Trust Company of America
Financial Institutions Insurance Coverage

The following chart outlines insurance carried by Trust Company of America to cover losses on cash held in clients' accounts and other losses incurred due to the actions of the company.

Trust Company of America	FDIC Deposit Insurance	Financial Institutions Bond/Computer Crime (Fidelity)	Bankers Professional Liability (E&O)	Directors and Officers Liability (D&O)
Government / Privately Issued	Government	Private	Private	Private
Purpose	If a Bank fails Depositors are protected	Protects the affected Investors against loss due to fraud by the Company or its employees	Protects the affected Investors when an error or omission, resulting in provable damages, is made by the Company or its employees	Protects the solvency of the Company against lawsuits brought against Directors, Officers and the Company for errors or omissions or wrongful acts that may have occurred
Coverage	Up to $250,000 per account per owner, per beneficiary, or per entity[1]	$5,000,000 per occurrence $10,000,000 in the aggregate	$10,000,000 per occurrence $10,000,000 in aggregate	$10,000,000 per occurrence $10,000,000 in the aggregate
Coverage if Company Dissolves	Yes	Depending upon the reason the Company is dissolved and applies only to those account holders affected by the fraud	Depending upon the reason the Company is dissolved and applies only to those account holders affected by the error or omission	Depending upon the reason the Company is dissolved and would be on a claims made basis

MUTUAL FUNDS[2]

Mutual fund companies' employees that have access to your account must be bonded, which means that if an employee of the mutual fund company steals from you, or even if an employee causes you to lose money in error, your account is covered by insurance. Additionally, mutual funds and their management are structured as separate companies with fund assets held with a custodian. (The assets held with a custodian are covered under the given custodians' insurance policies.) This means that even if your mutual fund manager becomes insolvent, creditors cannot come after the fund's assets.

[1] **New FDIC Deposit Insurance limits** – Congress has temporarily increased FDIC deposit insurance from $100,000 to $250,000 per depositor through December 31, 2009. For more information visit: http://www.fdic.gov/news/news/financial/2008/fil08102a.html
[2] Explained by John Collins, spokesman for the Investment Company Institute

EQUITIES

Trust Company of America uses Bank of New York to custody securities held in our client accounts.

Bank of New York	Financial Institutions Bond/Computer Crime (Fidelity)	Excess of Financial Institutions Bond	Bankers Professional Liability (E&O)	Directors and Officers Liability (D&O)
Government / Privately Issued	Private	Private	Private	Private
Coverage Type	Dishonesty of employees, forgery of securities, checks, drafts or other written instruments, loss or destruction of securities on or off premises	Loss or destruction of securities on or off premises (including securities or others held in custody)	Losses due to errors or omissions	Coverage for wrongful acts in respective capacities of Directors and Officers of the Company.
Coverage	$125,000,000 per loss limit	$400,000,000 per loss limit	$25,000,000 per loss limit	Corporate: $20,000,000 per loss limit Individual: $20,000,000 per loss limit
Coverage if Company Dissolves	Depending upon the reason that the Company is dissolved and applies only to those account holders affected by the fraud, loss or destruction	Depending upon the reason that the Company is dissolved and applies only to those account holders affected by the fraud	Depending upon the reason that the Company is dissolved and applies only to those account holders affected by the error or omission	Depending upon the reason that the Company is dissolved and would be on a claims made basis

INSURANCE REVIEWS

Both Trust Company and Bank of New York maintains comprehensive coverage to ensure continual delivery of our services. All coverage is continually reviewed and renewed prior to expiration dates. Our policies are stand alone policies and loss limits are not combined which gives the Company the highest level of insurance coverage for the noted areas.

Note: SIPC replaces *missing* stocks and other securities where it is possible to do so. SIPC helps individuals whose money, stocks and other securities are stolen by a broker or put at risk when a brokerage fails for other reasons. No "insurance" against investment fraud or simple market-related losses is available from any government agency or non-profit organization, including SIPC. Trust Company of America chooses reputable business partners, such as Bank of New York, to ensure their insurance policies are adequate for our clients' assets.

DEFINITIONS

FDIC Deposit Insurance – All FDIC-insured banks must meet high standards for financial strength and stability. The FDIC, with other federal and state regulatory agencies, regularly reviews the operations of all insured banks to ensure these standards are met. Despite these safeguards, some insured banks fail. If your insured bank fails, FDIC insurance will cover your deposit accounts, dollar for dollar, including principal and any accrued interest, up to the insurance limit. Historically, insured funds are available to depositors within just a few days after the closing of an insured bank. Since the start of the FDIC in 1933, no depositor has ever lost a penny of insured deposits. The FDIC insures cash deposit accounts. The FDIC does not insure the money you invest in stocks, bonds, mutual funds, life insurance policies, annuities, or municipal securities, even if you purchased these products from an insured bank.[3]

Financial Institutions Bond/Computer Crime (Fidelity) – Insurance that covers the victim(s) of fraudulent acts. The coverage often spells out the areas of practice in which coverage applies, and defines circumstances where other coverage would be expected to apply, and situations where the insurer feels it necessary to exclude coverage. There are few standards for this insurance, and each policy must be considered on its own merits, with priority given to the terms of coverage in addition to the usual standards of price, limit and deductible.[4]

Bankers Professional Liability (E&O) – Indemnifies the practitioner in the event his action (or lack thereof) causes loss to the client. The coverage often spells out the areas of practice in which coverage applies, and defines circumstances where other coverage would be expected to apply, and situations where the insurer feels it necessary to exclude coverage. There are few standards for this insurance, and each policy must be considered on its own merits, with priority given to the terms of coverage in addition to the usual standards of price, limit and deductible.[5]

Directors and Officers Liability (D&O) – Covers directors and officers of a company for negligent acts or omissions, and for misleading statements that result in suits against the company, often by shareholders. Directors and officers insurance policies usually contain two coverages: personal coverage for individual directors and officers who are not indemnified by the corporation for their legal expenses or judgments against them – some corporations are not required by their corporate or state charters to provide indemnification; and corporate reimbursement coverage for indemnifying directors and officers. Entity coverage for claims made specifically against the company may also be available.[6]

[3] From www.FDIC.gov
[4] From B. A. Bernstein's Glossary of Definitions
[5] From B. A. Bernstein's Glossary of Definitions
[6] From B. A. Bernstein's Glossary of Definitions