bond, except as may be covered under Audit Expense Coverage. However, no such fees, cost and expenses shall be payable to any regulatory body.

Authorized Access

Any loss under Funds Transfer Coverage resulting directly or indirectly from the use of an "accountholder's" or "accountholder's" representative's "authentication mechanism" by a person who had authorized access to the "authentication mechanism."

Any loss under Electronic Crime Coverage or Electronic Crime - Loan Coverage resulting directly or indirectly from the use of an "accountholder's" or "accountholder's" representative's "authentication mechanism" by a person who had authorized access to the "authentication mechanism."

Automated Teller Machines

Any loss resulting directly or indirectly from burglary, robbery or mysterious unexplainable disappearance, damage or destruction to an "automated teller machine," or its contents, except as may be covered under:

- a. Employee Or Director Dishonesty Coverage;
- b. On Premises Coverage;
- c. ATM-Off Premises Coverage; or
- d. Third-Party Vendor Theft Coverage.

FIDELITY BOND

EXCLUSIONS

Plastic Card/PIN

Any loss resulting directly or indirectly from the use of a personal identification number (PIN) to access an "automated teller machine," or the use of a plastic or other type of card, or plastic card number, to effect a transaction, except as may be covered under:

- a. Employee Or Director Dishonesty Coverage;
- b. Third-Party Vendor Theft Coverage;
- c. Business Credit Or Debit Cards Coverage within Business Credit Or Debit Cards/Travel Advance Coverage;
- d. Fraudulent Deposit Coverage, but only if the loss involves use by an "accountholder" of his/her own PIN, card or card number; or
- e. Forgery Or Alteration Coverage.

Pollution

Any loss resulting directly or indirectly from:

- a. The "pollution or contamination" of any "environment" by "pollutants" or seepage of "pollutants" that are introduced at any time, anywhere, in any way;
- b. The actual, alleged or threatened discharge, dispersal, release or escape of "pollutants";
- c. Any costs, or other loss or damage arising out of such "pollution or contamination" or seepage including, but not limited to cleaning up, remedying, testing, monitoring, containing, treating, detoxifying, and neutralizing such contamination, seepage, or "pollutants," even if caused by a governmental direction or request; or
- d. Payment for the investigation or defense of any loss, injury or damage, or any cost, fine, penalty, expense, claim or "lawsuit" related to any of the above.

Property Owned By Others

Any loss of property owned by others, unless you make a record that includes its description and value within three days of receipt, except as may be covered under:

- a. Employee Or Director Dishonesty Coverage;
- b. Employee And Accountholder Property Coverage; or
- c. Safe Deposit Box Endorsement.

**KIOSK ENDORSEMENT
FIDELITY BOND**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions, General Agreements and Conditions contained in the Bond, except as modified in this endorsement. The Definition, Additional Definition and Exclusion in this endorsement apply only to this endorsement.

DEFINITION

Computer System

The Computer System Definition is replaced with the following:

"Computer system" means computers, with their related components by which data are electronically collected, transmitted, processed, stored and retrieved, including:

- a. Storage components;
- b. "Computer programs";
- c. Terminal devices;
- d. Data communication networks connected to or interacting with a., b., or c. above;
- e. "Audio response systems" providing "accontholders" direct access to a., b., c. or d. above;
- f. Internet banking systems providing "accontholders" direct access to a., b., c. or d. above to perform transactions; and
- g. "Kiosk" systems providing "accontholders" direct access to a., b., c. or d. above to perform transactions.

ADDITIONAL DEFINITION

Kiosk

"Kiosk" means an automated machine for "accontholder" transactions that connects to, and clears transactions through your host data processing system or a shared branching network.

**KIOSK ENDORSEMENT
FIDELITY BOND
EXCLUSION****Plastic Card/PIN**

The Plastic Card/PIN Exclusion is replaced with the following:

Any loss resulting directly or indirectly from the use of a personal identification number (PIN) to access an "automated teller machine," or the use of a plastic or other type of card, or plastic card number, to effect a transaction, except as may be covered under:

- a. Employee Or Director Dishonesty Coverage;
- b. Business Credit Or Debit Cards Coverage within Business Credit Or Debit Cards/Travel Advance Coverage;
- c. Fraudulent Deposit Coverage, but only if the loss involves use by a "acountholder" of his/her own PIN, card or card number;
- d. Forgery Or Alteration Coverage; or
- e. Electronic Crime Coverage, but only if the loss involves a transaction at a "kiosk," where a plastic card may be used strictly as an "authentication mechanism," but the plastic card number is not used for clearing or routing the transaction.

**ATM - OFF PREMISES ENDORSEMENT
FIDELITY BOND**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions, General Agreements and Conditions contained in the Bond, except as modified in this endorsement.

COVERAGE**ATM - Off Premises**

The ATM - Off Premises Coverage is replaced with the following:

1. We will pay you for your loss of "covered property" resulting directly from:
 - a. Burglary as evidenced by physical marks of forcible entry into the "automated teller machine" safe;
 - b. Robbery involving violence, or threat of violence, to a person having rightful access to the "automated teller machine";
 - c. Damage, including but not limited to the reasonable costs you incur to replace "covered property" resulting directly from contamination caused by exposure to floodwater; bodily fluids; sewage; any foreign substance or chemical, including dye packs, which may pose a health hazard or safety risk or mold or mildew; or
 - d. Destruction,of such "covered property" contained within an "automated teller machine" that you own, or are responsible to maintain and operate, but which is not located on your "premises."
2. We will pay you for your loss of "covered property" resulting directly from an "ATM malware – cash-out." Loss involving an "ATM malware – cash-out" will be subject to a Single Loss Limit of Liability of \$500,000, an Annual Aggregate Limit of Liability of \$500,000 and will be subject to the following deductible:
 - a. \$5,000 if your assets are less than or equal to \$80,000,000;
 - b. \$10,000 if your assets are greater than \$80,000,000 but less than or equal to \$150,000,000;
 - c. \$25,000 if your assets are greater than \$150,000,000 but less than or equal to \$1 billion; or
 - d. \$50,000 if your assets are greater than \$1 billion,at inception of the Annual Bond Period.

**ATM - OFF PREMISES ENDORSEMENT
FIDELITY BOND
ADDITIONAL DEFINITION**

ATM Malware – Cash-Out

“ATM malware – cash-out” means the exploitation of physical and software vulnerabilities in “automated teller machine(s)” that result in the machine(s) dispensing cash that is not tied to the balance of:

- a. An account;
- b. A “loan”; or
- c. A credit, debit or ATM card.

CONDITION

Single Loss Limit Of Liability

Paragraph 5. of the Single Loss Limit Of Liability is replaced with the following:

- 5. For the purposes of ATM-Off Premises Coverage Part 1. only, the maximum amount we will be liable to pay for loss of “covered property” contained within each “automated teller machine” not located on your “premises” is the Single Loss Limit Of Liability for ATM-Off Premises Coverage shown on the Declarations in effect when such loss is discovered.

**ON PREMISES COVERAGE ENDORSEMENT
FIDELITY BOND**

This Coverage is subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in this Coverage.

COVERAGE**B. On Premises**

On Premises coverage is replaced with the following:

1. We will pay you for your loss of "covered property" resulting directly from:
 - a. Robbery, burglary, misplacement, mysterious unexplainable disappearance and damage thereto or destruction thereof; or
 - b. "Theft," false pretenses, common-law or statutory larceny, committed by a person physically present on your "premises" at the time the "covered property" is surrendered,while such "covered property" is lodged or deposited within offices or premises located anywhere.
2. We will pay you for loss of or damage to the property listed below resulting directly from a "theft" or attempted "theft" inside your offices:
 - a. Offices;
 - b. Furnishings;
 - c. Fixtures;
 - d. Supplies;
 - e. Paper books;
 - f. Paper records; or
 - g. Equipment other than "automated teller machine."

Coverage is provided only if you own or are legally liable for the above property. Coverage is not provided if the loss or damage results directly or indirectly from fire in connection with the "theft" or attempted "theft."

3. We will pay you for the reasonable costs you incur to replace "covered property" resulting directly from contamination caused by exposure to floodwater; bodily fluids; sewage; any foreign substance or chemical, including dye packs, which may pose a health hazard or safety risk or mold or mildew.

Exhibit 2



www.trustage.com

Business: 608.238.5851

Voice/TDD: 800.356.2644

CUMIS Insurance Society, Inc.
P.O. Box 1221
Madison, WI 53701-1221

Letter sent via email

January 10, 2025

Christopher Huff
Greenville Federal Credit Union
1501 Wade Hampton Blvd
Greenville, SC 29609-5047

Subject: Claim Number: 81283939
 Reference: Jackpotting Losses
 Contract Number: 039-0206-6

Dear Mr. Huff,

This letter is in follow up regarding the credit union's Bond claim for the jackpotting losses. CUMIS Insurance Society Inc. ("CUMIS") has completed its review of the submitted documentation and proof of loss.

From what has been presented, on January 16, 2024, the credit union identified that two ATMs were empty and missing cash. The credit union discovered that two ATMs located at two different branches had been affected by a jackpotting or "Man-in-the-Middle" attack. The fraudsters attached software to the ATMs and intercepted communication between the machine and the credit union's card network. The fraudsters utilized a plastic card to initiate the transactions, then intercepted/changed the request which dispersed funds. The credit union notified law enforcement and submitted a proof of loss asserting a \$82,400 loss.

All Coverage under the Fidelity Bond is subject to the Declarations, Definitions, Exclusions, General Agreements and Conditions, except as modified in any exclusion. As we discussed, the Bond's Plastic Card/PIN Exclusion is relevant to the loss since the fraudsters utilized a plastic card and PIN to affect the claimed transactions and the ATMs. The Bond's Automated Teller Machine Exclusion is also relevant to limit coverage as the loss occurred at credit union ATMs. Please note the following from the policy language below:

We will not pay for:

Plastic Card/PIN

Any loss resulting directly or indirectly from the use of a personal identification number (PIN) to access an "automated teller machine," or the use of a plastic or other type of card, or plastic card number, to effect a transaction, except as may be covered under:

- a. Employee Or Director Dishonesty Coverage;
- b. Third-Party Vendor Theft Coverage;

1/10/2025

ELECTRONICALLY FILED - 2025 Apr 29 12:36 PM - GREENVILLE - COMMON PLEAS - CASE#2025CP2302765

- c. Business Credit Or Debit Cards Coverage within Business Credit Or Debit Cards/Travel Advance Coverage;
- d. Fraudulent Deposit Coverage, but only if the loss involves use by an "accountholder" of his/her own PIN, card or card number; or
- e. Forgery Or Alteration Coverage.

Automated Teller Machines

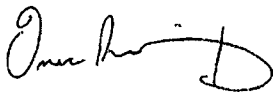
Any loss resulting directly or indirectly from burglary, robbery or mysterious unexplainable disappearance, damage or destruction to an "automated teller machine," or its contents, except as may be covered under:

- a. Employee Or Director Dishonesty Coverage;
- b. On Premises Coverage;
- c. ATM-Off Premises Coverage; or
- d. Third-Party Vendor Theft Coverage.

When two Exclusion are relevant to a loss, potential coverage under the Bond is limited to coverage exceptions common to both Exclusions. As you can see above, the only common coverage exception common to both Exclusion is the Employee Or Director Dishonesty Coverage. Based on what has been presented, there was no reported employee involvement and the Employee Or Director Dishonesty Coverage is not relevant to loss. Due to this, the Bond is unable to respond to the credit union's loss.

I regret that we are unable to assist the credit union with this loss. Please feel free to contact me at 1-800-637-2676 extension 690-8085 if you have any questions or would like to discuss this further.

Sincerely,



Omar Ramirez
Claims Specialist IV

TruStage

Insurance | Investments | Technology

CC: Ann Goodwin
George Teague
Randy Coleman
Ingrid Mosquera

Exhibit 3

BURR FORMAN LLP
results matter

Bernie Ellis
bellis@burr.com
Direct Dial: (864) 552-9342
Direct Fax: (864) 250-2049

Poinsett Plaza
104 South Main Street
Suite 700
Greenville, SC 29601
Mailing Address
Post Office Box 447
Greenville, SC 29602

Office (864) 271-1940
Fax (864) 271-1015

BURR.COM

January 31, 2025

VIA EMAIL (omar.ramirez@trustage.com)
AND U.S. MAIL

Mr. Omar Ramirez
Claims Specialist
CUMIS Insurance Society, Inc.
P.O. Box 1221
Madison, WI 53701-1221

Re: Claim Number: B1283939
Reference: Jackpotting Losses
Contract Number: 039-0206-6

Dear Mr. Ramirez:

I have been asked to review your letter sent on behalf of CUMIS Insurance Society, Inc. ("CUMIS") dated January 10, 2025, denying Greenville Federal Credit Union's ("GFCU") Bond Claim in the amount of \$82,400.00.

Respectfully, your letter disregards the Kiosk Endorsement set forth in the policy. That endorsement nullifies the Plastic Card/PIN Exclusion cited in your letter. The Plastic Card/PIN Exclusion under the Kiosk Endorsement calls for coverage under Electronic Crime Coverage, but only if the loss involves a transaction at a "kiosk," where a plastic card may be used strictly as an "authentication mechanism," but the plastic card number is not used for clearing or routing the transaction.

This loss involved transactions at several "kiosks." A kiosk is defined in the Endorsement as "an automated machine for 'accountholder' transactions that connects to, and clears transactions through your host data processing system or a shared branching network." The ATMs that were used in these thefts clearly fit that definition.

Mr. Oscar Ramirez
January 31, 2025
Page 2

In this case, the following events occurred:

- 1) The bad actors accessed the inside of the ATMs where the communication router and software resided.
- 2) The bad actors detached the computers of the ATMs and attached an electronic device created to clear and route the transaction, dispensing money to the bad actors.
- 3) A second electronic device was hidden on top of the ATMs and acted as a hotspot so that the electronic device within the ATMs would work as intended by the bad actors.
- 4) A Plastic Card was used simply as an "authentication mechanism." Information on the card was not used to clear or route the transaction to dispense cash. This was conducted by the electronic device installed inside the ATM, or kiosk,

Further, the On Premises Coverage, referenced in the ATM Exclusion, states, in pertinent part, "We will pay you for your loss of 'covered property' resulting directly from: a. Robbery, burglary, misplacement, mysterious unexplainable disappearance and damage thereto or destruction thereof...while such "covered property" is lodged or deposited with offices or premises located anywhere.

According to the Fidelity Bond Policy, "Covered Property" includes "physical items in which you have a financial interest or which are held by you in any capacity: a. Currency, coins, bank notes, or Federal Reserve Notes;"

In this case, the bad actors took currency lodged on the premises of GFCU. Therefore, that coverage provided by the On Premises Endorsement applies as well.

In your letter, you cite a rule of interpretation that where two exclusions apply, potential coverage is limited to the coverage exceptions common to both exclusions. Is that rule set forth in the Bond?

GFCU believes that the loss it experienced is covered based upon the foregoing and upon any other provisions that may also apply. Please reconsider your position.

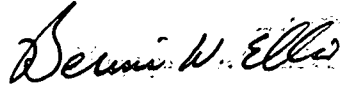
I look forward to hearing from you.

Mr. Oscar Ramirez
January 31, 2025
Page 3

With kind regards, I am

Very truly yours,

Burr & Forman LLP



Bernie Ellis

BWE

cc: Mr. Randy Coleman (via email only)
Mr. Paul Hughes (via email only)
Mr. Christopher Huff (via email only)

Exhibit 4

www.trustage.com

Business: 608.238.5851

Voice/TDD: 800.356.2644

CUMIS Insurance Society, Inc.
P.O. Box 1221
Madison, WI 53701-1221

Letter sent via email

March 3, 2025

Bernie Ellis
Burr & Forman LLP
104 S Main Street, Suite 700
Greenville, SC 29602

Subject:	Insured:	Greenville Federal Credit Union
	Claim Number:	B1283939
	Reference:	Jackpotting Losses
	Contract Number:	039-0206-6

Dear Mr. Ellis,

This is in follow up to your January 31, 2025, letter requesting CUMIS Insurance Society Inc. ("CUMIS") reevaluate its coverage decision on the above captioned claim. CUMIS has completed its review of the submitted information. However, as outlined in greater detail below, the information currently available to us does not support Coverage under the Fidelity Bond for the claimed loss.

From the information provided, on January 16, 2024, the credit union discovered that two ATMs were empty and missing cash. The credit union determined that two ATMs located at two different branches had been affected by a jackpotting or 'Man-in-the-Middle' attack. The fraudsters gained access to the ATMs' hardware and used malicious software to intercept communication between the machine and the credit union's card network. The fraudsters utilized a plastic card/PIN to initiate withdrawals from the ATMs. Then, they used software to intercept the denial response from the card network and changed the responses to approved which dispersed funds. The credit union notified law enforcement and submitted a proof of loss asserting a \$82,400 loss.

Your January 31st appeal of our claim's decision cites the Kiosk Endorsement which modifies the Plastic Card/PIN Exclusion to add Electronic Crime Coverage as an exception to the Exclusion. As noted in your letter, under the Kiosk Endorsement, Electronic Crime Coverage is only an exception to the Plastic Card/PIN Exclusion if the loss involves a transaction at a "kiosk" where the card may be used strictly as an "authentication mechanism" but the card number is not used for clearing/routing the transaction. While we do not dispute that the affected ATMs may be "kiosks" as defined in the policy, the evidence supports that plastic card numbers were used to route the transactions through the card network. Additionally, no evidence has been provided that the cards were used strictly as an "authentication mechanism" as required. As a result, the Plastic Card / PIN Exclusion is relevant and Electronic Crime Coverage is unable to respond. Following for your reference is the Plastic Card/PIN Exclusion from the Kiosk Endorsement and associated definitions:

We will not pay for:

Plastic Card/PIN

Any loss resulting directly or indirectly from the use of a personal identification number (PIN) to access an "automated teller machine," or the use of a plastic or other type of card, or plastic card number, to effect a transaction, except as may be covered under:

- a. Employee Or Director Dishonesty Coverage;
- b. Business Credit Or Debit Cards Coverage within Business Credit Or Debit Cards/Travel Advance Coverage;
- c. Fraudulent Deposit Coverage, but only if the loss involves use by a "accountholder" of his/her own PIN, card or card number;
- d. Forgery Or Alteration Coverage; or
- e. Electronic Crime Coverage, but only if the loss involves a transaction at a "kiosk," where a plastic card may be used strictly as an "authentication mechanism," but the plastic card number is not used for clearing or routing the transaction.

Kiosk

"Kiosk" means an automated machine for "accountholder" transactions that connects to, and clears transactions through your host data processing system or a shared branching network.

Authentication Mechanism

"Authentication mechanism" means a password, Personal Identification Number (PIN) or other confidential and protected string of characters or code, or other electronic identification method that identifies or authenticates the access rights of a person.

Additionally, in your letter you reference the Bond's Automated Teller Machines Exclusion and that On Premises Coverage is an exception to the Exclusion. While that is correct, it does not change the fact that the Bond's Plastic Card/PIN Exclusion is relevant to the loss too. Because On Premises Coverage is not an exception to the Plastic Card/PIN Exclusion, it cannot respond to this loss.

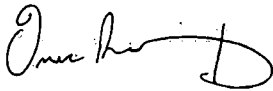
Summary

The credit union submitted its claim to us in January 2024 related to losses sustained at ATM's. After conducting an investigation into the matter, correspondence was sent to the credit union in January 2025 concluding the Bond's Plastic Card/PIN Exclusion was relevant and none of the exceptions to the Exclusion could respond. In January 2025 you submitted an appeal of our claim decisions claiming the losses it experience should be covered.

After reviewing the credit union's appeal and the claim file as a whole, CUMIS must reaffirm the findings initially outlined in our letter from January 2025. More specifically, there is no applicable coverage in Bond for the claim and such claim is subject to the Bond's Plastic Card/PIN Exclusion. Please contact us if you have any questions or any additional information you would like for us to consider.

Sincerely,

3/3/2025



Omar Ramirez
Claims Specialist IV

TruStage
Insurance | Investments | Technology

CC: Ann Goodwin
George Teague
Randy Coleman
Ingrid Mosquera

ELECTRONICALLY FILED - 2025 Apr 29 12:36 PM - GREENVILLE - COMMON PLEAS - CASE#2025CP2302765