by employers or employee organizations or by withholding from employee’s salaries are not segregated from the general assets of the employer or employee organization until payment for purchase of benefits from an insurance carrier or service or other organization. No bonding is required with respect to the payment of premiums or other payments made to purchase such benefits directly from general assets, nor with respect to the bare existence of the contract obligation to pay benefits. Such arrangements would not normally be subject to bonding except to the extent that monies returned by way of benefit payments, cash surrender, dividends, credits or otherwise, and which by the terms of the plan belonged to the plan rather than to the employer, employee organization, insurance carrier or service or other organization, were subject to “handling” by plan administrators, officers or employees.

§ 2580.412–10 Individual or schedule or blanket form of bonds.

Section 13 provides that “any bond shall be in a form or of a type approved by the Secretary, including individual bonds or schedule or blanket forms of bonds which cover a group or class”. Any form of bond which may be described as individual, schedule or blanket in form or any combination of such forms of bonds shall be acceptable to meet the requirements of section 13, provided that in each case, the form of the bond, in its particular clauses and application, is not inconsistent with meeting the substantive requirements of the statute for the persons and plan involved and with meeting the specific requirements of the regulations in this part. Basic types of bonds in general usage are:

(a) Individual bond. Covers a named individual in a stated penalty.

(b) Name schedule bond. Covers a number of named individuals in the respective amounts set opposite their names.

(c) Position schedule bond. Covers each of the occupants of positions listed in the schedule in the respective amounts set opposite such positions.

(d) Blanket bonds. Cover all the insured’s officers and employees with no schedule or list of those covered being necessary and with all new officers and