

## Bonding

A fidelity bond protects the assets in the plan from misuse or misappropriation by the plan fiduciary. Plan fiduciaries include the plan trustees and any person who has:

- Physical contact with cash, checks or other plan property
- Power to transfer or negotiate plan property for a price.
- Power to disburse funds, sign checks or produce negotiable instruments from the plan assets.
- Decision making authority over any individual described above.

Policies are generally in one or five-year durations. A five-year premium should cover 10% of the estimated asset value in five years. If you currently have coverage you may want to compare the costs to see if this can save you when your policy comes due for renewal.

There are serious consequences for not purchasing and maintaining a sufficient ERISA fidelity bond; it can be a red flag for the DOL that may encourage a closer look at the plan.

Although bonding is not expensive it can be difficult to find a willing insurance carrier. For those who are interested we can apply for a fidelity bond on-line using our credit card for a fast turnaround without requiring anything from you except reimbursement of the appropriate premium.

To apply for coverage simply fax us the request below and check the desired duration and we will take care of the rest. If you have any questions please feel free to call.

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Bond Amount: \$ \_\_\_\_\_

Duration:    \_\_\_\_\_ One Year       \_\_\_\_\_ Five Year

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
S.S.#

| <b>Bond Amount</b> | <b>1 Year Bond Fee</b> | <b>5 Year Bond Fee</b>                            |
|--------------------|------------------------|---|
| \$10,000.00        | \$100.00               | \$250.00  |
| \$20,000.00        | \$101.12               | \$252.80  |
| \$30,000.00        | \$121.90               | \$304.76  |
| \$40,000.00        | \$138.92               | \$347.30  |
| \$50,000.00        | \$155.93               | \$389.82  |
| \$60,000.00        | \$168.77               | \$421.94  |
| \$70,000.00        | \$181.62               | \$454.05  |
| \$80,000.00        | \$194.47               | \$486.18  |
| \$90,000.00        | \$207.32               | \$518.30  |
| \$100,000.00       | \$214.54               | \$536.35  |
| \$110,000.00       | \$220.31               | \$550.78  |
| \$120,000.00       | \$225.00               | \$562.50  |
| \$130,000.00       | \$229.69               | \$574.21  |
| \$140,000.00       | \$234.38               | \$585.94  |
| \$150,000.00       | \$239.06               | \$597.65  |
| \$160,000.00       | \$243.28               | \$608.21  |
| \$170,000.00       | \$247.51               | \$618.77  |
| \$180,000.00       | \$251.73               | \$629.33  |
| \$190,000.00       | \$255.95               | \$639.88  |
| \$200,000.00       | \$260.16               | \$650.40  |
| \$210,000.00       | \$264.38               | \$660.44  |
| \$220,000.00       | \$268.59               | \$671.48  |
| \$230,000.00       | \$272.81               | \$682.01  |
| \$240,000.00       | \$277.02               | \$692.55  |
| \$250,000.00       | \$281.25               | \$703.13  |
|                    |                        | ** For bonds over \$250,000 please call for fees. |