

CheckArmor® Insurance Guide to Benefit

Identity Fraud Expense Reimbursement Insurance with Cash Recovery with Check Fraud

This insurance coverage is provided under a group policy issued by American Bankers Insurance Company of Florida to NXG Strategies, LLC, the Policyholder, for eligible association members qualifying through a participating program sponsor named in the document title above.

Important Information

This Guide provides a plain-language summary of key benefits under your Identity Fraud Expense Reimbursement Insurance with Cash Recovery and Check Fraud benefit. It does not include all terms, conditions, limitations, or exclusions. The insurance Policy and endorsements govern in all cases and control in the event of any conflict with this Guide to Benefit. You may request a copy of the full Policy and endorsements at any time by calling NXG Strategies at 800-336-5143.

The information in this Guide to Benefit describes the Identity Fraud Expense Reimbursement Insurance with Cash Recovery and Check Fraud benefit in effect as of the date your program sponsor elected this coverage. This benefit description supersedes any prior benefit description you may have received. Please read and retain this document for your records.

Your entitlement to coverage and term of benefits is determined by your program sponsor's requirements for eligibility, which entitles you to be an association member.

Benefit Overview

Maximum Aggregate Limit of Liability:

- \$2,500 per individual
- \$25,000 per eligible business account

Association member deductible:

- \$0

How the limit works:

The Aggregate Limit of Liability is the maximum total amount payable for all covered losses during any 12-month period, regardless of the number of incidents. The Cash Recovery with Check Fraud benefit is included within this limit and is not additional.

What This Coverage Is Designed to Do

This insurance is designed to help you recover from identity fraud and related events in two ways:

1. **Expense Reimbursement** – reimburses certain out-of-pocket expenses and approved legal costs incurred while restoring your identity.
2. **Cash Recovery with Check Fraud** – reimburses certain unrecoverable funds, after reimbursement has first been sought from the program sponsor-designated account provider.

Part A — Identity Fraud Expense Reimbursement

You may be reimbursed for covered expenses and legal costs resulting from the following events, provided the occurrence takes place while you are an active association member:

- Fraud or embezzlement involving unauthorized or altered financial instructions
- Theft involving your personal or account-related information
- Forgery or alteration, including forged or altered checks
- Data breach resulting in misuse of your personal information
- Stolen identity events, including those involving internet activity

Covered Expenses May Include

- Costs to re-file loan or credit applications denied due solely to identity fraud
- Notary fees, postage, shipping, travel, and long-distance calls related to resolving fraud
- Up to six credit reports within 12 months after discovery and costs to dispute inaccuracies
- Recovery-related costs such as credit freeze or thaw fees, court filing fees, and similar administrative expenses
- Actual lost base wages for time reasonably and necessarily taken off work to resolve identity fraud
- Additional child or dependent care expenses that would not otherwise have been incurred
- Costs to obtain medical records or replace identification documents
- Investigative or private investigator services (up to \$125 per hour)
- Certified public accountant services used to amend or correct records (up to \$125 per hour)
- Approved legal costs related to resolving identity fraud, up to \$125 per hour.

Part B — Cash Recovery with Check Fraud

This benefit may reimburse certain unrecoverable funds for one (1) occurrence per 12-month period, subject to the \$25,000 aggregate limit.

What May Be Reimbursed

- Deductibles for traditional credit cards, prepaid credit cards, or debit cards
- Unrecoverable funds removed through an Unauthorized Electronic Fund Transfer (UEFT)
- Unrecoverable funds removed due to check fraud

You must first seek reimbursement from the financial institution or provider that holds the account from which the funds were stolen. This benefit applies only if reimbursement is denied and no other source has reimbursed the loss.

Reporting Deadlines

- Unauthorized electronic fund transfers: within 90 days of discovery
- Check fraud: within 60 days of discovery

Coverage applies only if the loss first occurs on or after the effective date of coverage and while you are an active association member.

Business Account Eligibility

An eligible business account may qualify for the Cash Recovery with Check Fraud benefit if it is a checking account held in the name of the association member, or an entity owned or controlled by the association member, and is specifically designed for business transactions. Eligible business accounts generally include businesses with fewer than 500 employees or annual revenue of \$7.5 million or less. Commercial accounts are not eligible.

If account classification is unclear, we may request supporting documentation such as business tax returns, licenses, proof of ownership, bank statements, revenue reports, or employee count records. Failure to provide requested documentation may result in denial of coverage.

What Is Not Covered (Highlights)

This coverage does not apply to:

- Fraud committed by you or anyone acting in concert with you
- Losses discovered before coverage was effective
- Indirect or consequential losses, including lost profits
- Investment losses or gambling losses
- Legal fees above \$125 per hour

- Cryptocurrency or digital currency transfers
- Check fraud involving authorized signers, failure to safeguard checks, failure to monitor accounts, or commercial accounts

When and Where You Are Covered

Covered expenses are limited to costs incurred in the United States, its territories and possessions, and Puerto Rico, for losses occurring during the benefit period.

How to File a Claim

As soon as you reasonably believe a covered identity fraud or check fraud event has occurred:

1. Call NXG Strategies at 800-336-5143 and report how, when, and where the event occurred, or if you are working with an Identity Fraud Resolution Specialist provided through your program sponsor you may ask your Specialist for assistance.
2. Your claim will be transferred to the insurance provider, and a claims adjuster will be assigned.
3. Notify affected institutions and take reasonable steps to prevent further loss.

Claim Documentation and Timing

- A signed, sworn proof of loss or affidavit must be submitted within 60 days of discovery.
- For Cash Recovery with Check Fraud claims, you must provide documentation from the account provider confirming the funds were fraudulently removed and are non-recoverable.
- For check fraud, you must also notify law enforcement and submit a copy of the police report when required by law.

If proof of loss is not submitted within 30 days after a claim file is opened, the claim may be temporarily closed for inactivity but may be reopened upon receipt of proper documentation.

Payment of Claims

Once your claim is verified and all required documentation has been received and approved, reimbursement is generally issued within 30 business days.

Additional Important Provisions

- You must use due diligence and take reasonable steps to avoid or reduce loss.
- Fraudulent or intentionally false claims may result in denial of benefits and cancellation of coverage.
- Coverage is provided at no additional cost while the benefit is in effect and your account remains active.
- Your program sponsor may cancel or non-renew this benefit and will provide advance notice as required.
- If the Policy is terminated, all benefits cease as of the termination date.

This Guide does not state all terms, conditions, exclusions, or definitions. Benefits are subject to the full Policy and endorsements. All claims are administered and paid by American Bankers Insurance Company of Florida. Neither NXG Strategies, LLC nor the program sponsor makes coverage determinations or pays claims.

Need More Details?

You may request a copy of the full insurance Policy and endorsements at any time for complete information by calling NXG Strategies at 800-336-5143.