

Kentucky Farm Bureau



APPLICATION FOR PENSION TRUST (ERISA) NAME SCHEDULE BOND

Qualifying Assets Only

Effective Date: _____

Legal Name of the Plan(s) (i.e ABC Company 401k Plan, Pension Plan, etc.): _____

Business Address: _____

Mailing Address: _____

Total Plan Assets: \$ _____ Number of Participants: _____

Is this bond required because more than 5% of the Plan assets are "non-qualifying"? Yes No

Any questions on what constitutes a qualifying vs. non-qualifying asset should be addressed with an attorney or CPA.

Name of each fiduciary/trustee to be named and amount of coverage per trustee* (please print):

Name: _____ Amount of Coverage: _____

Name: _____ Amount of Coverage: _____

Name: _____ Amount of Coverage: _____

Name: _____ Amount of Coverage: _____

* Per the U.S. Department of Labor Field Assistance Bulletin No. 2008-04, "A plan official must be bonded for at least 10% of the amount of funds he or she handles, subject to a minimum bond amount of \$1,000 per plan with respect to which the plan official has handling functions."
This bond is intended to cover internal plan fiduciaries (trustees) and does not cover independent Plan Administrators or external Plan Officials.

Is the Plan audited by a CPA? Yes No Date of last audit: _____
If no, why is the plan not audited? _____

Previous ERISA coverage? Yes No If yes, list bond carrier: _____

Has the applicant experienced any claims in the past five years? Yes No
(If yes, give specific details on each incident and any changes made to prevent a recurrence on a separate sheet.)

Premium payments for this new bond: 1 year 3 year

COMPLETE THE FOLLOWING FOR REQUESTS OF \$500,000 AND LARGER

What %, if any, of Plan assets are **employer securities**? _____ %

Are Plan accounts reconciled by someone not authorized to deposit or withdraw funds? Yes No

Are two (2) or more signatures required for withdrawals and larger checks? Yes No

Are separate corporate trust account(s) established for the Plan assets? Yes No

If yes, where are the assets held? _____

Agent Code: 16-16273
Sub-Agent's Name/Code _____
Sub-Agent's Address _____
Sub-Agent's Phone # _____
Sub-Agent's Fax # _____

The undersigned agrees the above representations are an accurate statement of current information and procedures. This application, with Bond Declarations and Provisions, and endorsements issued to form a part thereof, constitute the entire contract.

Signature of Officer or Authorized Representative
Official Title

<http://kfb.cnasurety.com> • Email: uwservices@cnasurety.com

What Are Pension Trust Bonds?

Many companies today offer pension plans and/or profit sharing programs as part of a benefit package for their employees. These programs are managed by appointed individuals associated with that company, known as fiduciaries. To protect the investors and the money in these funds, the individuals handling plan assets need to be bonded. The pension trust bond from CNA Surety does just that.

Why Is This Bond Needed?

The Pension Reform Act of 1974 states that the fiduciaries of a pension or profit sharing fund are required to post a bond for 10% of the amount of funds handled. As an example, a person who manages a profit sharing program that involves \$250,000 in funds must post a bond for \$25,000. CNA Surety will help satisfy this requirement at a reasonable cost. We have competitive rates subject to a \$50 minimum premium per position and \$100 minimum premium per bond.

Steps to Submitting an Application:

- 1) Complete the application in its entirety. Be sure to include sub-agent information.
- 2) Email, Fax, or Mail the completed application and any supporting information to CNA Surety at uwservices@cnasurety.com, 1-605-335-0357, P.O. Box 5077, Sioux Falls, SD 57117-5077.

An Underwriter from CNA Surety will contact the sub-agent as soon as possible regarding the submission, by either fax, phone or mail.

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.