

July 1, 2010

TO: POST QUARTERMASTERS

FROM: DEPARTMENT QUARTERMASTER, ROBERT W. FUNK, JR.

SUBJECT: QUARTERMASTER FIDELITY BOND

Please find enclosed, the form#2 for this is for the renewal term of 9/1/10 to 08/31/11. The premium rate is \$3.75 per \$1000.00 of coverage. Also enclosed is a rate list for your convenience. The bonding company, Tallman Insurance Agency, requires each post to carry a minimum of \$3000.00 at \$11.25 unless the Post Trustees audit report reflects liquid assets of \$2000.00 or less, in which case, the bonding company will accept a minimum of \$2,000.00 at \$7.50.

Please complete the bonding application form and return to this office with the premium at your earliest opportunity--**BUT NO LATER THAN December 1, 2010. *The application will be accepted after this date, however, coverage will be effective the date received by the bonding company.***

Coverage of the policy requires that at least quarterly, audit of the books and accounts including complete verification of all securities and bank balances be made. If the above is not complied with, the Surety Company will refuse to honor claims of missing funds which cannot be proven by records. Completion of quarterly audits and reconciliation of monthly bank statements may avoid denial of a claim. *Proof of loss resulting from dishonest acts on the part of the bonded officer is required to be completed and mailed to the bonding company within 120 days of the discovery of the loss.*

CLUB MANAGERS AND GAMBLING OPERATIONS MUST BE BONDED SEPARELY ON DIFFERENT FORMS OBTAINED FROM THIS OFFICE. A QUARTERMASTER THAT IS HANDLING ANY GAMBLING, GAMES OF CHANCE, SLOT MACHINES, ETC, ARE NOT COVERED UNDER THE QUARTERMASTER BOND. THEY MUST BE COVERED UNDER THE CLUB MANAGER BOND.

Thank you for your cooperation of the aforementioned regulations, if you have any questions, please feel free to call Cathy **614-224-1838**.