

## PENSION TRUST/ERISA BONDS

A Bond Designed to Protect Your Valuable Pension Programs



### What are Pension Trust/ERISA 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's plan, known as fiduciaries. To protect the plan and the money in these funds from fraud and dishonesty, the appointed fiduciaries need to be bonded. The pension trust bond from Surety Bonding Company of America\* does just that.

### Why Is This Bond Needed?

The Pension Reform Act of 1974 (also known as **ERISA** - Employee Retirement and Income Security Act) states that the funds of pension or profit sharing plans must be protected under a fidelity 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. The Commercial Blanket fidelity bond available from Surety Bonding Company of America\* satisfies this requirement at a reasonable cost.

### Apply For Coverage Now

Just complete this application and give it to your Surety Bonding Company of America agent today. Your application will be reviewed the day it is received.

\*Bonds are underwritten by Surety Bonding Company of America with Western Surety Company as Co-Surety.

## Commercial Blanket Fidelity\* Bond Rates for Pension Plan Bonds Under the Pension Reform Act of 1974 - ERISA

### CALIFORNIA

Bond Amount	3-Year Prepaid	Bond Amount	3-Year Prepaid
\$ 10,000	\$100	\$ 90,000	\$239
\$ 20,000	\$117	\$ 95,000	\$245
\$ 25,000	\$129	\$100,000	\$250
\$ 30,000	\$140	\$125,000	\$263
\$ 35,000	\$150	\$150,000	\$277
\$ 40,000	\$160	\$175,000	\$290
\$ 45,000	\$170	\$200,000	\$303
\$ 50,000	\$179	\$225,000	\$313
\$ 55,000	\$188	\$250,000	\$327
\$ 60,000	\$197	\$275,000	\$347
\$ 65,000	\$206	\$300,000	\$367
\$ 70,000	\$214	\$350,000	\$387
\$ 75,000	\$221	\$400,000	\$407
\$ 80,000	\$228	\$450,000	\$427
\$ 85,000	\$234	\$500,000	\$450

**\*\* ERISA requires a bond of 10% of the amount of qualified funds handled.**

## Application for Pension Trust/ERISA Bond

Plan Name: \_\_\_\_\_

Plan Type: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

Business Phone: \_\_\_\_\_

Business Fax: \_\_\_\_\_

Email Address: \_\_\_\_\_

Amount of Plan: \_\_\_\_\_

Amount of Bond:\*\* \_\_\_\_\_

Effective Date: \_\_\_\_\_

Number of Plan Trustees/Fiduciaries: \_\_\_\_\_

Are regular outside audits conducted on the plan?  
\_\_\_\_\_ Yes \_\_\_\_\_ No

How often are regular outside audits conducted? \_\_\_\_\_

By whom? \_\_\_\_\_

Are all assets Qualified? \_\_\_\_\_ Yes \_\_\_\_\_ No  
If No, Amount unqualified \_\_\_\_\_

Provide separate list of unqualified plan assets.

Any Dishonesty Losses in the past 5 years? \_\_\_\_\_ Yes \_\_\_\_\_ No

Previous Surety? \_\_\_\_\_

Why change? \_\_\_\_\_

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 Employer)

\_\_\_\_\_  
(Official Title)

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