



FIDELITY BOND FOR YOUR RETIREMENT PLAN

Under Department of Labor (DOL) regulations, your retirement plan will need to maintain an ERISA Fidelity Bond. A fidelity bond protects the assets in the plan from misuse or misappropriation by the plan fiduciaries. Plan fiduciaries include the plan trustees and any person who has control over the management of the plan and its assets.

REQUIRED ERISA FIDELITY BOND AMOUNT

At the very least, the bond must be equal to 10% of the value of the total plan assets, with a minimum bond value of \$1000 and a maximum bond value of \$500,000. For the first year, the bond amount will be based on the estimated amount of assets that will be handled by the plan for the year.

If you have non-qualifying assets more than 5% of the total plan assets, the bond amount needs to be equal to 100% of these assets.

WHY DO I NEED AN ERISA FIDELITY BOND?

There are serious consequences for not purchasing and maintaining a sufficient ERISA fidelity bond. Not having this required coverage can be a red flag to the Department of Labor that they need to take a closer look at the plan. You are not only at risk for a DOL audit, but there are citations associated with not having this required coverage.

HOW DO I OBTAIN AN ERISA FIDELITY BOND?

As a convenience to you, we have partnered with Colonial Surety Company, a national online insurance company that is U.S. Treasury listed and licensed in all states and territories. As experts in all aspects of ERISA regulations, Colonial Surety Company will ensure that you are properly bonded and that your bond is renewed prior to expiration so that your plan remains in compliance.



Click on the below link to obtain ERISA Fidelity Bond coverage:

https://quote.colonialsurety.com/login/register_plan_sponsor?ref=OH0155

You may also contact Tom Kramer for assistance:

Direct: 201-949-1146, tkramer@colonialsurety.com