CUMIS

# CLAIMS FOR CREDIT UNION STAFF TIME
# UNDER THE AUDIT EXPENSE INSURING AGREEMENT

_____ Credit Union, hereafter referred to as "The Credit Union", requests authorization for expenses related to credit union staff time incurred to prepare a Proof of Loss for a claim under the Dishonesty Insuring Agreement. These expenses will be claimed under the insuring agreement Audit Expense, which states:

**AUDIT EXPENSE:** **Necessary and reasonable expenses for audits and examinations of RECORDS and DATA and legal expenses incurred by the INSURED to prepare a Proof of Loss which constitutes a loss under the Insuring Agreement "Dishonesty", subject to the following:**

1. **Reimbursement applies only to expenses for audits and examinations performed by a REGULATORY AUTHORITY or a recognized auditing firm; and**
2. **Reimbursement shall not apply to:**
   - **(a) Expenses incurred for routine audits or examinations, nor to any expenses for correcting, modernizing, setting up, analyzing or preparing RECORDS or DATA; or**
   - **(b) Salaries or expenses of any EMPLOYEE, DIRECTOR, or COMMITTEE MEMBER without prior written approval from the Insurer.**

The Credit Union understands that:

1. The amount that may be claimed under the Audit Expense insuring agreement, including staff time, is subject to the limit stated on The Credit Union's Participation Certificate.

2. These expenses must be claimed at the time the Proof of Loss for the dishonesty claim is submitted and an itemized list of the time and expenses must accompany the claim.

3. These expenses are limited to actual amounts paid in excess of regular salaries and expenses. For example: Overtime paid to an hourly employee to assist in the preparation of documents may be claimed. Wages paid to a part time employee that is brought in specifically to work on the claim may be claimed. Reasonable expenses for meals and travel may also be claimed.

   Under no circumstances, will claims for management level employee time be reimbursed. Under no circumstances, will claims be considered for time incurred by full time staff that is not in excess of that which is normally worked.

4. These expenses are reimbursed only if the claim under the insuring agreement, Dishonesty, is accepted. Should the claim be denied, the expenses are not reimbursable.

5. Request for approval of these expenses must be made in advance of the expenses being incurred.

Signed: _____ Dated: _____

CREDIT UNION