

Edgar Filing: CASH TRUST SERIES INC - Form 40-17G/A

CASH TRUST SERIES INC

Form 40-17G/A

April 02, 2007

Federated Funds

Fidelity Bond Filing

Contents of Submission:

1) (a) Copy of the Financial Institution Investment Company Asset Protection Bond ("Bond") received on October 6, 2006 for filing as required by Rule 17g-1(g) (B) (i);\*

(b) Copy of the National Union Fire Insurance Company of Pittsburgh, PA Follow Form Bond ("Bond") received on November 16, 2006 for filing as required by Rule 17g-1(g) (B) (i);\*\*

(c) Copy of the Continental Casualty Company Excess Insurance Policy ("Bond"), originally filed on January 22, 2007 and amended to include signatures on the Co-Surety Rider received on March 23, 2007 for filing as required by Rule 17g-1(g) (B) (i);

2) Copy of the resolution of a majority of the disinterested directors approving the amount, type, form and coverage of the Bond, and the portion of the premium to be paid by such company as required by Rule 17g-1(g) (B) (ii);\*\*\*

3) Copy of a statement showing the amount of the single insured bond which the investment company would have provided and maintained had it not been named as an insured under a joint insured bond;\*\*\*

4) As required by Rule 17g-1(g) (B) (iv), the period for which premiums have been paid is October 1, 2006 to October 1, 2007; and

5) Copy of the agreement and amendments thereto between the Investment company and all of the other named insureds received on January 17, 2007 as required by Rule 17g-1(g) (B) (v).\*\*\*

\* Incorporated by reference to the Fidelity Bond filing submitted on October 16, 2006.

\*\* Incorporated by reference to the Fidelity Bond filing submitted on

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November 22, 2006.

\*\*\* Incorporated by reference to the Fidelity Bond filing submitted on January 22, 2007.

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Revised 12/12/06

DECLARATIONS  
EXCESS INSURANCE POLICY

CUSTOMER NUMBER 87215  
DATE ISSUED 01/17/2007  
POLICY NUMBER 267920149  
PRODUCER NO. 718055  
COVERAGE IS PROVIDED BY Continental Casualty Company  
(herein called `Underwriter')

Item 1.

NAMED INSURED AND ADDRESS	PRODUCER NAME AND ADDRESS
Federated Investors, Inc. (herein called `Insured') 1001 Liberty Avenue Pittsburgh, PA 15222	Marsh USA Inc. Jim Brennan 1166 Avenue of the Americas New York, NY 10036

Item 2. Policy Period: from 12:01 a.m. on 10/1/2006 to 12:01 a.m. on 10/1/2007 standard time.

Item 3. Single Loss Limit of Liability: \$25,000,000

Item 4. Underlying Insurance:

Primary		Single Loss	
Underlying Insurer	Policy Number	Limit of Liability	Deductible
Chubb (Federal Insurance Company)	81948005	\$15,000,000	\$250,000

Excess		Single Loss	
Underlying Insurer	Policy Number	Limit of Liability	Deductible
AIG (National Union Fire Insurance Company of Pittsburgh, PA)	673-83-04	\$10,000,000 Excess of \$15,000,000	\$0

Item 5. Notice of claim should be sent to the Underwriter at:  
CNA Global Specialty Lines  
Fidelity Bonding  
40 Wall Street

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New York, NY 10005

Item 6. The liability of the Underwriter is subject to the terms of the following riders attached hereto:

SR-5261b Ed. 10/87 Cosurety Rider  
PRO9499 Ed. 06/04 Trade and Economic Sanctions Endorsement

Item 7. The Insured by acceptance of this policy gives notice to the Underwriter terminating or canceling prior policy(ies) no(s). N/A, such termination or cancellation to be effective as of the time this policy becomes effective.

IN WITNESS WHEREOF, the Underwriter has caused this policy to be signed by its Chairman and Secretary, at Chicago, Illinois, but the same shall not be binding upon the Underwriter unless countersigned by a duly authorized representative of the Underwriter.

Countersigned by \_\_\_\_\_  
Authorized Representative

/s/ Jonathan D. Kantor  
Secretary

/s/ Stephen W. Lilienthal  
Chairman of the Board

In consideration of the payment of the premium and in reliance upon all statements made and information provided to the Underwriter by the Insured and subject to the provisions of this policy, the Underwriter and the Insured agree as follows:

INSURING AGREEMENT

The Underwriter agrees to indemnify the Insured for loss which exceeds the Underlying Insurance if such loss is properly payable thereunder, or would be, except for exhaustion of the Underlying Insurance, provided that such loss is reported to the Underwriter during the Policy Period or within 30 days following the expiration or cancellation of this policy.

GENERAL AGREEMENTS

1. NOTICE OF LOSS TO THE UNDERWRITER OR LEGAL PROCEEDINGS

At the earliest practicable moment after discovery of loss also reported to the Primary Underlying Insurer, the Insured shall give the Underwriter written notice thereof. Within six (6) months after such discovery, the Insured shall furnish the Underwriter proof of loss, duly sworn, with full particulars; and, if requested by the Underwriter, copies of proof of loss presented to the Primary Underlying Insurer.

Legal proceedings for the recovery of any loss hereunder shall not be brought prior to the expiration of sixty (60) days after the proof of loss if filed with the Underwriter or after the expiration of twenty-four (24) months from discovery of such loss. If any limitation embodied herein is prohibited by any law controlling the construction thereof, such limitation will be deemed to be amended so as to equal the minimum period of limitation permitted by such law.

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### CONDITIONS AND LIMITATIONS

#### 1. UNDERLYING COVERAGE

This policy is subject to all terms and conditions of the Primary Underlying Insurance (except premium, limit of liability and any other provision set forth in this policy). However, should any provision of this policy conflict with any provision of any Underlying Insurance, then the provisions of this policy shall control. All Underlying Insurance in effect at the inception of this policy shall be maintained in full effect during the Policy Period. If the Underlying Insurance is amended or modified during the Policy Period, the Underwriter shall be given written notice as required by the Primary Underlying Insurance and premium hereunder shall be adjusted as appropriate. Failure to comply with the foregoing shall not void this policy; however, in the event of such failure, the Underwriter shall only be liable to the same extent as if the Underlying Insurance remained in full force and with the terms and conditions agreed to by the Underwriter.

#### 2. DROP DOWN PROVISION

If payment by the Underlying Insurer(s) for loss reduces or exhausts the Underlying Insurance Aggregate Limit of Liability, the amount of Underlying Insurance shall correspondingly be reduced, but never below the Primary Insurer's Deductible/Retention Amount; and this policy shall respond to the loss in excess of that reduced amount.

Failure of an Underlying Insurer to make payment due to insolvency or for any other reason shall not reduce the Underlying Insurance and this policy shall continue to respond only to loss in excess of that unreduced amount.

#### 3. AGGREGATE LIMIT OF LIABILITY

The Underwriter's total liability for all Single Loss shall not cumulatively exceed the Aggregate Limit of Liability set forth in Item 3 of the Declarations. Each payment made under the terms of this policy shall reduce the unpaid portion of the Aggregate Limit of Liability until it is exhausted, except when a loss is settled by indemnity in lieu of payment. Upon exhaustion of the Aggregate Limit of Liability by such payment, the Underwriter shall have no further liability for loss regardless of when discovered and whether or not previously reported to the Underwriter.

The unpaid portion of the Aggregate Limit of Liability shall not be increased or reinstated by any recovery. The unpaid portion of the Aggregate Limit of Liability shall not carry forward to loss discovered after the expiration of the Policy Period.

#### 4. SINGLE LOSS LIMIT OF LIABILITY

The Underwriter's liability for any Single Loss shall not exceed the Single Loss Limit of Liability set forth in Item 3 of the Declarations.

#### 5. CANCELLATION

This policy cancels in its entirety upon the earliest occurrence of any of the following:

- a. 60 days after the receipt by an Insured of a written notice from the Underwriter of its decision to cancel this policy;
- b. immediately upon the receipt by the Underwriter of a written notice from the Insured of its decision to cancel this policy;
- c. immediately upon the appointment of a trustee, receiver, or liquidator of any Insured, or the taking over of any Insured by State or Federal officials;
- d. immediately upon the dissolution or takeover of an Insured;
- e. immediately upon the exhaustion of the Aggregate Limit of Liability;
- f. immediately upon the expiration of the Policy Period; or
- g. immediately upon the cancellation, termination or non-renewal of the

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Primary Underlying Insurance.

### 6. CONFORMITY

If any limitation embodied in this policy is prohibited by any law controlling the construction hereof, such limitation shall be deemed to be amended as to equal the minimum limitation provided by such law.

### 7. CHANGE OR MODIFICATION

This policy or any amendment affecting same may not be changed or modified orally. No change in or modification of this policy shall be effective except when made by written endorsement to this policy duly executed by the Underwriter.

/s/ Jonathan D. Kantor  
Secretary

/s/ Stephen W. Lilienthal  
Chairman of the Board

### COSURETY RIDER

It is agreed that:

1. The term "Underwriter" as used in the attached bond shall be construed to mean, unless otherwise specified in this rider, all the Companies executing the attached bond.
2. Each of said Companies shall be liable only for such proportion of any Single Loss under the attached bond as the amount underwritten by such Company as specified in the Schedule forming a part hereof, bears to the Aggregate Limit of Liability of the attached bond, but in no event shall any of said Companies be liable for an amount greater than that underwritten by it.
3. In the absence of a request from any of said Companies to pay premiums directly to it, premiums for the attached bond may be paid to the Controlling Company for the account of all of said Companies.
4. In the absence of a request from any of said Companies that notice of claim and proof of loss be given to or filed directly with it, the giving of such notice to and the filing of such proof with, the Controlling Company shall be deemed to be in compliance with the conditions of the attached bond for the giving of notice of loss and the filing of proof of loss, if given and filed in accordance with said conditions.
5. The Controlling Company may give notice in accordance with the terms of the attached bond, terminating or canceling the attached bond as an entirety or as to any Employee, and any notice so given shall terminate or cancel the liability of all of said Companies as an entirety or as to such Employee, as the case may be.
6. Any Company other than the Controlling Company may give notice in accordance with the terms of the attached bond, terminating or canceling the entire liability of such other Company under the attached bond or as to any Employee.
7. In the absence of a request from any of said Companies that notice of termination or cancelation by the Insured of the attached bond in its entirety be given to or filed directly with it, the giving of such notice

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in accordance with the terms of the attached bond to the Controlling Company shall terminate or cancel the liability of all of said Companies as an entirety. The Insured may terminate or cancel the entire liability of any Company, other than the Controlling Company, under the attached bond by giving notice of such termination or cancelation to such other Company, and shall send copy of such notice to the Controlling Company.

8. In the event of the termination or cancelation of the attached bond as an entirety, no Company shall be liable to the Insured for a greater proportion of any return premium due the Insured than the amount underwritten by such Company bears to the Aggregate Limit of Liability of the attached bond.
9. In the event of the termination or cancelation of the attached bond as to any Company, such Company alone shall be liable to the Insured for any return premium due the Insured on account of such termination or cancelation. The termination or cancelation of the attached bond as to any Company other than the Controlling Company shall not terminate, cancel or otherwise affect the liability of the other Companies under the attached bond.

Underwritten for the sum of \$8,333,333  
except as follows:  
/s/ Kevin Leach\_\_\_\_\_

Controlling Company  
Continental Casualty Company

Underwritten for the sum of \$8,333,333  
except as follows:

Zurich Insurance Company

/s/ Charles D. Bender\_\_\_\_\_

Underwritten for the sum of \$8,333,333  
except as follows:

Travelers Insurance Company

/s/ Jared Latigona\_\_\_\_\_

Accepted:

By:

COSURETY RIDER  
FOR USE WITH ALL FORMS OF STANDARD BONDS.  
REVISED TO OCTOBER, 1987.

This endorsement, which forms a part of and is for attachment to the following

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described Policy issued by the designated Insurers takes effect on the effective date of said Policy, unless another effective date is shown below, at the hour stated in said Policy and expires concurrently with said Policy.

Must be Completed

Complete Only When This Endorsement Is Not Prepared with the Policy or is Not to be Effective with the Policy

ENDT. NO.

POLICY NO.

ISSUED TO

EFFECTIVE DATE OF THIS ENDORSEMENT

Countersigned by Authorized Representative

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CNA INSURANCE COMPANIES  
G-19911-A16  
(ED. 07/93)

This rider/endorsement, which forms part of and is for attachment to the following described bond/policy issued by the designated Underwriter/Company takes effect on the effective date of said bond/policy, unless another effective date is shown below, at the hour stated in said bond/policy and expires concurrently with said bond/policy.

Must Be Completed

Complete only when this rider/endorsement is not prepared with the bond/policy or is not to be effective with the bond/policy

Rider/Endorsement No. Policy No. 267920149  
1

Issued to:

Effective date of this rider/endorsement

Countersigned by Authorized Representative

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### TRADE AND ECONOMIC SANCTIONS ENDORSEMENT

In consideration of the premium paid, a new condition is added to the policy as follows:

This policy does not provide coverage for Insureds, transaction or that part of loss that is uninsurable under the laws or regulations of the United States concerning trade or economic sanctions.

All other provisions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative

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(No signature is required issued with the Policy or if it is effective on the Policy Effective Date)