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ABERDEEN JAPAN EQUITY FUND, INC.

Form 40-17G

June 30, 2014

1735 Market Street, 32nd Floor

Philadelphia, PA 19103

June 26, 2014

FILED VIA EDGAR

U.S. Securities and Exchange Commission

100 F Street, NE

Washington, D.C. 20549

Re: Joint Fidelity Bond Concerning Aberdeen Japan Equity Fund, Inc.

1940 Act Registration No. 811-06142

Dear Sir/Madam:

Enclosed please find a copy of the joint fidelity bond concerning Aberdeen Japan Equity Fund, Inc. (the Fund), submitted pursuant to Rule 17g-1 under the Investment Company Act of 1940, as amended (the 1940 Act), which covers the period from June 22, 2014 to June 22, 2015, as well as a copy of the resolutions adopted by the Board of Directors of the Fund (the Board), including a majority of the members of the Board of Directors who are not interested persons as defined in the 1940 Act, approving such fidelity bond. Also enclosed is a copy of the agreement required under Rule 17g-1(f) between the Fund and the other named insured party under the fidelity bond. Had the Fund been the only named insured party under the fidelity bond, the Fund would have maintained a bond in the amount of \$525,000, the minimum amount required under Rule 17g-1(d)(1) based on the Fund's net assets as of June 20, 2014 of \$112,792,676. The premium will be paid for the period from June 22, 2014 to June 22, 2015.

Feel free to contact me should you have any questions at (215) 405-2438.

Best regards,

/s/ Megan Kennedy
Megan Kennedy
Secretary and Vice President of the Fund

SECTION 2

FINANCIAL INSTITUTIONS BOND

DECLARATIONS

Policy No. B0801Q22017P14

Item 1. Policyholder:

1. **ABERDEEN SINGAPORE FUND INC. and**
2. **ABERDEEN JAPAN EQUITY FUND INC.**

Item 2. Principal Addresses:

1. 1735 Market Street,
32nd Floor,
Philadelphia PA, 19103,
USA

and

2. 1735 Market Street,
32nd Floor,
Philadelphia PA, 19103,
USA

Item 3. Limit of Liability: USD 1,050,000 aggregate cost and expenses inclusive.

Item 4. Single Loss Limit: USD 1,050,000 aggregate cost and expenses inclusive, reducing to:

(i) USD100,000 aggregate under Insuring Agreement (H) (Depositor Damages);

(ii) USD25,000 aggregate under Insuring Agreement (I) (Uncollectable Items of Deposit); and

(iii) USD25,000 aggregate under Insuring Agreement (J) (Audit Expense); and

(iv) USD100,000 aggregate under Insuring Agreement (K) (Unauthorized Signatures); and

(v) sub-clause (e) of definition E) (Computer or Telephonic Fraud) USD100,000 aggregate.

Single Loss Deductible: USD0 each and every Loss under Insuring Agreement A (Fidelity), increasing to USD5,000 each and every **Loss** for all other Insuring Agreements

Item 5. Premium: Included in the premium set forth in the Declarations for Section 1

Item 6. Bond Period:

From: 22nd June, 2014 at 12:01 a.m. (local time at the address stated in Item 1.)

To: 22nd June, 2015 at 12:01 a.m. (local time at the address stated in Item 1.)

Item 7. Amount of Fund Assets: USD [insert]

Authorised Representative of Axis Specialty Europe SE -

Date

The **Insurer** hereby undertake and agree, in consideration of the payment, or promise to pay, to the premium specified in the Declarations to indemnify the **Insured** for **Loss Discovered** during the **Bond Period**, up to an amount not exceeding the limit of liability specified in the Declarations, to the extent and in the manner provided in this bond.

Section 1.1 Insuring Agreements.

(A) **Fidelity.**

Loss resulting directly from dishonest or fraudulent acts committed by an **Employee** acting alone or in collusion with others.

However, with regards to **Loans** and **Trading**, such dishonest or fraudulent acts must be committed by the **Employee** with the intent to obtain financial benefit for:

- (1) the **Employee**; or
- (2) any person or organisation in collusion with such **Employee**; or
- (3) any other person or organisation (who were not a counterparty) intended by such **Employee** to make an improper financial benefit.

As used in this Insuring Agreement, financial benefit does not include any employee benefits earned in the normal course of employment including: salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions other than bonuses, commissions or profit sharing paid to an **Employee** for a specific transaction with which such **Employee** was involved and in respect of which that **Employee** had committed a dishonest or fraudulent act covered under this bond.

(B) **On Premises.**

- (1) Loss of **Property** resulting directly from:
 - (i) robbery, burglary, misplacement, mysterious unexplainable disappearance; and damage thereto or destruction thereof; or

(ii) theft, false pretences, common-law or statutory larceny, committed by a person present in an office or on the premises of the **Insured**,

while the property is lodged or deposited within offices or premises located anywhere.

(2) Loss of or damage to:

(i) furnishings, fixtures, supplies or equipment within an office of the **Insured** covered under this bond resulting directly from larceny or theft in or by burglary or robbery of such office, or attempt thereat, or by vandalism or malicious mischief; or

(ii) such office resulting from larceny or theft in, or by burglary or robbery of such office or attempt thereat, or to the interior of such office by vandalism or malicious mischief,

provided that:

(a) the **Insured** is the owner of such furnishings fixtures, supplies, equipment, or office or is liable for such loss or damage;
and

(b) the loss is not caused by fire.

(C) **In Transit.**

Loss of **Property** resulting directly from robbery, common-law or statutory larceny, theft misplacement, mysterious unexplainable disappearance, being lost or made away with and damage thereto or destruction thereof, while the **Property** in transit anywhere in the custody of:

(1) a natural person acting as a messenger of the **Insured** (or another natural person acting as messenger or custodian during an emergency arising from the incapacity of the original messenger); or

(2) a **Transportation Company** and being transported in an armoured motor vehicle; or

(3) a **Transportation Company** and being transported in a conveyance other than an armoured motor vehicle provided that covered **Property** transported in such manner is limited to the following:

(i) records, whether recorded in writing or electronically; and

(ii) **Certificated Securities** issued in registered form and not endorsed, or with restrictive endorsements; and

(iii) **Negotiable Instruments** not payable to bearer or not endorsed or with restrictive endorsements.

Coverage under this Insuring Agreement begins immediately upon the receipt of such **Property** by the natural person or **Transportation Company** and ends immediately upon delivery to the designated recipient or its agent.

(D) **Forgery or Alteration.**

Loss resulting directly from:

(1) **Forgery** or alteration of, on or in any **Negotiable Instrument** (except an **Evidence of Debt**), **Acceptance, Withdrawal Order**, receipt for the withdrawal of **Property, Certificate of Deposit** or **Letter of Credit**.

(2) transferring, paying, redeeming or delivering funds or **Property** or establishing any credit or giving any value on the faith of any written or printed instructions, advices or requests directed to the **Insured**, which instructions, advices or requests purport to have been signed or endorsed by any customer or the **Insured** or by any financial institution but which instructions or advices either bear a signature which is a **Forgery** or have been altered without the knowledge and consent of such customer or financial institution;

(3) any **Financial Organisation** transferring, paying, redeeming or delivering funds or **Property** or establishing any credit or giving any value on the faith of any written or printed instructions, advices or requests which instructions, advices or requests purport to have been signed by or on behalf of the **Insured** but which instructions, advices or requests either bear a signature which is a **Forgery** or have been fraudulently altered.

A mechanically reproduced facsimile signature is treated the same as a handwritten signature.

(E) **Securities.**

Loss resulting directly from the **Insured**, or any **Financial Organisation** acting on behalf of the **Insured**, having in good faith for its own account or for the account of others:

(1) acquired, sold or delivered, or given value, extended credit or assumed liability on the faith of any original:

(i) **Certificated Security;**

(ii) deed, mortgage or other instrument conveying title to or creating or discharging a lien upon real property;

(iii) **Evidence of Debt;**

(iv) **Instruction;** or

(v) **Statement of Uncertificated Security,**

which

(a) bears a signature of any maker, drawer, issuer, endorser, assignor, lessee, transfer agent, registrar, acceptor, surety, guarantor, or of any person signing in any other capacity which is a forgery; or

(b) is altered; or

(c) is lost or stolen:

(2) guaranteed in writing or witnessed any signature upon any transfer, assignment, bill of sale, power of attorney, **Guarantee** or any items listed in (i) through (v) above:

(3) acquired, sold or delivered, or given value, extended credit or assumed liability on the faith of any item listed in (i) through (v) above which is counterfeit.

A mechanically reproduced facsimile signature is treated the same as a handwritten signature.

(F) **Counterfeit Currency.**

Loss resulting directly from the receipt by the **Insured**, in good faith, of any **Counterfeit Money** of the United States of America, Canada or of any other country in which the **Insured** maintains a branch office.

(G) **Computer or Telephonic Fraud and Malicious Code**

Loss resulting from:

- (a) **Computer or Telephonic Fraud**; and/or
- (b) the modification or deletion of any **Electronic Data** or **Computer Program** due to any **Malicious Code**.

Special Condition

It is agreed that:

- (i) those **Electronic Communications** which are transmitted through touch tone telephone communication systems or by telex, TWX or telefacsimile; and
- (ii) all **Telephonic Communications**,

must be **Tested**.

(H) **Depositor Damages**

Loss resulting from any and all sums which the **Insured** shall become obligated to pay by reason of liability imposed upon the **Insured** by law for damages:

- (i) for having either complied with or failed to comply with any written notice of any depositor of the **Insured** or any authorized representative of such depositor to stop payment of any cheque or draft made or drawn by such depositor or any authorized representative of such depositor; or

(ii) for having refused to pay any cheque or draft made or drawn by any depositor of the **Insured** or any authorized representative of such depositor.

(I) **Uncollectable Items of Deposit**

Loss resulting from:

(i) payments of dividends or fund shares, or withdrawals permitted from any, customer's, shareholder's or subscriber's account based upon uncollectible items of deposit of a customer, shareholder or subscriber credited by the **Insured** or the **Insured's** agent to such customer's, shareholder's or subscriber's Mutual Fund Account; or

(ii) any item of deposit processed through an Automated Clearing House which is reversed by the customer, shareholder or subscriber and deemed uncollectible by the **Insured**.

Loss includes dividends and interest accrued not to exceed 15% of the uncollectible items which are deposited.

This insuring Agreement applies to all Mutual Funds with exchange privileges if Fund(s) in the exchange program are **Insured** by a National Union Fire Insurance Company of Pittsburgh, PA for uncollectible items of deposit. Regardless of the number of transactions between Fund(s), the minimum number of days of deposit within the Fund(s) before withdrawal as declared in the Fund(s) prospectus shall begin from the date a deposit was first credited to any **Insured** Fund(s).

(J) **Audit Expense.**

Loss resulting from expense incurred by the **Insured** for that part of the cost of audits or examinations required by State or Federal supervisory authorities to be conducted either by such authorities or by independent accountants by reason of the discovery of **Loss** sustained by the **Insured** through dishonest or fraudulent acts of any of the **Employees**.

(K) **Unauthorized Signatures.**

Loss resulting directly from the **Insured** having accepted, paid or cashed any check or withdrawal order made or drawn on a customer's account which bears the signature or endorsement of one other than a person whose name and signature is on file with the **Insured** as a signatory on such account.

Special Condition

The **Insured** shall have on file signature of all persons who are signatories on such account.

(L) **Larceny and Embezzlement.**

Loss and costs directly arising from larceny and embezzlement, covering each officer and employee of the **Insured**, who may singly, or jointly with others, have access to securities or funds of the **Insured**, either directly or through authority to draw upon such funds or to direct generally the disposition of such securities.

(M) **Fraudulent Retention of Funds or Property**

Loss resulting directly from the **Fraudulent Retention** by a third party recipient of any funds or **Property**, as a direct result of:

- (a) the misdirection or erroneous transfer of such funds or **Property** by the **Insured** or by a **Financial Organisation** acting upon instructions from the **Insured**, to a third party recipient account other than that actually intended; or

(b) the transfer of such funds or **Property** by the **Insured** or by a **Financial Organisation** acting upon instructions from the **Insured**, to a third party recipient account in an amount greater than that actually intended.

Special Conditions

The **Insured** shall make reasonable efforts to secure the recovery of such funds or **Property**.

The **Insurer**'s maximum aggregate limit of liability under this Insuring Agreement shall be sub-limited to USD 525,000, such amount being a part of and not in addition to the **Limit of Liability**.

(N) **Extortion**

Loss resulting directly from the loss of **Property** surrendered away from an office of the **Insured** or the transfer of funds as a result of a threat communicated to the **Insured**:

(a) to do bodily harm to a director, officer, trustee or **Employee** of the **Insured**, or a relative or an invitee of such director, officer, trustee, **Employee**, who is, or allegedly is, being held captive or under threat;

(b) to damage the premises, property (including **Property**) or other assets of the **Insured** or for which the **Insured** are legally liable;

(c) to delete or modify the **Insured**'s **Computer Programs** or the **Insured**'s **Electronic Data**;

(d) to sell or disclose confidential information to another person or party by reason of having gained unauthorised access to the **Insured**'s **Computer System**;

(e) to cause the **Insured** to transfer, pay or deliver any funds or property (including **Property**) by means of a **Computer System** used or operated by the **Insured**,

provided, however, that prior to the surrender of such **Property** or transfer of funds:

(i) the person receiving the threat has made a reasonable effort to report the extortionist's threat to a director of the **Insured**;

(ii) a reasonable effort has been made to report the extortionist's threat to local law enforcement authorities; and

(iii) in relation to sub-clause (c), (d) or (e) above, the aforementioned director is satisfied that the person making the threat is both capable of carrying it out and reasonably likely to do so and that the threatened action is technologically feasible.

Section 1.2 General Agreements

A) **Nominees.**

Loss sustained by any nominee organised by the **Insured** for the purpose of handling certain of its business transactions and composed exclusively of its **Employees** shall, for all the purposes of this bond and whether or not any partner of such nominee is implicated in such **Loss**, be deemed to be **Loss** sustained by the **Insured**.

B) **Additional Exposures.**

(1) Additional Offices

Except as provided in sub-clause (2) below, this bond shall apply to any additional office(s) established by the **Insured** during the **Bond Period** and to all **Employees** during the **Bond Period**, without the need to give notice thereof or pay additional premiums to the **Insurer** for the **Bond Period**.

(2) Merger or Consolidation

If during the **Bond Period**, an **Insured** shall merge or consolidate with an institution in which such **Insured** is the surviving entity, or purchase substantially all the assets or capital stock of another institution, or acquires or creates a separate investment portfolio, and shall within sixty (60) days notify the **Insurer** thereof, then this bond shall automatically apply to the **Property** and **Employees** resulting from such merger, consolidation, acquisition or creation from the date thereof; provided, that the **Insurer** may make such coverage contingent upon the payment of an additional premium.

(3) Acquisition or Creation of Funds

(i) If during the **Bond Period**, an **Insured** creates or acquires a fund, other than by reason of the events described in sub-clause (2) above; and if the total consolidated assets of such fund are less than or equal to the amount set forth in Item 7 of the Declarations then, subject to all the other provisions of this bond, coverage shall automatically apply to any **Loss** sustained by that fund.

(ii) If during the **Bond Period**, an **Insured** creates or acquires a fund, other than by reason of the events described in sub-clause (2) above; and if the total consolidated assets of such fund are greater than the amount set forth in Item 7 of the Declarations, no coverage shall apply to any **Loss** sustained by that fund unless the **Insured** provides the **Insurer** with full particulars of such acquisition or creation, agrees to any additional premium and/or amendment of the provisions of this bond the **Insurer** requires and pays any premium required.

(iii) There shall be no coverage for:

(a) any **Loss** sustained by any such fund resulting from an act committed or an event occurring prior to the consummation of a transaction described in (i) or (ii) above; or

(b) any **Loss** sustained by any such fund resulting from an act whenever committed or an event whenever occurring, which together with an act committed or an event occurring prior to the consummation of such transaction, would constitute a **Single Loss** (as defined under Section 4 C of this bond).

In no event shall any transaction among **Insureds** constitute an acquisition or creation of funds.

(4) Fund Name Changes

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If during the **Bond Period**, a fund changes its legal name in accordance with the organizational documents of such fund and, if applicable, in accordance with state law, and such name change does not occur in connection with a transaction described in sub-clauses (2) or (3) above, then such fund shall automatically qualify as an insured fund under its new name, in addition to its prior name.

C) **Representation of Insured.**

The **Insured** represents that the information furnished in the application for this bond is complete, true and correct, to the best of the knowledge of the person who completed such application.

Any misrepresentation, omission, concealment or incorrect statement of a material fact, in the application or otherwise, which was deliberately made with the intent to deceive, shall be grounds for the rescission of this bond.

D) **Joint Insured.**

If two or more **Insureds** are covered under this bond, the **Policyholder** shall act for all **Insureds**. Payment by the **Insurer** to the **Policyholder** of **Loss** sustained by any **Insured** shall fully release the **Insurer** on account of such **Loss**. If the **Policyholder** ceases to be covered under this bond, the **Insured** next named shall thereafter be considered as the **Policyholder**. The liability of the **Insurer** for **Loss** which the **Insurer** would have been liable had all such **Loss** or **Losses** been sustained by one **Insured** will not exceed the **Limit of Liability**.

E) **Legal Proceedings Against the Insured.**

The **Insurer** will indemnify the **Insured** against court costs and reasonable attorneys' fees incurred and paid by the **Insured** in defense of any **Legal Proceeding**.

The **Insureds**, and not the **Insurer**, have the duty to defend any **Legal Proceeding**. The **Insurer** shall be entitled to effectively associate with the **Insured** in the defense and the negotiation of any settlement of such **Legal Proceeding** if it that appears reasonable likely that such **Legal Proceeding** will involve the **Insurer** making payment under this bond. The **Insured** shall provide all reasonable information and assistance required by the **Insurer**.

Section 1.3 Definitions

As used in this bond:

A) **Acceptance** means a draft, which the drawee has, by signature written thereon, engaged to honour as presented.

B) **Account Code** means a confidential and protected string of characters that identifies or authenticates a person and permits said person to gain access to a **Telephone System** for the purpose of making long distance toll calls or utilising voice mail box messaging capabilities or other similar functional features of a **Telephone System**.

C) **Bond Period** means the period of time from the inception date shown in Item 6 of the Declarations to the earlier of the expiration date shown in Item 6 of the Declarations or the effective date of cancellation of this bond.

D) **Certificate of Deposit** means an acknowledgment in writing by a **Financial Organisation** of receipt of **Money** with an engagement to repay it.

E) **Certificated Security** means a share, participation or other interest in property or an enterprise of the issuer or an obligation of the issuer, which is:

i) represented by an instrument issued in bearer or registered form;

ii) of a type commonly dealt in on securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment; and

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

F) **Computer or Telephonic Fraud** means:

i) the **Impairment** of:

(a) any **Electronic Data** (including but not limited to any **Electronic Data** contained in any **Electronic Communication**);
and/or

(b) any **Computer Programs**; and/or

(c) any **Uncertificated Security**; and/or

(d) any **Electronic Communications** on which the **Insured**, or any **Financial Organisation** or **Service Bureau** acting on behalf of the **Insured**, have acted or relied; and/or

ii) the **Insured**, or any **Financial Organisation** or **Service Bureau** acting on behalf of the **Insured**, having acted or relied upon any **Electronic Communications** or **Telephonic Communications**, purporting to have been, but were not, sent or made by:

(a) any office or department of the **Insured**; and/or

(b) another **Financial Organisation**; and/or

(c) a customer or client of the **Insured** or an authorized representative of a customer or client of the **Insured** when acting in that capacity; and/or

(d) a **Service Bureau**;

iii) a **Financial Organisation**, a customer or client of the **Insured**, an authorized representative of a customer or client of the **Insured** when acting in that capacity or a **Service Bureau** having acted or relied upon any **Electronic Communications** or **Telephonic Communications**, purporting to have been, but were not, sent or made by:

(a)