

Title 45 - DEPARTMENT OF BANKING AND FINANCE

Chapter 7 - DATA PROCESSING RIDER OR ENDORSEMENT

001 Any state bank who has authorized any person, partnership or corporation to perform services for such bank as electronic data processing (herein referred to as processor) of any accounting records, shall include as a part of the blanket bond of such bank, a data processing rider or endorsement which incorporated therein:

001A that the processor shall, while performing such services, be deemed to be an employee as defined in the said bond;

001B that each processor and the employees, partners and officers of the processor shall, collectively, be deemed to be one employee for the purposes of said bond;

001C that the bond does not afford coverage in favor of the processor and upon payment to the bank on account of any loss through acts committed by any of the employees, partners or officers of the processor, an assignment of such rights and causes of action as the bank may have against the processor, to the extent of the payment received, shall be given by the bank to the underwriter of the bond, and the bank shall further execute all papers necessary to secure such rights to the said underwriter.