

COLONIAL SURETY COMPANY
123 Tice Boulevard, Suite 250
Woodcliff Lake, NJ 07677

(Qualifying)

ERISA Fidelity Bond

Name Insured: Early Learning Coalition of Broward County 403(b)

Bond Number: [REDACTED]

Terms: 11/04/2015 to 11/04/2020

Premium: \$680.94

In consideration of the agreed premium, COLONIAL SURETY COMPANY, a Pennsylvania corporation (the "Company"), hereby agrees to indemnify the employee benefit plan(s) identified on Rider 1 attached hereto (the "Insured" or the "Insured Plan") against any loss of money or other property by reason of, and only by reason of, acts of fraud or dishonesty, directly or in connivance with others, on the part of any Employee or Employees as defined by this bond, said indemnity not to exceed the amount identified on Rider 1 attached hereto. In no event shall the obligation of the Company to indemnify the Insured under this bond be interpreted or construed to be greater than the amount specified in Rider 1 with respect to a loss sustained by the Insured as a result of an act of fraud or dishonesty or a series of related acts of fraud or dishonesty, regardless of the number of Employees whose conduct resulted in said loss. The maximum indemnity amount set forth in Rider 1 is an aggregate amount which applies per occurrence, such that if two or more Employees, acting together in a fraudulent or dishonest act or series of fraudulent or dishonest acts, cause loss to the Plan, the total amount of the indemnity to be paid under this paragraph shall not exceed the maximum amount set forth in Rider 1.

THE FOREGOING AGREEMENT IS SUBJECT TO THE FOLLOWING CONDITIONS AND LIMITATIONS:

TERM OF BOND

Section 1: The term of this bond begins at 12:01 A.M. on standard time after the effective date of the Company's written acceptance, at the address of the insured above given, and ends at 12:01 A.M., standard time, on the effective date of the cancellation of the bond in its entirety.

EXCLUSION

Section 2: This bond does not apply to loss, or to that part of any loss, as the case may be, the proof of which, either as to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation. In addition, the bond does not apply to the defense of any legal proceedings brought against the Insured, the Employee or Employees who caused loss to the Insured, or any other person or entity, to fees, costs or expenses incurred or paid by or on behalf of the Insured Plan or employer that sponsors the Insured Plan in prosecuting or defending any legal proceedings whether or not such proceedings result or would result in a loss to the Insured Plan covered by this bond. In addition, the Company shall not be liable for any of the costs, fees and other expenses incurred by or on behalf of the Insured Plan in establishing the existence or the amount of loss covered under this bond. Moreover, this bond does not cover any loss of money or other property resulting from any cause other than one or more fraudulent or dishonest acts by an Employee or Employees.

DISCOVERY PERIOD

Section 3: Loss is covered under this bond only (a) if sustained through any act or acts committed by any Employee or Employees while this bond is in force as to such Employees, and (b) if discovered no later than one year from the end of the bond term or sooner cancellation of this bond in its entirety as provided in Section 10, or from its cancellation or termination in its entirety in any other manner, whichever shall first happen.

DEFINITION OF EMPLOYEE

Section 4: The words "Employee" or "Employees," as used in this bond, shall mean only those persons who handle funds or other property of the Insured, who are employed by the employer that sponsors the Insured Plan and are in the regular service of said employer, provided that said employer compensates said person by salary or wages and further provided (1) said employer has the right to govern and direct said person(s) in the performance of their services (2) said persons are engaged in such a service within any of the States of the United States of America, the District of Columbia, Guam, Puerto Rico, Northern Mariana Islands, or the United States Virgin Islands. "Employee" shall not mean or include persons not subject to the day-to-day direction of the employer that sponsors the Insured Plan, such as brokers, broker-dealers, service providers, investment managers, investment advisers, vendors or independent contractors. As used in this paragraph, persons that "handle" plan funds are intended to include those Employees, and only those Employees, (1) described in 29 C.F.R. §2580.412-6 as being deemed to handle or to be "handling" funds or other property of a plan so as to require bonding and (2) are not a person deemed exempt from the bonding requirements as described in Field Assistance Bulletin 2008-04, Q-15 and certain regulations cited therein. In no event shall the terms "handling property" or "handle property" as used in this bond be interpreted or construed as having a meaning broader than the definitions of those terms as set forth in 29 C.F.R. §2580.412-6, Field Assistance Bulletin 2008-04 (and regulations cited therein) and such subsequently issued guidance that modifies augments or restates the definitions set forth therein.

FRAUDULENT OR DISHONEST ACT

Section 5: A fraudulent or dishonest act of an employee shall mean an act encompassing all those risks of loss, that might arise through dishonest or fraudulent acts in handling funds as delineated in 29 C.F.R. §2580.412-6 (and such subsequently issued guidance that modifies, augments or restates the definitions set forth therein and as set forth in 29 C.F.R. § 2580.412-9).

MERGER OR CONSOLIDATION

Section 6: If any natural persons shall be taken into the regular service of the employer that sponsors the Insured plan through merger or consolidation with some other concern, the Insured and/or the employer that sponsors the Insured shall give the Company written notice thereof and shall pay an additional premium in an amount determined in the sole discretion of the Company.

NON-ACCUMULATION OF LIABILITY

Section 7: The Company's liability under this bond and all continuations therefore shall not be cumulative, and regardless of the number of years this bond is continued in force, and, regardless of the number of annual premiums that may be payable or paid, the Company's aggregate liability on account of any occurrence giving rise to a loss as to which the Company is obligated to indemnify the Insured Plan shall not exceed the maximum of this bond whether said loss occurred during the term of any one or more years or as the result of fraud or dishonesty on the part of one or more Employees.

LIMIT OF LIABILITY UNDER THIS BOND AND OTHER INSURANCE

Section 8: With respect to loss or losses caused by an Employee which are chargeable to such Employee as provided in Section 5 and which occur partly under this bond and partly under other bonds or policies issued by the Company to the Insured or to any predecessor in interest of the Insured and in which the period for discovery has not expired at the time any such loss or losses thereunder are discovered, the total liability of the Company under this bond and under such other bonds or policies shall not exceed, in the aggregate, the amount carried under this bond in connection with such loss or losses or the amount available to the Insured under such other bonds or policies as limited by the terms and conditions thereof, for any such loss or losses, if the latter amount be the larger. In the event of a loss or series of losses caused by fraud or dishonesty by an Employee acting in concert with any person or entity that is covered by any other bond in favor of the Insured Plan, the liability of the Company hereunder, together with any amounts paid or payable under such other bond, shall not be greater than the amount of said loss.

RECOVERY FROM EMPLOYEES FOLLOWING BOND PAYMENT

Section 9: In the event the Company issues payment under this bond to the Insured, and the amount of the loss incurred by the Insured exceeds the amount paid by the Company, the Insured shall have the first right to recover from the Employee(s) responsible for said loss provided that in the event the Insured recovers any amounts in excess of the difference between the amount of the loss and the amount paid under this bond, the Insured shall pay to the Company any and all such amounts in excess of the difference between the amount of the loss and the amount paid by the Company under this bond.

CANCELLATION AS TO ANY EMPLOYEE

Section 10: This bond shall be deemed cancelled as to any Employee: (a) immediately upon discovery by the sponsor of the Insured Plan, or by any partner or officer thereof not in collusion with such Employee, of any fraudulent or dishonest act on the part of such Employees, or (b) at 12:01 A.M., standard time, upon the effective date specified in a written notice served upon the sponsor of the Insured Plan or sent by mail. Such date, if the notice be served, shall be not less than ten days after such service, or, if sent by mail, not less than fifteen days after the date of mailing. The mailing by Company of notice, as aforesaid, to the sponsor of the Insured Plan at its principal office shall be sufficient proof of notice.

CANCELLATION AS TO BOND IN ITS ENTIRETY

Section 11: This bond shall be deemed cancelled in its entirety at 12:01 A.M., standard time, upon the effective date specified in a written notice served by the Insured, or the employer that sponsors the Insured Plan, upon the Company or by the Company upon the Insured, or sent by mail. Such date, if served by the Company, shall not be less than ten days after such service, or if sent by the Company by mail, not less than fifteen days after the date of mailing. The mailing by the Company of notice, as aforesaid, to the Insured or to the employer that sponsors the Insured Plan at its principal office shall be sufficient proof of notice. The Company shall refund to the Insured the unearned premium computed pro rata if this bond be cancelled at the instance of the Company. There are no premium refunds if the Insured or the employer that sponsors the Insured Plan cancels the policy as stated and agreed to by application, receipt of policy and payment of premium.

PRIOR FRAUD, DISHONESTY OR CANCELLATION

Section 12: No Employee, to the best of the knowledge of the Insured or the employer that sponsors the Insured Plan, has committed any fraudulent or dishonest act in the service of the Insured or the employer that sponsors the Insured Plan or otherwise. If prior to the issuance of this bond, any fidelity insurance in favor of the Insured that covers one or more of the Employees shall have been cancelled as to any of such Employees by reason of (a) the discovery of any fraudulent or dishonest act on the part of such Employees, or (b) the giving of written notice of cancellation by the insurer issuing said fidelity insurance, whether the Company or not, and if such Employees shall not have been reinstated under the coverage of said fidelity insurance or superseding fidelity insurance, the Company shall not be liable under this bond on account of any loss incurred by the Insured through any fraudulent or dishonest act by any such Employee unless the Company shall agree in writing to include such Employee within the coverage of this bond.

LOSS – NOTICE – PROOF – LEGAL PROCEEDINGS

Section 13: At the earliest practical moment, and in no event later than fifteen days after discovery of any fraudulent or dishonest act on the part of any Employee by the Insured or the employer that sponsors the Insured Plan, the Insured shall give the Company written notice thereof and within four months after such discovery shall file with the Company affirmative proof of loss, itemized and duly sworn to, and shall upon request of the Company render every assistance, not pecuniary, to facilitate the investigation and adjustment of any loss. No suit to recover on account of loss under this bond shall be brought before the expiration of two months from the filing of proof as aforesaid on account of such loss, nor after the expiration of fifteen months from the discovery as aforesaid of the fraudulent or dishonest act causing such loss. If any limitation in this bond for giving notice, filing claim or bringing suit is prohibited or made void by any law controlling the construction of this bond, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

CHANGING AMOUNT OF COVERAGE

Section 14: The maximum amount of indemnity set forth in Rider 1 may be increased upon written request of the Insured and written agreement by the Company without impairing the continuity hereunder. However, no agreement regarding any such increase under this paragraph shall operate to modify or extend the Discovery Period described in Section 3.

OTHER INSURANCE

Section 15: If there is available to the Insured any other insurance or indemnity covering any loss covered by this bond, the Company shall be liable hereunder only for that part of such loss which is in excess of the amount recoverable or recovered from such other insurance or indemnity.

Named Insured: Early Learning Coalition of Broward County 403(b)

Bond Number: [REDACTED]

Premium: \$680.94

SIGNED, SEALED AND DATED: 4th day of November A.D., 2015.

COLONIAL SURETY COMPANY, Inc. 1930
123 Tice Boulevard, Suite 250 ~ Woodcliff Lake, NJ 07677 (201)-573-8788

Bond Number: 8011629E

COLONIAL SURETY COMPANY



By: Wayne Nunziata, President

COLONIAL SURETY COMPANY

-Inc. 1930-

123 Tice Boulevard, Suite 250
Woodcliff Lake, NJ 07677
201-573-8788

Bond No: [REDACTED]

RIDER #1

This Bond is subject to riders attached hereof as follows:

(1) **Name Insured:** Early Learning Coalition of Broward County 403(b)

(2) **Address of employer that sponsors Insured plan:**

6301 NW 5th Way, #3400
Fort Lauderdale, FL 33309

(3) **The maximum amount of liability for any and all losses shall be equal to:**

One hundred forty thousand dollars and zero cents (\$140,000.00)

unless an Extended Coverage Endorsement is in place. This endorsement provides for automatic daily increases to bond limits which cover the present and anticipated growth of a two (2) year or five (5) year term bond. The bond limit will automatically increase as the plan's value increases according to the Department of Labor compliance rules. The endorsement supersedes the limit indicated by the bond and does not require future rider modification.

(4) **Automatic Extended Coverage Endorsement:** Yes

(5) **Bond Term:** 11/04/2015 to 11/04/2020

(6) **Type of Plan:** 403(b)

Sealed and dated this 4th day of November A.D., 2015.

This bond shall not become effective until it has been properly approved and is null and void at initiation in the event of nonpayment for the premium by good funds.

COLONIAL SURETY COMPANY



By: Wayne Nunziata President