

DELAWARE INVESTMENTS ARIZONA MUNICIPAL INCOME FUND INC

Form 40-17G

December 15, 2006

DELAWARE INVESTMENTS FAMILY OF FUNDS

CERTIFIED RESOLUTIONS

The resolutions set forth below were duly adopted by the Boards of Trustees/Directors of those investment companies covered by the enclosed fidelity bond for the period from October 31, 2006 through October 31, 2007 and remain in full force and effect as of the date hereof:

Resolutions Adopted at a Meeting of the Board of Trustees/Directors Held on October 26, 2006

Approval of Fidelity Bond Coverage

WHEREAS, this Board of Trustees/Directors has considered the form of the joint insured broker's blanket bond for the Delaware Investments family of Funds, and the amount of such joint insured broker's blanket bond, and has considered the value of the aggregate assets of the Funds to which any covered person may have access, the type and terms of the arrangements made for the custody and safekeeping of the assets of the Fund's Series, the nature of the securities in such Series' portfolio and the relative higher cost of a comparable single insured bond for each Fund; and

WHEREAS, the Board, including the Trustees/Directors who were not then interested persons with respect to the Fund, has concluded that the Fund's participation in the proposed joint insured broker's blanket bond is in the best interest of the Fund and its shareholders.

NOW, THEREFORE, IT IS RESOLVED, that the officers of the Fund are authorized and directed to cause each of its Series to participate in the joint insured broker's blanket bonds in the aggregate amount of \$40,000,000, which also covers the other Delaware Investments Funds, and that the Fund shall pay its respective share of the premium; and it is further

RESOLVED, that the officers of the Fund are hereby authorized and directed to execute an agreement under Section 17(g) of the 1940 Act with the other insureds listed on the broker's blanket bond (the "Agreement"), whereby the Fund will bear its proportionate share of the premium and coverage of the bond, and the share of the premium and coverage of the other Funds shall, if appropriate, be proportionately adjusted; and it is further

RESOLVED, that the officers of the Fund are hereby authorized and directed to file with the Securities and Exchange Commission ("SEC") a copy of the bond and a copy of the resolutions approving the amount, type, form and coverage of the bond and the portion of the premium to be paid by each of the Fund's Series, a statement showing the amount of the single insured bond which the Fund would have provided and maintained had it not been named as an insured under the broker's blanket bond described herein, a statement of the period for which premiums have been paid and a copy of the Agreement, all pursuant to Section 17(g) of the 1940 Act, and that the Secretary or any Assistant Secretary of the Fund be designated as the officers directed to make all necessary filings; and it is further

RESOLVED, that this Board, including those Trustees/Directors who do not have control over or access to any of the portfolio securities, funds or other assets of the Fund's Series, hereby conclude that the amount, scope and coverage of the fidelity bond of the Fund are adequate; and it is further

RESOLVED, that this Board, taking all relevant factors into consideration, hereby determines that it is in the best interest of the Fund and the Fund's shareholders for the Fund and each Series to participate in the joint insured broker's blanket bond described at this meeting, and that the proposed premium allocation to the Fund and to each Series is fair and reasonable to the Fund and each Series based upon a consideration of the relative higher premium that would have been paid if comparable insurance coverage were purchased separately by the insured parties.

/s/David F. Connor  
David F. Connor  
Secretary

Chubb Group of Insurance Companies  
15 Mountain View Road, Warren, New Jersey 07059

FEDERAL INSURANCE COMPANY  
Incorporated under the laws of Indiana  
a stock insurance company herein called the COMPANY  
Capital Center, 251 North Illinois, Suite 1100  
Indianapolis, IN 46204-1927

DECLARATIONS

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FINANCIAL INSTITUTION INVESTMENT COMPANY ASSET PROTECTION BOND

Bond Number: 81951478

NAME OF ASSURED (including its Subsidiaries):

DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

1 COMMERCE SQUARE  
PHILADELPHIA, PA 19103

ITEM 1. BOND PERIOD: from 12:01 a.m. on October 31, 2006  
to 12:01 a.m. on October 31, 2007

ITEM 2. LIMITS OF LIABILITY--DEDUCTIBLE AMOUNTS:

If 'Not Covered' is inserted below opposite any specified INSURING CLAUSE, such INSURING CLAUSE and any other reference shall be deemed to be deleted. There shall be no deductible applicable to any loss under INSURING CLAUSE 1. sustained by any Investment Company.

| INSURING CLAUSE          | LIMIT OF LIABILITY | DEDUCTIBLE AMOUNT |
|--------------------------|--------------------|-------------------|
| 1. Employee              | \$ 20,000,000      | \$ 0              |
| 2. On Premises           | \$ 20,000,000      | \$ 50,000         |
| 3. In Transit            | \$ 20,000,000      | \$ 50,000         |
| 4. Forgery or Alteration | \$ 20,000,000      | \$ 50,000         |

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|   |                |           |
|---|----------------|-----------|
| 5. Extended Forgery                           | \$ 20,000,000  | \$ 50,000 |
| 6. Counterfeit Money                          | \$ 20,000,000  | \$ 50,000 |
| 7. Threats to Person                          | \$ Not Covered | \$ N/A    |
| 8. Computer System                            | \$ 20,000,000  | \$ 50,000 |
| 9. Voice Initiated Funds Transfer Instruction | \$ 20,000,000  | \$ 50,000 |
| 10 Uncollectible Items of Deposit             | \$ 50,000      | \$ 10,000 |
| 11. Audit Expense                             | \$ 100,000     | \$ 0      |

ITEM 3. THE LIABILITY OF THE COMPANY IS ALSO SUBJECT TO THE TERMS OF THE FOLLOWING ENDORSEMENTS EXECUTED SIMULTANEOUSLY HEREWITH:

- 17-02-0949 Name of Assured Endorsement
- 17-02-2367 Telefacsimile Transaction Endorsement
- 17-02-2345 Automatic Phone Systems
- 17-02-2365 Stop Payment
- 17-02-5602 Unauthorized Signature
- 17-02-2976 Extended Computer Crime
- 17-02-0955 Non-Cumulative Endorsement
- 17-02-6260 Amend Discovery to Specific Person
- 17-02-1582 Revise Item 2 of Dec Page
- 14-02-9228 Compliance with Applicable Trade Sanction Laws Endorsement
- 14-02-12160 Important Notice to Insurer
- 10-02-1281 Terrorism

IN WITNESS WHEREOF, THE COMPANY has caused this Bond to be signed by its authorized officers, but it shall not be valid unless also signed by an authorized representative of the Company.

/S/ W. Andrew Macan  
W. Andrew Macan  
Secretary

/s/ Thomas F. Motamed  
Thomas F. Motamed  
President

/s/ Robert Hamburger  
Robert Hamburger  
Authorized Representative

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The COMPANY, in consideration of payment of the required premium, and in reliance on the APPLICATION and all other statements made and information furnished to the COMPANY by the ASSURED, and subject to the DECLARATIONS made a part of this Bond and to all other terms and conditions of this Bond, agrees to pay the ASSURED for:

Insuring Clauses

Employee

- 1. Loss resulting directly from Larceny or Embezzlement committed by any Employee, alone or in collusion with others.

On Premises

- 2. Loss of Property resulting directly from robbery, burglary, false pretenses, common law or statutory larceny, misplacement, mysterious unexplainable disappearance, damage, destruction or removal, from the possession, custody or

control of the ASSURED, while such Property is lodged or deposited at premises located anywhere.

In Transit

3. Loss of Property resulting directly from common law or statutory larceny, misplacement, mysterious unexplainable disappearance, damage or destruction, while the Property is in transit anywhere:

- a. in an armored motor vehicle, including loading and unloading thereof,
- b. in the custody of a natural person acting as a messenger of the ASSURED, or
- c. in the custody of a Transportation Company and being transported in a conveyance other than an armored motor vehicle provided, however, that covered Property transported in such manner is limited to the following:

- (1) written records,
- (2) securities issued in registered form, which are not endorsed or are restrictively endorsed, or
- (3) negotiable instruments not payable to bearer, which are not endorsed or are restrictively endorsed.

Coverage under this INSURING CLAUSE begins immediately on the receipt of such Property by the natural person or Transportation Company and ends immediately on delivery to the premises of the addressee or to any representative of the addressee located anywhere.

Forgery Or Alteration

4. Loss resulting directly from:
- a. Forgery on, or fraudulent material alteration of, any bills of exchange, checks, drafts, acceptances, certificates of deposits, promissory notes, due bills, money orders, orders upon public treasuries, letters of credit, other written promises, orders or directions to pay sums certain in money, or receipts for the withdrawal of Property, or
  - b. transferring, paying or delivering any funds or other Property, or establishing any credit or giving any value in reliance on any written instructions, advices or applications directed to the ASSURED authorizing or acknowledging the transfer, payment, delivery or receipt of funds or other Property, which instructions, advices or applications fraudulently purport to bear the handwritten signature of any customer of the ASSURED, or shareholder or subscriber to shares of an Investment Company, or of any financial institution or Employee but which instructions, advices or applications either bear a Forgery or have been fraudulently materially altered without the knowledge and consent of such customer, shareholder, subscriber, financial institution or Employee; excluding, however, under this INSURING CLAUSE any loss covered under INSURING CLAUSE 5. of this Bond, whether or not coverage for INSURING CLAUSE 5. is provided for in the DECLARATIONS of this Bond.

For the purpose of this INSURING CLAUSE, a mechanically reproduced facsimile signature is treated the same as a handwritten signature.

Extended Forgery

5. Loss resulting directly from the ASSURED having, in good faith, and in the ordinary course of business, for its own account or the account of others in any capacity:

a. acquired, accepted or received, accepted or received, sold or delivered, or given value, extended credit or assumed liability, in reliance on any original Securities, documents or other written instruments which prove to:

(1) bear a Forgery or a fraudulently material alteration,

(2) have been lost or stolen, or

(3) be Counterfeit, or

b. guaranteed in writing or witnessed any signatures on any transfer, assignment, bill of sale, power of attorney, guarantee, endorsement or other obligation upon or in connection with any Securities, documents or other written instruments.

Actual physical possession, and continued actual physical possession if taken as collateral, of such Securities, documents or other written instruments by an Employee, Custodian, or a Federal or State chartered deposit institution of the ASSURED is a condition precedent to the ASSURED having relied on such items. Release or return of such collateral is an acknowledgment by the ASSURED that it no longer relies on such collateral.

For the purpose of this INSURING CLAUSE, a mechanically reproduced facsimile signature is treated the same as a handwritten signature.

Counterfeit Money

6. Loss resulting directly from the receipt by the ASSURED in good faith of any Counterfeit money.

Threats To Person

7. Loss resulting directly from surrender of Property away from an office of the ASSURED as a result of a threat communicated to the ASSURED to do bodily harm to an Employee as defined in Section 1.e. (1), (2) and (5), a Relative or invitee of such Employee, or a resident of the household of such Employee, who is, or allegedly is, being held captive provided, however, that prior to the surrender of such Property:

a. the Employee who receives the threat has made a reasonable effort to notify an officer of the ASSURED who is not involved in such threat, and

b. the ASSURED has made a reasonable effort to notify the Federal Bureau of Investigation and local law enforcement authorities concerning such threat.

It is agreed that for purposes of this INSURING CLAUSE, any Employee of the ASSURED, as set forth in the preceding paragraph, shall be deemed to be an ASSURED hereunder, but only with respect to the surrender of money, securities and other tangible personal property in which such Employee has a legal or equitable interest.

Computer System

8. Loss resulting directly from fraudulent:

a. entries of data into, or

b. changes of data elements or programs within,

a Computer System, provided the fraudulent entry or change causes:

- (1) funds or other property to be transferred, paid or delivered,
- (2) an account of the ASSURED or of its customer to be added, deleted, debited or credited, or
- (3) an unauthorized account or a fictitious account to be debited or credited.

Voice Initiated Funds Transfer Instruction

9. Loss resulting directly from Voice Initiated Funds Transfer Instruction directed to the ASSURED authorizing the transfer of dividends or redemption proceeds of Investment Company shares from a Customer's account, provided such Voice Initiated Funds Transfer Instruction was:

- a. received at the ASSURED'S offices by those Employees of the ASSURED specifically authorized to receive the Voice Initiated Funds Transfer Instruction,
- b. made by a person purporting to be a Customer, and
- c. made by said person for the purpose of causing the ASSURED or Customer to sustain a loss or making an improper personal financial gain for such person or any other person.

In order for coverage to apply under this INSURING CLAUSE, all Voice Initiated Funds Transfer Instructions must be received and processed in accordance with the Designated Procedures outlined in the APPLICATION furnished to the COMPANY.

Uncollectible Items of Deposit

10. Loss resulting directly from the ASSURED having credited an account of a customer, shareholder or subscriber on the faith of any Items of Deposit which prove to be uncollectible, provided that the crediting of such account causes:

- a. redemptions or withdrawals to be permitted,
- b. shares to be issued, or
- c. dividends to be paid,

from an account of an Investment Company.

In order for coverage to apply under this INSURING CLAUSE, the ASSURED must hold Items of Deposit for the minimum number of days stated in the APPLICATION before permitting any redemptions or withdrawals, issuing any shares or paying any dividends with respect to such Items of Deposit.

Items of Deposit shall not be deemed uncollectible until the ASSURED'S standard collection procedures have failed.

Audit Expense

11. Expense incurred by the ASSURED for that part of the cost of audits or examinations required by any governmental regulatory authority or self-regulatory organization to be conducted by such authority, organization or their appointee by reason of the discovery of loss sustained by the ASSURED and covered by this Bond.

General Agreements

Additional Companies Included As Assured

A. If more than one corporation, or Investment Company, or any combination of them is included as the ASSURED herein:

(1) The total liability of the COMPANY under this Bond for loss or losses sustained by any one or more or all of them shall not exceed the limit for which the COMPANY would be liable under this Bond if all such loss were sustained by any one of them.

(2) Only the first named ASSURED shall be deemed to be the sole agent of the others for all purposes under this Bond, including but not limited to the giving or receiving of any notice or proof required to be given and for the purpose of effecting or accepting any amendments to or termination of this Bond. The COMPANY shall furnish each Investment Company with a copy of the Bond and with any amendment thereto, together with a copy of each formal filing of claim by any other named ASSURED and notification of the terms of the settlement of each such claim prior to the execution of such settlement.

(3) The COMPANY shall not be responsible for the proper application of any payment made hereunder to the first named ASSURED.

(4) Knowledge possessed or discovery made by any partner, director, trustee, officer or supervisory employee of any ASSURED shall constitute knowledge or discovery by all the ASSUREDS for the purposes of this Bond.

(5) If the first named ASSURED ceases for any reason to be covered under this Bond, then the ASSURED next named on the APPLICATION shall thereafter be considered as the first named ASSURED for the purposes of this Bond.

Representation Made By Assured

B. The ASSURED represents that all information it has furnished in the APPLICATION for this Bond or otherwise is complete, true and correct. Such APPLICATION and other information constitute part of this Bond.

The ASSURED must promptly notify the COMPANY of any change in any fact or circumstance which materially affects the risk assumed by the COMPANY under this Bond.

Any intentional misrepresentation, omission, concealment or incorrect statement of a material fact, in the APPLICATION or otherwise, shall be grounds for rescission of this Bond.

Additional Offices Or Employees - Consolidation, Merger Or Purchase Or Acquisition Of Assets Or Liabilities - Notice To Company

C. If the ASSURED, other than an Investment Company, while this Bond is in force, merges or consolidates with, or purchases or acquires assets or liabilities of another institution, the ASSURED shall not have the coverage afforded under this Bond for loss which has:

(1) occurred or will occur on premises, or

(2) been caused or will be caused by an employee, or

(3) arisen or will arise out of the assets or liabilities, of such institution, unless the ASSURED:

a. gives the COMPANY written notice of the proposed consolidation, merger or purchase or acquisition of assets or liabilities prior to the proposed effective date of such action, and

b. obtains the written consent of the COMPANY to extend some or all of the coverage provided by this Bond to such additional exposure, and

c. on obtaining such consent, pays to the COMPANY an additional premium.

Change Of Control - Notice To Company

D. When the ASSURED learns of a change in control (other than in an Investment Company), as set forth in Section 2(a) (9) of the Investment Company Act of 1940, the ASSURED shall within sixty (60) days give written notice to the COMPANY setting forth:

(1) the names of the transferors and transferees (or the names of the beneficial owners if the voting securities are registered in another name),

(2) the total number of voting securities owned by the transferors and the transferees (or the beneficial owners), both immediately before and after the transfer, and

(3) the total number of outstanding voting securities.

Failure to give the required notice shall result in termination of coverage for any loss involving a transferee, to be effective on the date of such change in control.

Court Costs And Attorneys' Fees

E. The COMPANY will indemnify the ASSURED for court costs and reasonable attorneys' fees incurred and paid by the ASSURED in defense, whether or not successful, whether or not fully litigated on the merits and whether or not settled, of any claim, suit or legal proceeding with respect to which the ASSURED would be entitled to recovery under this Bond. However, with respect to INSURING CLAUSE 1., this Section shall only apply in the event that:

(1) an Employee admits to being guilty of Larceny or Embezzlement,

(2) an Employee is adjudicated to be guilty of Larceny or Embezzlement, or

(3) in the absence of 1 or 2 above, an arbitration panel agrees, after a review of an agreed statement of facts between the COMPANY and the ASSURED, that an Employee would be found guilty of Larceny or Embezzlement if such Employee were prosecuted.

The ASSURED shall promptly give notice to the COMPANY of any such suit or legal proceeding and at the request of the COMPANY shall furnish copies of all pleadings and pertinent papers to the COMPANY. The COMPANY may, at its sole option, elect to conduct the defense of all or part of such legal proceeding. The defense by the COMPANY shall be in the name of the ASSURED through attorneys selected by the COMPANY. The ASSURED shall provide all reasonable information and assistance as required by the COMPANY for such defense.

If the COMPANY declines to defend the ASSURED, no settlement without the prior written consent of the COMPANY nor judgment against the ASSURED shall determine the existence, extent or amount of coverage under this Bond.

If the amount demanded in any such suit or legal proceeding is within the DEDUCTIBLE AMOUNT, if any, the COMPANY shall have no liability for court costs and attorney's fees incurred in defending all or part of such suit or legal proceeding.

If the amount demanded in any such suit or legal proceeding is in excess of the LIMIT OF LIABILITY stated in ITEM 2. of the DECLARATIONS for the applicable



INSURING CLAUSE, the COMPANY'S liability for court costs and attorney's fees incurred in defending all or part of such suit or legal proceedings is limited to the proportion of such court costs and attorney's fees incurred that the LIMIT OF LIABILITY stated in ITEM 2. of the DECLARATIONS for the applicable INSURING CLAUSE bears to the total of the amount demanded in such suit or legal proceeding.

If the amount demanded in any such suit or legal proceeding is in excess of the DEDUCTIBLE AMOUNT, if any, but within the LIMIT OF LIABILITY stated in ITEM 2. of the DECLARATIONS for the applicable INSURING CLAUSE, the COMPANY'S liability for court costs and attorney's fees incurred in defending all or part of such suit or legal proceedings shall be limited to the proportion of such court costs or attorney's fees that the amount demanded that would be payable under this Bond after application of the DEDUCTIBLE AMOUNT, bears to the total amount demanded.

Amounts paid by the COMPANY for court costs and attorneys' fees shall be in addition to the LIMIT OF LIABILITY stated in ITEM 2. of the DECLARATIONS.

#### Conditions And Limitations

#### Definitions

1. As used in this Bond:

a. Computer System means a computer and all input, output, processing, storage, off-line media libraries, and communication facilities which are connected to the computer and which are under the control and supervision of the operating system(s) or application(s) software used by the ASSURED.

b. Counterfeit means an imitation of an actual valid original which is intended to deceive and be taken as the original.

c. Custodian means the institution designated by an Investment Company to maintain possession and control of its assets.

d. Customer means an individual, corporate, partnership, trust customer, shareholder or subscriber of an Investment Company which has a written agreement with the ASSURED for Voice Initiated Funds Transfer Instruction.

e. Employee means:

(1) an officer of the ASSURED,

(2) a natural person while in the regular service of the ASSURED at any of the ASSURED'S premises and compensated directly by the ASSURED through its payroll system and subject to the United States Internal Revenue Service Form W-2 or equivalent income reporting plans of other countries, and whom the ASSURED has the right to control and direct both as to the result to be accomplished and details and means by which such result is accomplished in the performance of such service,

(3) a guest student pursuing studies or performing duties in any of the ASSURED'S premises,

(4) an attorney retained by the ASSURED and an employee of such attorney while either is performing legal services for the ASSURED,

(5) a natural person provided by an employment contractor to perform employee duties for the ASSURED under the ASSURED'S supervision at any of the ASSURED'S premises,

(6) an employee of an institution merged or consolidated with the ASSURED prior to the effective date of this Bond,

(7) a director or trustee of the ASSURED, but only while performing acts within the scope of the customary and usual duties of any officer or other employee of the ASSURED or while acting as a member of any committee duly elected or appointed to examine or audit or have custody of or access to Property of the ASSURED, or

(8) each natural person, partnership or corporation authorized by written agreement with the ASSURED to perform services as electronic data processor of checks or other accounting records related to such checks but only while such person, partnership or corporation is actually performing such services and not:

a. creating, preparing, modifying or maintaining the ASSURED'S computer software or programs, or

b. acting as transfer agent or in any other agency capacity in issuing checks, drafts or securities for the ASSURED,

(9) any partner, officer or employee of an investment advisor, an underwriter (distributor), a transfer agent or shareholder accounting recordkeeper, or an administrator, for an Investment Company while performing acts coming within the scope of the customary and usual duties of an officer or employee of an Investment Company or acting as a member of any committee duly elected or appointed to examine, audit or have custody of or access to Property of an Investment Company.

The term Employee shall not include any partner, officer or employee of a transfer agent, shareholder accounting recordkeeper or administrator:

a. which is not an "affiliated person" (as defined in Section 2(a) of the Investment Company Act of 1940) of an Investment Company or of the investment advisor or underwriter (distributor) of such Investment Company, or

b. which is a "bank" (as defined in Section 2(a) of the Investment Company Act of 1940).

This Bond does not afford coverage in favor of the employers of persons as set forth in e. (4), (5) and (8) above, and upon payment to the ASSURED by the COMPANY resulting directly from Larceny or Embezzlement committed by any of the partners, officers or employees of such employers, whether acting alone or in collusion with others, an assignment of such of the ASSURED'S rights and causes of action as it may have against such employers by reason of such acts so committed shall, to the extent of such payment, be given by the ASSURED to the COMPANY, and the ASSURED shall execute all papers necessary to secure to the COMPANY the rights provided for herein.

Each employer of persons as set forth in e.(4), (5) and (8) above and the partners, officers and other employees of such employers shall collectively be deemed to be one person for all the purposes of this Bond; excepting, however, the fifth paragraph of Section 13.

Independent contractors not specified in e.(4), (5) or (8) above, intermediaries, agents, brokers or other representatives of the same general character shall not be considered Employees.

f. Forgery means the signing of the name of another natural person with the intent to deceive but does not mean a signature which consists in whole or in part of one's own name, with or without authority, in any capacity for any purpose.

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g. Investment Company means any investment company registered under the Investment Company Act of 1940 and listed under the NAME OF ASSURED on the DECLARATIONS.

h. Items of Deposit means one or more checks or drafts drawn upon a financial institution in the United States of America.

i. Larceny or Embezzlement means larceny or embezzlement as defined in Section 37 of the Investment Company Act of 1940.

j. Property means money, revenue and other stamps; securities; including any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of deposit, certificate of interest or participation in any profit-sharing agreement, collateral trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, any interest or instruments commonly known as a security under the Investment Company Act of 1940, any other certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase any of the foregoing; bills of exchange; acceptances; checks; withdrawal orders; money orders; travelers' letters of credit; bills of lading; abstracts of title; insurance policies, deeds, mortgages on real estate and/or upon chattels and interests therein; assignments of such policies, deeds or mortgages; other valuable papers, including books of accounts and other records used by the ASSURED in the conduct of its business (but excluding all electronic data processing records); and, all other instruments similar to or in the nature of the foregoing in which the ASSURED acquired an interest at the time of the ASSURED'S consolidation or merger with, or purchase of the principal assets of, a predecessor or which are held by the ASSURED for any purpose or in any capacity and whether so held gratuitously or not and whether or not the ASSURED is liable therefor.

k. Relative means the spouse of an Employee or partner of the ASSURED and any unmarried child supported wholly by, or living in the home of, such Employee or partner and being related to them by blood, marriage or legal guardianship.

l. Securities, documents or other written instruments means original (including original counterparts) negotiable or non-negotiable instruments, or assignments thereof, which in and of themselves represent an equitable interest, ownership, or debt and which are in the ordinary course of business transferable by delivery of such instruments with any necessary endorsements or assignments.

m. Subsidiary means any organization that, at the inception date of this Bond, is named in the APPLICATION or is created during the BOND PERIOD and of which more than fifty percent (50%) of the outstanding securities or voting rights representing the present right to vote for election of directors is owned or controlled by the ASSURED either directly or through one or more of its subsidiaries.

n. Transportation Company means any organization which provides its own or its leased vehicles for transportation or which provides freight forwarding or air express services.

o. Voice Initiated Election means any election concerning dividend options available to Investment Company shareholders or subscribers which is requested by voice over the telephone.

p. Voice Initiated Redemption means any redemption of shares issued by an Investment Company which is requested by voice over the telephone.

q. Voice Initiated Funds Transfer Instruction means any Voice Initiated

Redemption or Voice Initiated Election.

For the purposes of these definitions, the singular includes the plural and the plural includes the singular, unless otherwise indicated.

General Exclusions - Applicable to All Insuring Clauses

2. This bond does not directly or indirectly cover:

a. loss not reported to the COMPANY in writing within sixty (60) days after termination of this Bond as an entirety;

b. loss due to riot or civil commotion outside the United States of America and Canada, or any loss due to military, naval or usurped power, war or insurrection. This Section 2.b., however, shall not apply to loss which occurs in transit in the circumstances recited in INSURING CLAUSE 3., provided that when such transit was initiated there was no knowledge on the part of any person acting for the ASSURED of such riot, civil commotion, military, naval or usurped power, war or insurrection;

c. loss resulting from the effects of nuclear fission or fusion or radioactivity;

d. loss of potential income including, but not limited to, interest and dividends not realized by the ASSURED or by any customer of the ASSURED;

e. damages of any type for which the ASSURED is legally liable, except compensatory damages, but not multiples thereof, arising from a loss covered under this Bond;

f. costs, fees and expenses incurred by the ASSURED in establishing the existence of or amount of loss under this Bond, except to the extent covered under INSURING CLAUSE 11.;

g. loss resulting from indirect or consequential loss of any nature;

h. loss resulting from dishonest acts by any member of the Board of Directors or Board of Trustees of the ASSURED who is not an Employee, acting alone or in collusion with others;

i. loss, or that part of any loss, resulting solely from any violation by the ASSURED or by any Employee:

(1) of any law regulating:

a. the issuance, purchase or sale of securities,

b. securities transactions on security or commodity exchanges or the over the counter market,

c. investment companies,

d. investment advisors, or

(2) of any rule or regulation made pursuant to any such law; or

j. loss of confidential information, material or data;

k. loss resulting from voice requests or instructions received over the telephone, provided however, this Section 2.k. shall not apply to INSURING CLAUSE 7. or 9.

Specific Exclusions - Applicable To All Insuring Clauses Except Insuring Clause 1.

3. This Bond does not directly or indirectly cover:

a. loss caused by an Employee, provided, however, this Section 3.a. shall not apply to loss covered under INSURING CLAUSE 2. or 3. which results directly from misplacement, mysterious unexplainable disappearance, or damage or destruction of Property;

b. loss through the surrender of property away from premises of the ASSURED as a result of a threat:

(1) to do bodily harm to any natural person, except loss of Property in transit in the custody of any person acting as messenger of the ASSURED, provided that when such transit was initiated there was no knowledge by the ASSURED of any such threat, and provided further that this Section 3.b. shall not apply to INSURING CLAUSE 7., or

(2) to do damage to the premises or Property of the ASSURED;

c. loss resulting from payments made or withdrawals from any account involving erroneous credits to such account;

d. loss involving Items of Deposit which are not finally paid for any reason provided however, that this Section 3.d. shall not apply to INSURING CLAUSE 10.;

e. loss of property while in the mail;

f. loss resulting from the failure for any reason of a financial or depository institution, its receiver or other liquidator to pay or deliver funds or other Property to the ASSURED provided further that this Section 3.f. shall not apply to loss of Property resulting directly from robbery, burglary, misplacement, mysterious unexplainable disappearance, damage, destruction or removal from the possession, custody or control of the ASSURED.

g. loss of Property while in the custody of a Transportation Company, provided however, that this Section 3.g. shall not apply to INSURING CLAUSE 3.;

h. loss resulting from entries or changes made by a natural person with authorized access to a Computer System who acts in good faith on instructions, unless such instructions are given to that person by a software contractor or its partner, officer, or employee authorized by the ASSURED to design, develop, prepare, supply, service, write or implement programs for the ASSURED's Computer System; or

i. loss resulting directly or indirectly from the input of data into a Computer System terminal, either on the premises of the customer of the ASSURED or under the control of such a customer, by a customer or other person who had authorized access to the customer's authentication mechanism.

Specific Exclusions - Applicable To All Insuring Clauses Except Insuring Clauses 1., 4., And 5.

4. This bond does not directly or indirectly cover:

a. loss resulting from the complete or partial non-payment of or default on any loan whether such loan was procured in good faith or through trick, artifice, fraud or false pretenses; provided, however, this Section 4.a. shall not apply to INSURING CLAUSE 8.;

- b. loss resulting from forgery or any alteration;
- c. loss involving a counterfeit provided, however, this Section 4.c. shall not apply to INSURING CLAUSE 5. or 6.

Limit Of Liability/Non-Reduction And Non-Accumulation Of Liability

5. At all times prior to termination of this Bond, this Bond shall continue in force for the limit stated in the applicable sections of ITEM 2. of the DECLARATIONS, notwithstanding any previous loss for which the COMPANY may have paid or be liable to pay under this Bond provided, however, that the liability of the COMPANY under this Bond with respect to all loss resulting from:

- a. any one act of burglary, robbery or hold-up, or attempt thereat, in which no Employee is concerned or implicated, or
- b. any one unintentional or negligent act on the part of any one person resulting in damage to or destruction or misplacement of Property, or
- c. all acts, other than those specified in a. above, of any one person, or
- d. any one casualty or event other than those specified in a., b., or c. above,

shall be deemed to be one loss and shall be limited to the applicable LIMIT OF LIABILITY stated in ITEM 2. of the DECLARATIONS of this Bond irrespective of the total amount of such loss or losses and shall not be cumulative in amounts from year to year or from period to period.

All acts, as specified in c. above, of any one person which

- i. directly or indirectly aid in any way wrongful acts of any other person or persons, or
- ii. permit the continuation of wrongful acts of any other person or persons

whether such acts are committed with or without the knowledge of the wrongful acts of the person so aided, and whether such acts are committed with or without the intent to aid such other person, shall be deemed to be one loss with the wrongful acts of all persons so aided.

Discovery

6. This Bond applies only to loss first discovered by an officer of the ASSURED during the BOND PERIOD. Discovery occurs at the earlier of an officer of the ASSURED being aware of:

- a. facts which may subsequently result in a loss of a type covered by this Bond, or
- b. an actual or potential claim in which it is alleged that the ASSURED is liable to a third party, regardless of when the act or acts causing or contributing to such loss occurred, even though the amount of loss does not exceed the applicable DEDUCTIBLE AMOUNT, or the exact amount or details of loss may not then be known.

Notice To Company - Proof - Legal Proceedings Against Company

7. a. The ASSURED shall give the COMPANY notice thereof at the earliest practicable moment, not to exceed sixty (60) days after discovery of loss, in an amount that is in excess of 50% of the applicable DEDUCTIBLE AMOUNT, as stated in ITEM 2. of the DECLARATIONS.

b. The ASSURED shall furnish to the COMPANY proof of loss, duly sworn to, with full particulars within six (6) months after such discovery.

c. Securities listed in a proof of loss shall be identified by certificate or bond numbers, if issued with them.

d. Legal proceedings for the recovery of any loss under this Bond shall not be brought prior to the expiration of sixty (60) days after the proof of loss is filed with the COMPANY or after the expiration of twenty-four (24) months from the discovery of such loss.

e. This Bond affords coverage only in favor of the ASSURED. No claim, suit, action or legal proceedings shall be brought under this Bond by anyone other than the ASSURED.

f. Proof of loss involving Voice Initiated Funds Transfer Instruction shall include electronic recordings of such instructions.

#### Deductible Amount

8. The COMPANY shall not be liable under any INSURING CLAUSES of this Bond on account of loss unless the amount of such loss, after deducting the net amount of all reimbursement and/or recovery obtained or made by the ASSURED, other than from any Bond or policy of insurance issued by an insurance company and covering such loss, or by the COMPANY on account thereof prior to payment by the COMPANY of such loss, shall exceed the DEDUCTIBLE AMOUNT set forth in ITEM 3. of the DECLARATIONS, and then for such excess only, but in no event for more than the applicable LIMITS OF LIABILITY stated in ITEM 2. of the DECLARATIONS.

There shall be no deductible applicable to any loss under INSURING CLAUSE 1. sustained by any Investment Company.

#### Valuation

##### 9. BOOKS OF ACCOUNT OR OTHER RECORDS

The value of any loss of Property consisting of books of account or other records used by the ASSURED in the conduct of its business shall be the amount paid by the ASSURED for blank books, blank pages, or other materials which replace the lost books of account or other records, plus the cost of labor paid by the ASSURED for the actual transcription or copying of data to reproduce such books of account or other records.

The value of any loss of Property other than books of account or other records used by the ASSURED in the conduct of its business, for which a claim is made shall be determined by the average market value of such Property on the business day immediately preceding discovery of such loss provided, however, that the value of any Property replaced by the ASSURED with the consent of the COMPANY and prior to the settlement of any claim for such Property shall be the actual market value at the time of replacement.

In the case of a loss of interim certificates, warrants, rights or other securities, the production of which is necessary to the exercise of subscription, conversion, redemption or deposit privileges, the value of them shall be the market value of such privileges immediately preceding their expiration if said loss is not discovered until after their expiration. If no market price is quoted for such Property or for such privileges, the value shall be fixed by agreement between the parties.

##### OTHER PROPERTY

The value of any loss of Property, other than as stated above, shall be the

actual cash value or the cost of repairing or replacing such Property with Property of like quality and value, whichever is less.

#### Securities Settlement

10. In the event of a loss of securities covered under this Bond, the COMPANY may, at its sole discretion, purchase replacement securities, tender the value of the securities in money, or issue its indemnity to effect replacement securities.

The indemnity required from the ASSURED under the terms of this Section against all loss, cost or expense arising from the replacement of securities by the COMPANY'S indemnity shall be:

a. for securities having a value less than or equal to the applicable DEDUCTIBLE AMOUNT - one hundred (100%) percent;

b. for securities having a value in excess of the DEDUCTIBLE AMOUNT but within the applicable LIMIT OF LIABILITY - the percentage that the DEDUCTIBLE AMOUNT bears to the value of the securities;

c. for securities having a value greater than the applicable LIMIT OF LIABILITY - the percentage that the DEDUCTIBLE AMOUNT and portion in excess of the applicable LIMIT OF LIABILITY bears to the value of the securities.

The value referred to in Section 10.a., b., and c. is the value in accordance with Section 9, VALUATION, regardless of the value of such securities at the time the loss under the COMPANY'S indemnity is sustained.

The COMPANY is not required to issue its indemnity for any portion of a loss of securities which is not covered by this Bond; however, the COMPANY may do so as a courtesy to the ASSURED and at its sole discretion.

The ASSURED shall pay the proportion of the Company's premium charge for the Company's indemnity as set forth in Section 10.a., b., and c. No portion of the LIMIT OF LIABILITY shall be used as payment of premium for any indemnity purchased by the ASSURED to obtain replacement securities.

#### Subrogation - Assignment - Recovery

11. In the event of a payment under this Bond, the COMPANY shall be subrogated to all of the ASSURED'S rights of recovery against any person or entity to the extent of such payment. On request, the ASSURED shall deliver to the COMPANY an assignment of the ASSURED'S rights, title and interest and causes of action against any person or entity to the extent of such payment.

Recoveries, whether effected by the COMPANY or by the ASSURED, shall be applied net of the expense of such recovery in the following order:

a. first, to the satisfaction of the ASSURED'S loss which would otherwise have been paid but for the fact that it is in excess of the applicable LIMIT OF LIABILITY,

b. second, to the COMPANY in satisfaction of amounts paid in settlement of the ASSURED'S claim,

c. third, to the ASSURED in satisfaction of the applicable DEDUCTIBLE AMOUNT, and

d. fourth, to the ASSURED in satisfaction of any loss suffered by the ASSURED which was not covered under this Bond.



Recovery from reinsurance or indemnity of the COMPANY shall not be deemed a recovery under this section.

Cooperation Of Assured

12. At the COMPANY'S request and at reasonable times and places designated by the COMPANY, the ASSURED shall:

- a. submit to examination by the COMPANY and subscribe to the same under oath,
- b. produce for the COMPANY'S examination all pertinent records, and
- c. cooperate with the COMPANY in all matters pertaining to the loss.

The ASSURED shall execute all papers and render assistance to secure to the COMPANY the rights and causes of action provided for under this Bond. The ASSURED shall do nothing after loss to prejudice such rights or causes of action.

Termination

13. If the Bond is for a sole ASSURED, it shall not be terminated unless written notice shall have been given by the acting party to the affected party and to the Securities and Exchange Commission, Washington, D.C., not less than sixty (60) days prior to the effective date of such termination.

If the Bond is for a joint ASSURED, it shall not be terminated unless written notice shall have been given by the acting party to the affected party, and by the COMPANY to all ASSURED Investment Companies and to the Securities and Exchange Commission, Washington, D.C., not less than sixty (60) days prior to the effective date of such termination.

This Bond will terminate as to any one ASSURED, other than an Investment Company:

- a. immediately on the taking over of such ASSURED by a receiver or other liquidator or by State or Federal officials, or
- b. immediately on the filing of a petition under any State or Federal statute relative to bankruptcy or reorganization of the ASSURED, or assignment for the benefit of creditors of the ASSURED, or
- c. immediately upon such ASSURED ceasing to exist, whether through merger into another entity, disposition of all of its assets or otherwise.

The COMPANY shall refund the unearned premium computed at short rates in accordance with the standard short rate cancellation tables if terminated by the ASSURED or pro rata if terminated for any other reason.

If any partner, director, trustee, or officer or supervisory employee of an ASSURED not acting in collusion with an Employee learns of any dishonest act committed by such Employee at any time, whether in the employment of the ASSURED or otherwise, whether or not such act is of the type covered under this Bond, and whether against the ASSURED or any other person or entity, the ASSURED:

- a. shall immediately remove such Employee from a position that would enable such Employee to cause the ASSURED to suffer a loss covered by this Bond; and
- b. within forty-eight (48) hours of learning that an Employee has committed any dishonest act, shall notify the COMPANY, of such action and provide full particulars of such dishonest act.

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The COMPANY may terminate coverage as respects any Employee sixty (60) days after written notice is received by each ASSURED Investment Company and the Securities and Exchange Commission, Washington, D.C. of its desire to terminate this Bond as to such Employee.

Other Insurance

14. Coverage under this Bond shall apply only as excess over any valid and collectible insurance, indemnity or suretyship obtained by or on behalf of:

- a. the ASSURED,
- b. a Transportation Company, or
- c. another entity on whose premises the loss occurred or which employed the person causing the loss or engaged the messenger conveying the Property involved.

Conformity

15. If any limitation within this Bond is prohibited by any law controlling this Bond's construction, such limitation shall be deemed to be amended so as to equal the minimum period of limitation provided by such law.

Change or Modification

16. This Bond or any instrument amending or affecting this Bond may not be changed or modified orally. No change in or modification of this Bond shall be effective except when made by written endorsement to this Bond signed by an authorized representative of the COMPANY.

If this Bond is for a sole ASSURED, no change or modification which would adversely affect the rights of the ASSURED shall be effective prior to sixty (60) days after written notice has been furnished to the Securities and Exchange Commission, Washington, D.C., by the acting party.

If this Bond is for a joint ASSURED, no change or modification which would adversely affect the rights of the ASSURED shall be effective prior to sixty (60) days after written notice has been furnished to all insured Investment Companies and to the Securities and Exchange Commission, Washington, D.C., by the COMPANY.

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FEDERAL INSURANCE COMPANY

Endorsement No: 1 BOND

Bond Number: 81951478

NAME OF ASSURED: DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

NAME OF ASSURED ENDORSEMENT

It is agreed that the NAME OF ASSURED in the DECLARATIONS is amended to read as follows:

DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

FUND

Delaware Group Adviser Funds

Delaware Group Cash Reserve

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Delaware Group Equity Funds I  
 Delaware Group Equity Funds II  
 Delaware Group Equity Funds III  
 Delaware Group Equity Funds IV  
 Delaware Group Equity Funds V  
 Delaware Group Foundation Funds  
 Delaware Group Limited-Term Government Funds  
 Delaware Group Global & International Funds  
 Delaware Group Government Fund  
 Delaware Group Income Funds  
 Delaware VIP Trust  
 Delaware Group State Tax-Free Income Trust  
 Delaware Group Tax-Free Fund  
 Delaware Group Tax-Free Money Fund  
 Delaware Pooled Trust  
 Voyageur Insured Funds  
 Voyageur Intermediate Tax Free Funds  
 Delaware Investments Municipal Trust  
 Voyageur Mutual Funds  
 Voyageur Mutual Funds II  
 Voyageur Mutual Funds III  
 Voyageur Tax-Free Funds  
 Delaware Investments Dividend and Income Fund, Inc.  
 Delaware Investments Global Dividend and Income Fund, Inc.  
 Delaware Investments Arizona Municipal Income Fund, Inc.  
 Delaware Investments Colorado Insured Municipal Income Fund,  
 Inc.  
 Delaware Investments Florida Insured Municipal Income Fund, Inc.  
 Delaware Investments Minnesota Municipal Income Fund II, Inc.

This Endorsement applies to loss discovered after 12:01 a.m. on October 31, 2006.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: November 29, 2006

By  
 /s/ Robert Hamburger  
 Authorized Representative

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FEDERAL INSURANCE COMPANY

Endorsement No.: 2 BOND

Bond Number: 81951478

NAME OF ASSURED: DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

TELEFACSIMILE INSTRUCTION FRAUD ENDORSEMENT

It is agreed that this Bond is amended as follows:

1. By adding the following INSURING CLAUSE:

12. Telefacsimile Instruction

Loss resulting directly from the ASSURED having transferred, paid or delivered any funds or other Property or established any credit, debited any account or given any value on the faith of any fraudulent instructions sent by a Customer,

financial institution or another office of the ASSURED by Telefacsimile directly to the ASSURED authorizing or acknowledging the transfer, payment or delivery of funds or Property or the establishment of a credit or the debiting of an account or the giving of value by the ASSURED where such Telefacsimile instructions:

a. bear a valid test key exchanged between the ASSURED and a Customer or another financial institution with authority to use such test key for Telefacsimile instructions in the ordinary course of business, but which test key has been wrongfully obtained by a person who was not authorized to initiate, make, validate or authenticate a test key arrangement, and

b. fraudulently purport to have been sent by such Customer or financial institution when such Telefacsimile instructions were transmitted without the knowledge or consent of such Customer or financial institution by a person other than such Customer or financial institution and which bear a Forgery of a signature, provided that the Telefacsimile instruction was verified by a direct call back to an employee of the financial institution, or a person thought by the ASSURED to be the Customer, or an employee of another financial institution.

2. By deleting from Section 1., Definitions, the definition of Customer in its entirety, and substituting the following:

d. Customer means an individual, corporate, partnership, trust customer, shareholder or subscriber of an Investment Company which has a written agreement with the ASSURED for Voice Initiated Funds Transfer Instruction or Telefacsimile Instruction.

3. By adding to Section 1., Definitions, the following:

r. Telefacsimile means a system of transmitting written documents by electronic signals over telephone lines to equipment maintained by the ASSURED for the purpose of reproducing a copy of said document. Telefacsimile does not mean electronic communication sent by Telex or similar means of communication, or through an electronic communication system or through an automated clearing house.

4. By adding to Section 3., Specific Exclusions Applicable to All Insuring Clauses Except Insuring Clause 1. the following:

J. loss resulting directly or indirectly from Telefacsimile instructions provided, however, this exclusion shall not apply to this INSURING CLAUSE.

This Endorsement applies to loss discovered after 12:01 a.m. on October 31, 2006.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: November 29, 2006

By  
/s/ Robert Hamburger  
Authorized Representative

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FEDERAL INSURANCE COMPANY

Endorsement No.: 3 BOND

Bond Number: 81951478

NAME OF ASSURED: DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

AUTOMATED TELEPHONE TRANSACTION ENDORSEMENT

It is agreed that this Bond is amended as follows:

1. By adding the following INSURING CLAUSE:

13. Automated Telephone System Transaction

Loss resulting directly from the ASSURED having transferred funds on the faith of any Automated Phone System (APS) Transaction, where the request for such APS Transaction is unauthorized or fraudulent and is made with the intent to deceive. In order for coverage to apply under this INSURING CLAUSE the ASSURED shall maintain and follow all APS Designated Procedures. A single failure of the ASSURED to maintain and follow a particular APS Designated Procedure in a particular APS Transaction will not preclude coverage under this INSURING CLAUSE.

2. By adding to Section 1., Definitions, the following:

s. APS Designated Procedures means all of the following procedures:

(1) No APS Transaction shall be executed unless the shareholder or unitholder to whose account such an APS Transaction relates has previously elected to APS Transactions. (Election in Application)

(2) All APS Transactions shall be logged or otherwise recorded and the records shall be retained for at least six (6) months. (Logging)

Information contained in the records shall be capable of being retrieved and produced within a reasonable time after retrieval of specific information is requested, at a success rate of no less than 85 percent.

(3) The caller in any request for an APS Transaction, before executing that APS Transaction must enter a personal identification number (PIN), social security number and account number. (Identity Test) If the caller fails to enter a correct PIN within three (3) attempts, the caller must not be allowed additional attempts during the same telephone call to enter the PIN. The caller may either be instructed to redial a customer service representative or may be immediately connected to such a representative. (Limited attempts to Enter PIN)

(4) A written confirmation of any APS Transaction or change of address shall be mailed to the shareholder or unitholder to whose account such transaction relates, at the record address, by the end of the insured's next regular processing cycle, but in no event later than five (5) business days following such APS Transaction. (Written Confirmation)

(5) Access to the equipment which permits the entity receiving the APS Transaction request to process and effect the transaction shall be limited in the following manner: (Access to APS Equipment)

t. APS Election means any election concerning various account features available to the shareholder or unitholder which is made through the Automated Phone System by means of information transmitted by an individual caller through use of a Automated Phone System. These features include account statements, auto exchange, auto asset builder, automatic withdrawal, dividend/capital gain options, dividend sweep, telephone balance consent and change of address.

u. APS Exchange means any exchange of shares or units in a registered account of

one fund into shares or units in an account with the same tax identification number and same ownership-type code of another fund in the same complex pursuant to exchange privileges of the two funds, which exchange is requested through the Automated Phone System by means of information transmitted by an individual caller through use of an Automated Phone System.

v. APS Purchase means any purchase of shares or units issued by an Investment Company which is requested through an Automated Phone System.

w. APS Redemption means any redemption of shares or units issued by an Investment Company which is requested through the telephone by means of information transmitted by an individual caller through use of a Automated Phone System.

x. APS Transaction means any APS Purchase, APS Redemption, APS Election or APS Exchange.

y. Automated Phone System means an automated system which receives and converts to executable instructions transmissions through the Automated Phone System through use of a touch-tone keypad or other tone system; and always excluding transmissions from a computer system or part thereof.

3. By adding the following Section after Section 4., Specific Exclusions-Applicable To All Insuring Clauses Except 1., 4., 5.:

Section 4.A.. Specific Exclusion-Applicable to Insuring Clause 13

This Bond does not directly or indirectly cover under Insuring Clause 13:

Loss resulting from:

a. the redemption of shares or units, where the proceeds of such redemption are made payable to other than:

(1) the shares or units of record,

(2) a person designated to receive redemption proceeds, or

(3) a bank account designated to receive redemption proceeds, or

b. the redemption of shares or units, where the proceeds of such redemption are paid by check mailed to any address, unless such address has either been designated the shareholder or unitholder by voice through an Automated Phone System or in writing, at least thirty (30) days prior to such redemption, or

c. the redemption of shares or units, where shareholder or unitholder of the ASSURED designated bank account of record.

This Endorsement applies to loss discovered after 12:01 a.m. on October 31, 2006.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: November 29, 2006

By  
/s/ Robert Hamburger  
Authorized Representative

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FEDERAL INSURANCE COMPANY

Endorsement No.: 4 BOND

Bond Number: 81951478

NAME OF ASSURED: DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

STOP PAYMENT ORDER OR REFUSAL TO PAY CHECK ENDORSEMENT

It is agreed that this Bond is amended as follows:

1. By adding the following INSURING CLAUSE:

"14. Stop Payment Order or Refusal to Pay Check Loss resulting directly from the ASSURED being legally liable to pay compensatory damages for:

a. complying or failing to comply with notice from any customer of the ASSURED or any authorized representative of such customer, to stop payment on any check or draft made or drawn upon or against the ASSURED by such customer or by any authorized representative of such customer, or

b. refusing to pay any check or draft made or drawn upon or against the ASSURED by any customer of the ASSURED or by any authorized representative of such customer."

2. By adding the following Specific Exclusion:

"Section 4.A. Specific Exclusions - Applicable to INSURING CLAUSE 14

This Bond does not directly or indirectly cover:

a. liability assumed by the ASSURED by agreement under any contract, unless such liability would have attached to the ASSURED even in the absence of such agreement,

b. loss arising out of:

(1) libel, slander, wrongful entry, eviction, defamation, false arrest, false imprisonment, malicious prosecution, assault or battery,

(2) sickness, disease, physical bodily harm, mental or emotional distress or anguish, or death of any person, or

(3) discrimination."

This Endorsement applies to loss discovered after 12:01 a.m. on October 31, 2006.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: November 29, 2006

By  
/s/ Robert Hamburger  
Authorized Representative

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FEDERAL INSURANCE COMPANY

Endorsement No.: 5 BOND

Bond Number: 81951478

NAME OF ASSURED: DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

UNAUTHORIZED SIGNATURE ENDORSEMENT

It is agreed that this Bond is amended as follows:

1. By adding the following INSURING CLAUSE:

15. Unauthorized Signature

Loss resulting directly from the ASSURED having accepted, paid or cashed any check or Withdrawal Order made or drawn on or against the account of the ASSURED'S customer which bears the signature or endorsement of one other than a person whose name and signature is on file with the ASSURED as a signatory on such account.

It shall be a condition precedent to the ASSURED'S right of recovery under this INSURING CLAUSE that the ASSURED shall have on file signatures of all the persons who are signatories on such account.

2. By adding to Section 1., Definitions, the following:

z. Instruction means a written order to the issuer of an Uncertificated Security requesting that the transfer, pledge or release from pledge of the specified Uncertificated Security be registered.

aa. Uncertificated Security means a share, participation or other interest in property of or an enterprise of the issuer or an obligation of the issuer, which is:

(1) not represented by an instrument and the transfer of which is registered on books maintained for that purpose by or on behalf of the issuer, and

(2) of a type commonly dealt in on securities exchanges or markets, and

(3) either one of a class or series or by its terms divisible into a class or series of shares, participations, interests or obligations.

bb. Withdrawal Order means a non-negotiable instrument, other than an Instruction, signed by a customer of the ASSURED authorizing the ASSURED to debit the customer's account in the amount of funds stated therein.

This Endorsement applies to loss discovered after 12:01 a.m. on October 31, 2006.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: November 29, 2006

By  
/s/ Robert Hamburger  
Authorized Representative

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FEDERAL INSURANCE COMPANY

Endorsement No.: 6 BOND



Bond Number: 81951478

NAME OF ASSURED: DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

EXTENDED COMPUTER SYSTEMS ENDORSEMENT

It is agreed that this Bond is amended as follows:

1. By adding the following INSURING CLAUSE:

16. Extended Computer Systems

A. Electronic Data, Electronic Media, Electronic Instruction

Loss resulting directly from:

(1) the fraudulent modification of Electronic Data, Electronic Media or Electronic Instruction being stored within or being run within any system covered under this INSURING CLAUSE,

(2) robbery, burglary, larceny or theft of Electronic Data, Electronic Media or Electronic Instructions,

(3) the acts of a hacker causing damage or destruction of Electronic Data, Electronic Media or Electronic Instruction owned by the ASSURED or for which the ASSURED is legally liable, while stored within a Computer System covered under this INSURING CLAUSE, or

(4) the damage or destruction of Electronic Data, Electronic Media or Electronic Instruction owned by the ASSURED or for which the ASSURED is legally liable while stored within a Computer System covered under INSURING CLAUSE 16, provided such damage or destruction was caused by a computer program or similar instruction which was written or altered to intentionally incorporate a hidden instruction designed to damage or destroy Electronic Data, Electronic Media, or Electronic Instruction in the Computer System in which the computer program or instruction so written or so altered is used.

B. Electronic Communication

Loss resulting directly from the ASSURED having transferred, paid or delivered any funds or property, established any credit, debited any account or given any value on the faith of any electronic communications directed to the ASSURED, which were transmitted or appear to have been transmitted through:

(1) an Electronic Communication System,

(2) an automated clearing house or custodian, or

(3) a Telex, TWX, or similar means of communication, directly into the ASSURED'S Computer System or Communication Terminal, and fraudulently purport to have been sent by a customer, automated clearing house, custodian, or financial institution, but which communications were either not sent by said customer, automated clearing house, custodian, or financial institution, or were fraudulently modified during physical transit of Electronic Media to the ASSURED or during electronic transmission to the ASSURED'S Computer System or Communication Terminal.

C. Electronic Transmission

Loss resulting directly from a customer of the ASSURED, any automated clearing house, custodian, or financial institution having transferred, paid or delivered any funds or property, established any credit, debited any account or given any

value on the faith of any electronic communications, purporting to have been directed by the ASSURED to such customer, automated clearing house, custodian, or financial institution initiating, authorizing, or acknowledging, the transfer, payment, delivery or receipt of funds or property, which communications were transmitted through:

- (1) an Electronic Communication System,
- (2) an automated clearing house or custodian, or
- (3) a Telex, TWX, or similar means of communication, directly into a Computer System or Communication Terminal of said customer, automated clearing house, custodian, or financial institution, and fraudulently purport to have been directed by the ASSURED, but which communications were either not sent by the ASSURED, or were fraudulently modified during physical transit of Electronic Media from the ASSURED or during electronic transmission from the ASSURED'S Computer System or Communication Terminal, and for which loss the ASSURED is held to be legally liable.

2. By adding to Section 1., Definitions, the following:

cc. Communication Terminal means a teletype, teleprinter or video display terminal, or similar device capable of sending or receiving information electronically. Communication Terminal does not mean a telephone.

dd. Electronic Communication System means electronic communication operations by Fedwire, Clearing House Interbank Payment System (CHIPS), Society of Worldwide International Financial Telecommunication (SWIFT), similar automated interbank communication systems, and Internet access facilities.

ee. Electronic Data means facts or information converted to a form usable in Computer Systems and which is stored on Electronic Media for use by computer programs.

ff. Electronic Instruction means computer programs converted to a form usable in a Computer System to act upon Electronic Data.

gg. Electronic Media means the magnetic tape, magnetic disk, optical disk, or any other bulk media on which data is recorded.

3. By adding the following Section after Section 4., Specific Exclusions-Applicable to All INSURING CLAUSES except 1., 4., and 5.:

Section 4.A. Specific Exclusions-Applicable to INSURING CLAUSE 16

This Bond does not directly or indirectly cover:

a. loss resulting directly or indirectly from Forged, altered or fraudulent negotiable instruments, securities, documents or written instruments used as source documentation in the preparation of Electronic Data;

b. loss of negotiable instruments, securities, documents or written instruments except as converted to Electronic Data and then only in that converted form;

c. loss resulting from mechanical failure, faulty construction, error in design, latent defect, wear or tear, gradual deterioration, electrical disturbance, Electronic Media failure or breakdown or any malfunction or error in programming or error or omission in processing;

d. loss resulting directly or indirectly from the input of Electronic Data at an authorized electronic terminal of an Electronic Funds Transfer System or a Customer Communication System by a person who had authorized access from a

customer to that customer's authentication mechanism; or

e. liability assumed by the ASSURED by agreement under any contract, unless such liability would have attached to the ASSURED even in the absence of such agreement; or

f. loss resulting directly or indirectly from:

(1) written instruction unless covered under this INSURING CLAUSE; or

(2) instruction by voice over the telephone, unless covered under this INSURING CLAUSE.

4. By adding to Section 9., Valuation, the following:

Electronic Data, Electronic Media, Or Electronic Instruction

In case of loss of, or damage to, Electronic Data, Electronic Media or Electronic Instruction used by the ASSURED in its business, the COMPANY shall be liable under this Bond only if such items are actually reproduced from other Electronic Data, Electronic Media or Electronic Instruction of the same kind or quality and then for not more than the cost of the blank media and/or the cost of labor for the actual transcription or copying of data which shall have been furnished by the ASSURED in order to reproduce such Electronic Data, Electronic Media or Electronic Instruction subject to the applicable SINGLE LOSS LIMIT OF LIABILITY.

However, if such Electronic Data can not be reproduced and said Electronic Data represents Securities or financial instruments having a value, then the loss will be valued as indicated in the SECURITIES and OTHER PROPERTY paragraphs of this Section.

This Endorsement applies to loss discovered after 12:01 a.m. on October 31, 2006.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: November 29, 2006

By  
/s/ Robert Hamburger  
Authorized Representative

=====

FEDERAL INSURANCE COMPANY

Endorsement No.: 7 BOND

Bond Number: 81951478

NAME OF ASSURED: DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

NON-CUMULATIVE ENDORSEMENT

It is agreed that in the event of a loss covered under this Bond and also covered under FEDERAL INSURANCE COMPANY'S BOND No. 81951478 issued to DELAWARE MANAGEMENT HOLDINGS, INC., the SINGLE LOSS LIMIT OF LIABILITY under this Bond shall be reduced by any payment under BOND No. 81951478 and only the remainder, if any, shall be applicable to such loss hereunder.

Name and Address of Assured:  
DELAWARE INVESTMENT COMPANY FAMILY OF  
FUNDS

1 COMMERCE SQUARE  
PHILADELPHIA, PA 19103

Signature of Assured's Representative

Position/Title

Date

This Endorsement applies to loss discovered after 12:01 a.m. on October 31, 2006.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: November 29, 2006

By  
/s/ Robert Hamburger  
Authorized Representative

=====

FEDERAL INSURANCE COMPANY

Endorsement No.: 8

Bond Number: 81951478 BOND

NAME OF ASSURED: DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

AMEND DISCOVERY ENDORSEMENT

It is agreed that this Bond is amended by deleting Section 6., Discovery, in its entirety and substituting the following:

6. Discovery

This Bond applies only to loss first discovered by the General Counsel or Risk Management Department of the ASSURED during the BOND PERIOD. Discovery occurs at the earlier of the General Counsel or Risk Management Department of the ASSURED being aware of:

a. facts which may subsequently result in a loss of a type covered by this Bond, or

b. an actual or potential claim in which it is alleged that the ASSURED is liable to a third party, regardless of when the act or acts causing or contributing to such loss occurred, even though the amount of loss does not exceed the applicable DEDUCTIBLE AMOUNT, or the exact amount or details of loss may not then be known.

This Endorsement applies to loss discovered after 12:01 a.m. on October 31, 2006.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: November 29, 2006

By  
/s/ Robert Hamburger  
Authorized Representative

=====

FEDERAL INSURANCE COMPANY

Endorsement No. 9 BOND

Bond Number: 81951478

NAME OF ASSURED: DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

REVISE ITEM 2. ENDORSEMENT

It is agreed that this Bond is amended by deleting ITEM 2. in its entirety on the DECLARATIONS and substituting the following:

ITEM 2. LIMITS OF LIABILITY-DEDUCTIBLE AMOUNTS:

If "Not Covered" is inserted below opposite any specified INSURING CLAUSE, such INSURING CLAUSE and any other reference to such INSURING CLAUSE in this Bond shall be deemed to be deleted. There shall be no deductible applicable to any loss under INSURING CLAUSE 1 sustained by any Investment Company.

| INSURING CLAUSE                                   | SINGLE LOSS<br>LIMIT OF LIABILITY | DEDUCTIBLE<br>AMOUNT |
|---|-----------------------------------|----------------------|
| 1. Employee                                       | \$20,000,000                      | \$ 0                 |
| 2. On Premises                                    | \$20,000,000                      | \$50,000             |
| 3. In Transit                                     | \$20,000,000                      | \$50,000             |
| 4. Forgery or Alteration                          | \$20,000,000                      | \$50,000             |
| 5. Extended Forgery                               | \$20,000,000                      | \$50,000             |
| 6. Counterfeit Currency                           | \$20,000,000                      | \$50,000             |
| 7. Threats to Person                              | \$Not Covered                     | \$ N/A               |
| 8. Computer System                                | \$20,000,000                      | \$50,000             |
| 9 Voice Initiated Funds Transfer<br>Instruction   | \$20,000,000                      | \$50,000             |
| 10. Uncollectible Items of Deposit                | \$ 50,000                         | \$10,000             |
| 11. Audit Expense                                 | \$ 100,000                        | \$ 0                 |
| 12. Telefacsimile Instruction                     | \$ 50,000                         | \$10,000             |
| 13. Automated Telephone Transaction               | \$ 50,000                         | \$10,000             |
| 14. Stop Payment Order or Refusal<br>to Pay Check | \$20,000,000                      | \$50,000             |
| 15. Unauthorized Signature                        | \$20,000,000                      | \$50,000             |
| 16. Extended Computer Systems                     | \$20,000,000                      | \$50,000             |

This Endorsement applies to loss discovered after 12:01 a.m. on October 31, 2006.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: November 29, 2006

By  
/s/ Robert Hamburger  
Authorized Representative

=====

Effective date of

this endorsement: October 31, 2006 FEDERAL INSURANCE COMPANY

Endorsement No.:10 BOND

To be attached to and form  
a part of Policy  
Number: 81951478

Issued to: DELAWARE INVESTMENT COMPANY FAMILY OF FUNDS

COMPLIANCE WITH APPLICABLE TRADE SANCTION LAWS RIDER

It is agreed that this insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit the coverage provided by this insurance.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: November 29, 2006

By  
/s/ Robert Hamburger  
Authorized Representative

=====  
Chubb & Son, div. of Federal Insurance Company as manager of the member insurers of the Chubb Group of Insurance Companies

POLICYHOLDER  
DISCLOSURE NOTICE OF  
TERRORISM INSURANCE COVERAGE  
(for policies with no terrorism exclusion or sublimit)

You are hereby notified that, under the Terrorism Risk Insurance Act of 2002 (the "Act") effective November 26, 2002, this policy makes available to you insurance for losses arising out of certain acts of international terrorism. Terrorism is defined as any act certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States Mission; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that the insurance provided by your policy for losses caused by acts of terrorism is partially reimbursed by the United States under the formula set forth in the Act. Under this formula, the United States pays 90% of covered terrorism losses that exceed the statutorily established deductible to be paid by the insurance company providing the coverage. The portion of your policy's annual premium that is attributable to insurance for such acts of terrorism is: \$ -0-.

If you have any questions about this notice, please contact your agent or broker.

=====

Important Notice:

The SEC Requires Proof of Your Fidelity Insurance Policy

Your company is now required to file an electronic copy of your fidelity insurance coverage (Chubb's ICAP Bond policy) to the Securities and Exchange Commission (SEC), according to rules adopted by the SEC on June 12, 2006.

Chubb is in the process of providing your agent/broker with an electronic copy of your insurance policy as well as instructions on how to submit this proof of fidelity insurance coverage to the SEC. You can expect to receive this information from your agent/broker shortly.

The electronic copy of your policy is provided by Chubb solely as a convenience and does not affect the terms and conditions of coverage as set forth in the paper policy you receive by mail. The terms and conditions of the policy mailed to you, which are the same as those set forth in the electronic copy, constitute the entire agreement between your company and Chubb.

If you have any questions, please contact your agent or broker.

POLICY FORM LIST

Here's a list of all forms included in your policy, on the date shown below. These forms are listed in the same order as they appear in your policy.

| Title   | Form Number | Edition Date |
|---|-------------|--------------|
| Policy Form List  | 40705       | 05-84        |
| Excess Follow Form Financial Institution Bond - St. Paul Form | XSFFFIB     | 04-96        |

Name of Insured  
DELAWARE INVESTMENT CO. FAMILY OF FUND

Policy Number  
476BD0431

Effective Date  
10/31/06

Processing Date  
12/11/06 13:27 001

\* This is not a certified copy of any policy form. \* Actual policy provisions may differ.\*

40705 Ed.5-84  
(c) St. Paul Fire and Marine Insurance Co. 1995

Form List

Page 1

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Page 2

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St. Paul Travelers

/X/ ST. PAUL FIRE AND MARINE INSURANCE COMPANY (St. Paul, MN)

/\_/ ST. PAUL MERCURY INSURANCE COMPANY (St. Paul, MN)

/\_/ THE ST. PAUL INSURANCE COMPANY (A Texas Corporation)

/\_/ THE ST PAUL INSURANCE COMPANY OF ILLIONIS (An Illinois Corporation)

/\_/ ST. PAUL FIRE AND CASUALTY INSURANCE COMPANY (A Wisconsin Corporation)

/\_/ ST. PAUL PROPERTY AND CASUALTY INSURANCE COMPANY (A Nebraska Corporation)

/\_/ ST. PAUL INSURANCE COMPANY OF NORTH DAKOTA (A North Dakota Corporation)

/\_/ ST. PAUL INDEMNITY INSURANCE COMPANY (An Indiana Company)  
A Capital Stock Company

EXCESS FOLLOW FORM FINANCIAL INSTITUTION BOND  
ST. PAUL FORM

DECLARATIONS:

Bond No. 476BD0431

The Company designated above (herein called Underwriter) issues this Bond to:

Item 1. Named Insured:

Delaware Investment Company Family of Funds  
1 Commerce Square  
Philadelphia, PA 19103-7094

(herein called Insured).

Item 2. Bond Period: The Bond Period shall be effective at 12:01 A.M. on 10/31/06 and expire at 12:01 A.M. on 10/31/07 standard time as to each of said dates, subject to Section 5 of the Terms, Conditions and Limitations of this Bond.

Item 3. Single Loss Limit of Liability: \$20,000,000

Item 4. Aggregate Limit of Liability: \$20,000,000

Item 5. Single Loss Deductible Amount:

Item 6. Schedule of Underlying Insurers:

- (A) 1. Underlying Insurer: Federal Insurance Company
- 2. Bond Number: 81951478
- 3. Bond Period: From 10/31/06 To 10/31/07
- 4. Limit of Liability:



Single Loss Limit of Liability \$20,000,000  
Aggregate Limit of Liability \$20,000,000  
5. Single Loss Deductible: \$50,000

- (B) 1. Underlying Insurer:  
2. Bond Number:  
3. Bond Period: From To  
4. Limit of Liability:  
Single Loss Limit of Liability  
Aggregate Limit of Liability

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- (C) 1. Underlying Insurer:  
2. Bond Number:  
3. Bond Period: From To  
4. Limit of Liability:  
Single Loss Limit of Liability  
Aggregate Limit of Liability

- (D) 1. Underlying Insurer:  
2. Bond Number:  
3. Bond Period: From To  
4. Limit of Liability:  
Single Loss Limit of Liability  
Aggregate Limit of Liability

Item 7. Total amount of Underlying Single Loss Limit of Liability

The total amount of Underlying Single Loss Limit of Liability is \$20,000,000 plus any Single Loss Deductible under the Bond identified in Item 6(A) of the Declarations of this Bond.

Item 8. Total amount of Underlying Aggregate Limit of Liability each Bond Period

The total amount of Underlying Aggregate Limit of Liability each Bond Period is \$20,000,000 plus any Single Loss Deductible under the Bond identified in Item 6(A) of the Declarations of this Bond.

Item 9. Subject to the Declarations, Insuring Clause, Terms, Conditions and Limitations and Endorsements of this Bond and as excepted below, this Bond follows the form of

Insurer's Name: Federal Insurance Company  
Bond Number: 81951478  
Effective Date: 10/31/06

Except as provided below:

Item 10. The Insured, by acceptance of this Bond, gives notice to the Underwriter terminating or canceling prior Bond(s) No.(s) 476BD0338

such termination or cancellation to be effective as of the time this Bond becomes effective.

Item 11. The liability of the Underwriter is subject to the terms of the following riders attached hereto: None

/s/Jay S. Fishman  
President

/s/Bruce A. Backberg  
Secretary

Executed this \_\_\_\_\_ day of

Countersigned

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EXCESS FOLLOW FORM FINANCIAL INSTITUTION BOND  
St. Paul Form

INSURING CLAUSE

In consideration of the payment of the premium; subject to the Declarations, Insuring Clause, Terms, Conditions and Limitations and Endorsements of this Bond; and except as provided in this Bond, this Bond is subject to the same Insuring Clause(s), Terms, Conditions and Limitations and Endorsements as provided by the Bond identified in Item 9 of the Declarations of this Bond.

This Bond is not subject to the same premium or the amount and Limit of Liability of the Bond identified in Item 9 of the Declarations of this Bond.

TERMS, CONDITIONS AND LIMITATIONS

Section 1. Underlying Coverage

It is a condition precedent to the Insured's rights under this Bond that:

- A. The Insured(s) shall notify the Underwriter in writing, as soon as practicable, of a failure to maintain in full force and effect, without alteration, the coverage and provisions of the Bond(s) identified in Item 6 of the Declarations of this Bond. Except as provided in Section 1B below, failure to maintain in full force and effect, without alteration, the coverage and provisions of the Bond(s) identified in Item 6 of the Declarations of this Bond shall not affect coverage under this Bond; but except as provided in Sections 2D and 2E below, the liability of the Underwriter for loss under this Bond shall apply only to the same extent the Underwriter would have been liable had the Bond(s) identified in Item 6 of the Declarations of this Bond been maintained in full force and effect without alteration.
- B. If the coverage and provisions of the Bond identified in Item 9 of the Declarations are altered, the Insured shall, as soon as practicable, give the Underwriter written notice of such alteration(s); and upon receipt of written consent to such alteration(s) from the Underwriter, the Insured shall pay any additional premium required by the Underwriter. This Bond shall not follow the form of any alteration(s) to the Bond identified in

Item 9 of the Declarations of this Bond unless such written notice thereof is given by the Insured(s) to the Underwriter, the Underwriter gives written consent to such alteration(s) and the Insured(s) pay(s) any additional premium required by the Underwriter.

- C. Except as provided in Sections 2D and 2E below, in no event shall the Underwriter be liable to pay loss under this Bond until the total amount of the Underlying Single Loss Limit of Liability as stated in Item 7 of the Declarations of this Bond has been exhausted solely by reason of the payment of loss.

Section 2. Limit of Liability

- A. Payment by the Underwriter of loss covered under this Bond shall reduce the Aggregate Limit of Liability of this Bond set forth in Item 4 of the Declarations of this Bond. In the event of exhaustion of the Aggregate Limit of Liability of this Bond set forth in Item 4 of the Declarations of this Bond, the Underwriter shall be relieved of all further liability under this Bond.
- B. The Underwriter's maximum liability for a Single Loss covered under this Bond shall not exceed the amount of the Single Loss Limit of Liability stated in Item 3 of the Declarations of this Bond, nor shall the Underwriter's maximum liability for all loss(es) in the aggregate covered under this Bond exceed the amount of the Aggregate Limit of Liability stated in Item 4 of the Declarations of this Bond, which shall be the maximum liability of the Underwriter in the Bond Period stated in Item 2 of the Declarations of this Bond.
- C. Except as provided in Sections 2D and 2E below, the Underwriter shall only be liable to make payment for a Single Loss covered under this Bond after the total amount of the Underlying Single Loss Limit of Liability as stated in Item 7 of the Declarations of this Bond has been paid solely by reason of the payment of loss.
- D. In the event the total amount of the Underlying Aggregate Limit of Liability as stated in Item 8 of the Declarations of this Bond is reduced solely by reason of the payment of loss to an amount less than the total amount of the Underlying Single Loss Limit of Liability as stated in Item 7 of the Declarations of this Bond, this Bond shall pay excess of the reduced total amount of Underlying Aggregate Limit of Liability, but not to exceed the amount of the Single Loss Limit of Liability stated in Item 3 of the Declarations of this Bond, and subject always to the remaining Aggregate Limit of Liability of this Bond.
- E. In the event of exhaustion of the total amount of Underlying Aggregate Limit of Liability as set forth in Item 8 of the Declarations of this Bond, solely by reason of the payment of loss, this Bond shall

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continue in force provided always that this Bond shall only pay the excess over the Deductible amount stated in Item 5 of the Declarations of this

Bond as respects a Single Loss covered under this Bond, but not to exceed the amount of the Single Loss Limit of Liability stated in Item 3 of the Declarations of this Bond and subject always to the remaining Aggregate Limit of Liability of this Bond.

### Section 3. Joint Insureds

If two or more Insureds are covered under this Bond, the first named Insured shall act for all Insureds. Payment by the Underwriter to the first named Insured or to any named Insured of loss covered under this Bond shall fully release the Underwriter on account of such loss. The liability of the Underwriter for loss(es) sustained by all Insureds shall not exceed the amount for which the Underwriter would have been liable had all such loss(es) been sustained by one Insured.

### Section 4. Notice/Proof of Loss - Legal Proceedings Against Underwriter

- A. The Insured(s) shall, within the time and manner prescribed in the Bond identified in Item 9 of the Declarations of this Bond, give the Underwriter notice of any loss of the kind covered by this Bond, whether or not the Underwriter is liable therefor in whole or in part, and upon request of the Underwriter, the Insured(s) shall file with the Underwriter a written statement of such loss and a copy of all correspondence between the Insured(s) and any Insurer identified in Item 6 of the Declarations of this Bond. Notice given to any Insurer identified in Item 6 of the Declarations of this Bond shall not constitute notice as required under Section 4 of the Terms, Conditions and Limitations of this Bond.
- B. The Insured(s) shall, within the time and manner prescribed in the Bond identified in Item 9 of the Declarations of this Bond file with the Underwriter a proof of loss for any loss of the kind covered by this Bond, whether or not the Underwriter is liable therefore in whole or in part, and upon request of the Underwriter the Insured(s) shall furnish a copy of all documents provided to or made available to any Insurer identified in Item 6 of the Declarations of this Bond in support of any proof of loss filed with such Insurer. Filing of a proof of loss with any Insurer identified in Item 6 of the Declarations of his Bond shall not constitute filing a proof of loss with the Underwriter as required in Section 4 of the Terms, Conditions and Limitations of this Bond.
- C. Legal proceedings against the Underwriter of this Bond shall be commenced within the time prescribed in the Bond identified in Item 9 of the Declarations of this Bond and only after complying with all the Terms, Conditions and Limitations of this Bond.
- D. Notice and proof of loss under this Bond shall be given to the Underwriter at 385 Washington Street, St. Paul, MN 55102.

### Section 5. Bond Period

The term Bond Period as used in this Bond shall mean the lesser of the period stated in Item 2 of the Declarations of this Bond or the time between the effective date and the termination date of this Bond.

### Section 6. Single Loss Defined

As used herein, Single Loss shall be defined as in the Bond identified in Section 9 of the Declarations of this Bond.

### Section 7. Cancellation of this Bond by the Underwriter or the Insured

This Bond terminates as an entirety upon occurrence of any of the following: (a)

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90 days after the receipt by the Insured of a written notice from the Underwriter of its desire to cancel this Bond, or (b) immediately upon the receipt by the Underwriter of a written notice from the Insured of its desire to cancel this Bond.

In witness whereof, the Underwriter has caused this Bond to be executed on the Declarations Page.

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