Financial Institutions Insurance

The Uhl Agency

ERISA Bond Overview

What do ERISA Bonds do?

ERISA bonds are designed to protect retirement plans from fraudulent actions committed by those individuals who are associated with such plans. This can include events such as larceny, theft, embezzlement, forgery, misappropriation, wrongful abstractions, wrongful conversion, willful misapplication or other fraudulent/dishonest acts.

ERISA rules specify that the bond **must** be obtained for 10% of the plan's assets and the bond be no less than $1,000 or no more than $500,000 per plan with one exception – plans holding employer securities are subject to a bond maximum of $1,000,000 per plan.

Sample Claim:

A company's CEO and COO empower the CFO to handle all matters pertaining to the company's retirement plan, including the selection and hiring process of the plan's service providers. Over a period of several months, the CFO writes checks for "consulting fees" to a dummy corporation that in turn routes the plan's money back to the CFO.

Coverage Definition:

Under ERISA rules, companies that provide employee welfare or benefit plans must protect plan assets with a minimum amount of employee theft coverage.

Within these rules, a fiduciary is defined as a person who exercises any discretionary authority or discretionary control respecting management of such plans or exercises any authority or control respecting management or disposition of its assets.

Who We Are:

Started in 1958, The Uhl Agency is an independent insurance agency located in Dayton, Ohio. We specialize in writing executive liability lines of insurance for registered investment advisors, broker dealers, mutual funds complexes, private equity, and hedge funds.

The Uhl Agency recognizes every business is unique and that a proper business insurance program takes into account the individual needs of each business. We will work with you to develop a program that addresses your exposures while not breaking the bank during the process.