

Value Line Mid Cap Focused Fund, Inc.
Form 40-17G
May 01, 2018

FURTHER RESOLVED, that the Funds shall continue to be covered under a joint fidelity bond issued by St. Paul Travelers in the amount of \$8 million; and

FURTHER RESOLVED, that the President or Vice President of each Fund is authorized and empowered to enter into an agreement with the other Fund insureds to provide that in the event recovery is received under the bond as a result of a loss sustained by one or more of the insured Funds, that each Fund shall receive an equitable and proportionate share of the recovery, such share being at least equal to the amount it would have received had it provided and maintained a single insured bond with the minimum coverage required by paragraph (d)(1) of Rule 17g-1; and

FURTHER RESOLVED, that the premium for said bond be allocated pro rata based on the relative gross assets of each Fund taking all relevant factors into consideration including the extent to which the share of the premium allocated to each Fund under the bond is less than the premium which each Fund would have had to pay had it maintained a single insured bond; and

FURTHER RESOLVED, that the President of each Fund is authorized and directed to take all action necessary or proper to carry into effect the foregoing resolutions, and that Emily Washington be, and she hereby is, designated as the officer who shall make filings and give the notices on behalf of the Funds required by Rule 17g-1.

FIDELITY BOND

JOINT INSUREDS AGREEMENT

THIS AGREEMENT is made as of the 14th day of December, 2017 by and among each of the Value Line funds listed on Schedule A to this Agreement (collectively, the “Insureds”).

The Insureds are in the process of acquiring a joint fidelity bond (the “Fidelity Bond Policy”) to be issued by Travelers Casualty and Surety Company (the “Insurance Company”) in the amount of \$8,000,000 (the “Bond Amount”). The Fidelity Bond Policy will be effective from January 1, 2018 to December 31, 2018 (the “Policy Period”). Under the terms of the Fidelity Bond Policy, the Insurance Company has agreed to cover the Insureds against larceny and embezzlement of each officer and employee of the Insureds who may have access to securities or funds of the Insureds, either directly or through authority to draw upon such funds or to direct generally the disposition of such securities, with certain exceptions, in accordance with the terms of the Fidelity Bond Policy and the requirements of Rule 17g-1 under the Investment Company Act of 1940, as amended (the “1940 Act”).

The Bond Amount is at least equal to the sum of the total amount of coverage which each Insured would have been required as of the date of this Agreement, to provide and maintain individually pursuant to the schedule set forth under Rule 17g-1(d) of the 1940 Act had each such Insured not been named under the Fidelity Bond Policy.

In consideration of the mutual covenants and agreements contained herein, the Insureds agree that:

1. Allocation of Premium. Each Insured shall pay a *pro rata* portion of the aggregate premiums to be borne by the Insured, which portion shall be determined based on the relative gross assets of each Insured as of a specified date as determined by an appropriate officer of the Funds, in relation to the aggregate gross assets of all of the Insureds at such date. From time to time, adjustments may be made by mutual agreement of the Insureds to the portion of the premium theretofore paid by an Insured, based on a subsequent change or changes in the gross assets of one or more Fund Insureds.

2. Loss to One Insured. If any proceeds are received under the Fidelity Bond Policy as a result of a loss sustained by only one Insured, the entire proceeds shall be allocated to the Insured incurring such loss.

3. Loss to More than One Insured. If any proceeds are received under the Fidelity Bond Policy as a result of any loss sustained by more than one Insured, the Insureds shall receive a recovery allocated *pro rata* among the Insureds based upon premium payments or as otherwise agreed to by the Insureds in writing; provided, further, that each

Insured shall receive an amount at least equal to the amount which it would have received had it provided and maintained a single insured bond with the minimum coverage required by Rule 17g-1(d)(1) under the 1940 Act.

Purpose and Interpretation. The Insureds agree that the sole purpose and intent of this Agreement is to provide for the allocation among them of responsibility for payment of premiums and allocation of recoveries under the Fidelity Bond Policy, and that the entitlement of each Insured shall otherwise be determined by, and subject to, the terms of the Fidelity Bond Policy.

5. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

6. Specific Performance. In addition to any and all other remedies that may be available at law in the event of any breach of this Agreement, each party shall be entitled to specific performance of the agreements and obligations of the other parties hereunder and to such other injunctive or other equitable relief as may be granted by a court of competent jurisdiction.

7. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York (without reference to the conflicts of law provisions thereof).

8. Notices. All notices, requests, consents, and other communications under this Agreement shall be in writing and shall be sent (i) by U.S. postal service pre-paid registered or certified mail, return receipt requested and retained or (ii) via a reputable nationwide overnight courier service guaranteeing next business day delivery, in each case addressed to the intended recipient at the address set forth below, or such other address as the relevant party may designate by written notice to the other parties:

For any Insured: The Value Line Funds
7 Times Square, 21st Floor
New York, NY 10036-6524

9. Complete Agreement; Amendments; Continuation. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings relating to such subject matter. No amendment, modification or termination of, or waiver under, any provision of this Agreement shall be valid unless in writing and signed by each party, and consented to by a majority of the trustees or directors of each Insured.

10. Counterparts; Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document. This Agreement may be executed by facsimile signatures.

11. Limitation of Liability. The obligations of the Insureds under this Agreement are not binding individually on the directors, trustees or holders of shares of any Insured (or any series thereof) individually, but bind only the assets of the applicable Insured (or such series).

[End of Text]

IN WITNESS WHEREOF, the Insureds have caused this Fidelity Bond Joint Insureds Agreement to be executed and delivered as of the day and year first above written.

EACH FUND INSURED

By: /s/ Mitchell E. Appel

Name: Mitchell E. Appel

Title: President

Schedule A

Value Line Funds

Value Line Mid Cap Focused Fund, Inc.

Value Line Income and Growth Fund, Inc.

Value Line Premier Growth Fund, Inc.

Value Line Larger Companies Focused Fund, Inc.

Value Line Centurion Fund, Inc.

The Value Line Tax Exempt Fund, Inc.

Value Line Core Bond Fund

Value Line Strategic Asset Management Trust, a series of Value Line Funds Variable Trust

Value Line Small Cap Opportunities Fund, Inc.

Value Line Asset Allocation Fund, Inc.

Value Line VIP Equity Advantage Fund, a series of Value Line Funds Variable Trust

Value Line Funds Investment Trust

***Investment Company Bond
Declarations***

BOND NO. 106654202

Travelers Casualty and Surety Company of America

One Tower Square

Hartford, Connecticut 06183

(A Stock Insurance Company, herein called the Company)

ITEM 1 INSURED:

Value Line Funds

Principal Address:

7 TIMES SQUARE, 21 FLOOR
NEW YORK, NY 10036

(hereinafter, "Insured")

ITEM 2 POLICY PERIOD:

Inception Date: January 01, 2018 Expiration Date: January 01, 2019
12:01 A.M. local time as to both dates at the Principal Address stated in ITEM 1.

ITEM 3 ALL NOTICES OF CLAIM OR LOSS MUST BE SENT TO THE COMPANY BY EMAIL, FACSIMILE, OR MAIL AS SET FORTH BELOW:

Email: BSIclaims@travelers.com
Fax: (888) 460-6622

Mail: Travelers Bond & Specialty Insurance Claim
385 Washington St. – Mail Code 9275-NB03F
St Paul, MN 55102

Travelers Bond & Specialty Insurance Claim telephone number: 800-842-8496

ITEM 4 If “*Not Covered*” is inserted opposite any specified Insuring Agreement below, or if no amount is included in the Single Loss Limit of Insurance, such Insuring Agreement and any other reference thereto is deemed to be deleted from this bond.

INSURING AGREEMENT		SINGLE LOSS LIMIT OF INSURANCE	SINGLE LOSS DEDUCTIBLE AMOUNT
A. FIDELITY			
Coverage A.1.	Larceny or Embezzlement	\$ 8,000,000	\$ 0
Coverage A.2.	Restoration Expenses	Not Covered	
B. ON PREMISES		\$ 8,000,000	\$ 5,000
C. IN TRANSIT		\$ 8,000,000	\$ 5,000

D. FORGERY OR ALTERATION	\$8,000,000	\$5,000
E. SECURITIES	\$8,000,000	\$5,000
COUNTERFEIT MONEY AND		
F. COUNTERFEIT MONEY	\$8,000,000	\$5,000
ORDERS		
G. CLAIM EXPENSE	\$50,000	\$10,000
STOP PAYMENT ORDERS OR		
H. WRONGFUL DISHONOR OF	\$100,000	\$5,000
CHECKS		
I. COMPUTER SYSTEMS		
Coverage I.1. Computer Fraud	\$8,000,000	\$5,000
Coverage I.2. Fraudulent Instructions	\$8,000,000	\$5,000
Coverage I.3. Restoration Expense	\$8,000,000	\$5,000
J. UNCOLLECTIBLE ITEMS OF		
DEPOSIT	\$100,000	\$10,000

ITEM 5 PREVIOUS BONDS OR POLICIES:

The Insured, by acceptance of this bond, gives notice to the Company canceling or terminating prior bond or policy numbers:

Not Applicable

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

ITEM 6 DISCOVERY PERIOD:

Additional Premium Percentage: 100% of the annualized premium

Additional Months: 12 months

(If exercised in accordance with section VI. CONDITIONS, S. DISCOVERY PERIOD)

ITEM 7 FORMS AND ENDORSEMENTS ATTACHED AT ISSUANCE:

IVBB-16001-0116; IVBB-19002-0116; IVBB-19005-0116; IVBB-19010-0116; IVBB-19014-0116;
IVBB-19016-0116; IVBB-18023-0116; IVBB-17022-0317

PRODUCER INFORMATION:

LOCKTON COMPANIES LLC

444 W 47TH ST STE 900

KANSAS CITY, MO 64112

Countersigned By

IVBB-15001 Ed. 01-16

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IN WITNESS WHEREOF, the Company has caused this bond to be signed by its authorized officers.

President, Bond & Specialty Insurance Corporate Secretary

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*Investment Company Bond
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***Investment Company Bond
with Extended Coverages***

I. CONSIDERATION CLAUSE

IN CONSIDERATION of the payment of an agreed premium and subject to the Declarations and pursuant to all the terms, conditions, exclusions and limitations of this bond, the Company agrees to indemnify the Insured as set forth in ITEM 1 of the Declarations (herein called Insured) for:

II. INSURING AGREEMENTS

A. FIDELITY

Coverage A.1. Larceny or Embezzlement

Loss resulting directly from **Larceny or Embezzlement** committed by an **Employee** acting alone or in collusion with others.

Coverage A.2. Restoration Expenses

Restoration Expenses incurred by the Insured and resulting directly from a **Computer Violation** by an **Employee**.

B. ON PREMISES

1. Loss of **Property** resulting directly from:

a. robbery, burglary, mysterious unexplainable disappearance or misplacement and damage or destruction; or

b.

theft, false pretenses, or common law or statutory larceny, committed by a person physically present in an office of, or on the premises of, the Insured at the time the **Property** was surrendered,

while the **Property** is lodged or deposited within offices or premises located anywhere. The premises of a **Depository** will be deemed premises of the Insured, but solely as respects loss of **Certificated Securities**. Coverage for **Certificated Securities** held by such **Depository** is limited to the extent of the Insured's interest therein as effected by the making of appropriate entries on the books and records of such **Depository**. The Company will not be liable under Insuring Agreement B for loss in connection with the central handling of securities within the systems established and maintained by any **Depository** unless the amount of such loss exceeds the amount recoverable or recovered under any bond or policy or participants' fund insuring the **Depository** against such loss.

This bond does not afford any coverage in favor of any **Depository** or exchange or any nominee in whose name is registered any security included within the **Depository's** systems.

Direct loss, through any hazard specified in Insuring Agreement B.1. of any **Property** while such **Property** is within any of the Insured's or an **Investment Adviser's** offices and in the possession of any customer of the Insured, 2. any representative of such customer or any **Employee** whether or not the Insured is liable for the loss thereof, and provided such loss, at the option of the Insured, is included in the Insured's proof of loss, but excluding, in any event, loss caused by such customer, any representative of such customer, or any **Employee**.

C. IN TRANSIT

Loss of **Property** (occurring with or without negligence or violence) resulting directly from robbery, larceny, theft, holdup, mysterious unexplainable disappearance, misplacement, being lost or otherwise made away with, damage thereto or destruction thereof, and loss of subscription, conversion, redemption or deposit privileges through the misplacement or loss of **Property**, while the **Property** is in transit anywhere in the custody of any person or persons acting as **Messenger**, except while in the mail or with a carrier for hire other than an armored motor vehicle company, for the purpose of transportation, such transit to begin immediately upon receipt of such **Property** by the transporting person or persons, and to end immediately upon delivery thereof at destination, but only while the **Property** is being conveyed.

D. FORGERY OR ALTERATION

Loss resulting directly from the Insured having, in good faith, paid or transferred any **Property** in reliance on any **Written, Original**:

1. **Negotiable Instrument** (except an **Evidence of Debt**);

2. **Certificate of Deposit**;

3. **Letter of Credit**;

4. **Withdrawal Order**;

5. **Acceptance**;

6. receipt for the withdrawal of **Property**; or

7. instruction or advice directed to the Insured or an **Investment Adviser** and purportedly signed by a **Customer** of the Insured or by a **Financial Institution**,

which (a) bears a handwritten signature which is a **Forgery**; or (b) is altered, but only to the extent the **Forgery** or alteration causes the loss.

Actual physical possession of the items listed in 1. through 7. above by the Insured is a condition precedent to the Insured's having relied on the items.

E.SECURITIES

Loss resulting directly from the Insured having, in good faith, for its own account or for the account of others:

1. acquired, sold, delivered, or given value, extended credit or assumed liability, on the faith of any **Original Written** document that is a (an):

a. **Certificated Security;**

b. **Document of Title;**

c. deed, mortgage, or other instrument conveying title to, or creating or discharging a lien on, real property;

d. **Certificate of Origin or Title;**

e. **Certificate of Deposit;**

f. **Evidence of Debt;**

g. corporate, partnership, or personal **Guarantee;**

h. **Security Agreement;**

i. **Instruction;**

j. **Statement of Uncertificated Security,**

that

(1) bears a handwritten signature material to the validity or enforceability of the **Original Written** document that is a **Forgery**, but only to the extent the **Forgery** causes the loss;

(2) is altered, but only to the extent the alteration causes the loss; or

(3) is lost or stolen;

2. guaranteed in writing or witnessed any handwritten signature upon any transfer, assignment, bill