

SIMON PROPERTY GROUP INC /DE/
Form DEF 14A
March 26, 2010

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Simon Property Group, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
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- o Fee paid previously with preliminary materials.
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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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March 26, 2010

Dear Fellow Stockholder:

It is my pleasure to invite you to the 2010 Annual Meeting of Stockholders of Simon Property Group, Inc. This year's meeting will be held on Thursday, May 6, 2010 at 10:00 a.m. (EDT), at our executive offices located at 225 West Washington Street, Indianapolis, Indiana. At the meeting, stockholders will vote on the business items listed in the notice of the meeting, which follows on the next page.

As we have done recently, we are furnishing proxy materials to many of our stockholders over the Internet. We believe that this e-proxy process expedites stockholders' receipt of proxy materials, lowers our costs and reduces the environmental impact of our annual meeting. On March 26, 2010, we mailed to a majority of our stockholders a Notice containing instructions on how to access our Proxy Statement and 2009 Annual Report to Stockholders and vote online. All other stockholders will receive these materials by mail. The proxy statement contains instructions on how you can (i) receive a paper copy of the proxy statement and annual report, if you only received a Notice by mail, or (ii) elect to receive your proxy statement and annual report over the Internet, if you received them by mail this year.

Whether or not you plan to attend the meeting, your vote is important and we encourage you to vote promptly.

You may vote your shares via a toll-free telephone number or over the Internet. If you received a paper copy of the proxy card by mail, you may sign, date and mail the proxy card in the envelope provided. Instructions regarding all three methods of voting are contained in the proxy statement and on the proxy card.

I look forward to seeing you at the annual meeting.

Sincerely,

David Simon
Chairman of the Board
and Chief Executive Officer

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Simon Property Group, Inc.
225 West Washington Street
Indianapolis, Indiana 46204

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TIME	10:00 a.m. (EDT) on Thursday, May 6, 2010
PLACE	225 West Washington Street Indianapolis, Indiana 46204
ITEMS OF BUSINESS	<ol style="list-style-type: none">(1) To elect eleven directors, including three directors to be elected by the holders of Class B common stock.(2) To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2010.(3) To transact such other business as may properly come before the meeting.
RECORD DATE	You can vote if you are a stockholder of record on March 8, 2010.
ANNUAL REPORT	Our 2009 annual report to stockholders accompanies but is not part of these proxy materials.
PROXY VOTING	<p>We cordially invite you to attend the meeting, but regardless of whether you plan to be present, please vote in one of these ways:</p> <ol style="list-style-type: none">(1) VISIT THE WEB SITE noted on your proxy card or the Notice of Internet availability of proxy materials to vote via the Internet;(2) If you receive a printed copy of the proxy materials by mail, USE THE TOLL-FREE TELEPHONE NUMBER shown on your proxy card (this is a free call in the U.S.);(3) If you receive a printed copy of the proxy materials by mail, MARK, SIGN, DATE AND PROMPTLY RETURN your proxy card in the envelope provided, which requires no additional postage if mailed in the U.S. <p>Any proxy may be revoked at any time prior to its exercise at the meeting.</p>
ADMISSION TO THE MEETING	Proof of ownership and a form of photo identification will be required for admission to the meeting. For further information on admission, please refer to the question entitled "What do I need to do to attend the meeting in person?" on page 2 of the proxy statement which follows this notice.

By order of the Board of Directors.

March 26, 2010

James M. Barkley
Secretary

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Simon Property Group, Inc.
225 West Washington Street
Indianapolis, Indiana 46204

PROXY STATEMENT

This proxy statement and accompanying proxy are being provided to stockholders on or about March 26, 2010 in connection with the solicitation by the Board of Directors of Simon Property Group, Inc. ("Simon," "we," "us," "our" or the "company") of proxies to be voted at the 2010 annual meeting on May 6, 2010.

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

Why did some stockholders receive a Notice of Internet Availability of Proxy Materials?

Certain of our stockholders will receive a Notice of Internet Availability of Proxy Materials, or Notice, which was or will be sent to stockholders on or about March 26, 2010, containing information on the availability of our proxy materials on the Internet. Stockholders who received the Notice by mail will not receive a printed copy of our proxy materials unless requested in the manner described in the Notice. The Notice explains how to access and review this proxy statement and our 2009 Annual Report to Stockholders, and how you may vote by proxy.

What is a proxy?

A proxy is your legal designation of another person to vote on your behalf. By completing and returning the enclosed proxy card, you are giving the persons named in the proxy card, Herbert Simon and David Simon, the authority to vote your shares in the manner you indicate on your proxy card.

Who is qualified to vote?

You are qualified to vote on all matters presented to the stockholders at the meeting if you own shares of our common stock, par value \$.0001 per share, or Class B common stock, par value \$.0001 per share, at the close of business on March 8, 2010.

All of the Class B common shares are held by a voting trust as to which Herbert Simon and David Simon are the voting trustees. The Board is not soliciting proxies in respect of the Class B common shares.

How many shares may vote at the meeting?

On March 8, 2010, there were outstanding 285,897,960 shares of common stock and 8,000 shares of Class B common stock. As a result, a total of 285,905,960 shares are entitled to vote (which we refer to in this proxy statement as the "voting shares") on all matters presented to stockholders at the meeting.

How many shares must be present to hold the meeting?

The presence at the meeting in person or by proxy of holders of shares representing a majority of all the votes entitled to be cast at the meeting, or 142,952,981 voting shares, will constitute a quorum for the transaction of business.

What is the difference between a "stockholder of record" and a "street name" holder?

These terms describe how your shares are held. If your shares are registered directly in your name with BNY Mellon Shareowner Services, our transfer agent, you are a "stockholder of record." If your shares are held in the name of a brokerage, bank, trust or other nominee as a custodian, you are a "street name" holder.

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How do I vote my shares?

If you are a "stockholder of record," you have several choices. You can vote your shares by proxy:

By mailing your proxy card;

Over the telephone; or

Via the Internet.

Please refer to the specific instructions set forth on the Notice or printed proxy materials. For security reasons, our electronic voting system has been designed to authenticate your identity as a stockholder.

If you hold your shares in "street name," your broker/bank/trustee/nominee will provide you with materials and instructions for voting your shares.

Can I vote my shares in person at the meeting?

If you are a "stockholder of record," you may vote your shares in person at the meeting. If you hold your shares in "street name," you must obtain a proxy from your broker, bank, trustee or nominee, giving you the right to vote the shares at the meeting.

What do I need to do to attend the meeting in person?

Proof of stock ownership and some form of government-issued photo identification (such as a valid driver's license or passport) will be required for admission to the meeting. **Only stockholders who owned Simon Property Group, Inc. common stock as of the close of business on March 8, 2010 are entitled to attend the meeting.**

If your shares are registered in your name and you owned Simon Property Group, Inc. common stock as of the close of business on March 8, 2010, you only need to provide some form of government issued photo identification for admission.

If your shares are held in a bank or brokerage account, contact your bank or broker to obtain a written legal proxy in order to vote your shares at the meeting. If you do not obtain a legal proxy from your bank or broker, you will not be entitled to vote your shares, but you can still attend the meeting if you bring a recent bank or brokerage statement showing that you owned shares of common stock on March 8, 2010.

What are my choices when voting?

Proposal 1 You may cast your vote FOR ALL of the nominees for election as directors or vote AGAINST one or more of the nominees.

Proposals 2 You may cast your vote FOR or AGAINST the proposal, or you may elect to abstain from voting your shares.

What are the Board's recommendations on how I should vote my shares?

The Board recommends that you vote your shares as follows:

Proposal 1: **FOR ALL** of the nominees for election as directors.

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Proposal 2: **FOR** the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm (independent auditors) for the year ending December 31, 2010.

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How would my shares be voted if I do not specify how they should be voted?

If you sign and return a proxy card without indicating how you want your shares to be voted, the persons named as proxies will vote your shares as follows:

Proposal 1: **FOR ALL** of the nominees for election as directors.

Proposal 2: **FOR** the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm (independent auditors) for the year ending December 31, 2010.

What are broker non-votes?

A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary authority to vote for that particular proposal and has not received instructions from the beneficial owner as to how to vote its shares. Due to a recent regulatory change, Proposal 1, the election of directors, now falls into this category. If you do not provide your broker with voting instructions, your shares will not be voted on the election of directors.

What vote is required to approve each proposal?

The voting trustees who vote the Class B common stock have advised us that they intend to vote all shares of the Class B common stock FOR the election of all nominees and proposal 2. Accordingly, to approve each of the proposals, the following votes are required from the holders of voting shares.

Proposal	Vote Required	Impact of Abstentions and Broker Non-Votes, if any
1 election of directors	For the nominees to be elected by the holders of voting shares, approval by a majority of the votes cast. Under our By-Laws, a nominee who receives more AGAINST votes than FOR votes will be required to tender his or her resignation. See "CORPORATE GOVERNANCE MATTERS Majority Vote Standard for Election of Directors."	Abstentions and broker non-votes will not count as votes cast on the proposal and will not affect the outcome of the vote.
2 ratification of auditors	Approval by a majority of the votes cast	Abstentions and broker non-votes will not count as votes cast on the proposal and will not affect the outcome of the vote.

All shares entitled to vote at the meeting are entitled to one vote per share.

Why did I receive more than one Notice or proxy card?

You will receive multiple Notices or cards if you hold your shares in different ways (e.g., joint tenancy, trusts, custodial accounts) or in multiple accounts. If your shares are held by a broker (i.e., in "street name"), you will receive your proxy card or other voting information from your broker, and you will return your proxy card(s) to your broker. You should vote on and sign each proxy card you receive.

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Can I change my vote after I have mailed in my proxy card?

You may revoke your proxy by doing one of the following:

By sending a written notice of revocation to our Secretary at 225 West Washington Street, Indianapolis, Indiana 46204 that is received prior to the meeting, stating that you revoke your proxy;

By signing a later-dated proxy card and submitting it so that it is received prior to the meeting in accordance with the instructions included in the proxy card(s); or

By attending the meeting and voting your shares in person.

What happens if additional matters are presented at the annual meeting?

We know of no other matters other than the items of business described in this proxy statement that can be considered at the meeting. If other matters requiring a vote do arise, the persons named as proxies will have the discretion to vote on those matters for you.

Who will count the votes?

Broadridge Financial Solutions, Inc. will count the votes and will facilitate the engagement of an independent inspector of election. The inspector will be present at the meeting.

Will the meeting be accessible to disabled persons?

Our executive offices are accessible to disabled persons. Please call us at least five days in advance at 317-685-7330 if you require any special accommodations.

How can I review the list of stockholders entitled to vote at the meeting?

A list of stockholders entitled to vote at the meeting will be available at the meeting and for ten days prior to the meeting, between the hours of 8:45 a.m. and 4:30 p.m., at our offices at 225 West Washington Street, Indianapolis, Indiana 46204. If you would like to view the stockholder list, please contact our Secretary to schedule an appointment.

Who pays the cost of this proxy solicitation?

We will pay the cost of preparing, assembling and mailing the proxy materials. We will also request banks, brokers and other holders of record to send the proxy materials to, and obtain proxies from, beneficial owners and will reimburse them for their reasonable expenses in doing so. In addition, we have hired MacKenzie Partners, Inc. to assist in the solicitation of proxies. We will pay MacKenzie Partners a fee of \$10,000 for its services.

Is this proxy statement the only way that proxies are being solicited?

Certain employees or other representatives of the company may also solicit proxies by telephone, facsimile, e-mail or personal contact. They will not be specifically compensated for doing so.

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The following table sets forth certain information concerning each person (including any group) known to us to beneficially own more than five percent (5%) of any class of our voting securities as of March 8, 2010. Unless otherwise indicated in the footnotes, shares are owned directly and the indicated person has sole voting and investment power.

Name and Address of Beneficial Owner	Shares ⁽¹⁾	
	Number of Shares	% ⁽²⁾
Melvin Simon & Associates, Inc., <i>et al.</i> ⁽³⁾ 225 West Washington Street Indianapolis, IN 46204	36,622,014 ⁽⁴⁾	11.5%
The Vanguard Group, Inc. ⁽⁵⁾ 100 Vanguard Boulevard Malvern, PA 19355	24,216,801	8.5%
BlackRock, Inc. ⁽⁶⁾ 40 East 52nd Street New York, NY 10022	20,109,322	7.0%
Cohen & Steers, Inc., <i>et al.</i> ⁽⁷⁾ 280 Park Avenue, 10 th Floor New York, NY 10017	15,805,408	5.5%

(1) Voting shares include shares of common stock and Class B common stock. Upon the occurrence of certain events, Class B common stock converts automatically into common shares (on a one-to-one basis). The amounts in the table also include common shares that may be issued upon the exercise of stock options that are exercisable within 60 days as well as the exchange of units of limited partnership interest, or units, of our majority-owned subsidiary, Simon Property Group, L.P., or the Operating Partnership, that are exchangeable either for common shares (on a one-to-one basis) or for cash.

(2) Assumes the exercise of stock options and exchange of units by the subject holder only.

(3) This group consists of Melvin Simon & Associates, Inc. ("MSA"), wholly owned subsidiaries of MSA, the estate of Melvin Simon, Herbert Simon, David Simon, MH Holdings, Inc. and related trusts for the benefit of the preceding. Herbert Simon is one of our directors and David Simon is an executive officer and director. MSA is owned 69.06% by the estate of Melvin Simon and 30.94% by a trust for the benefit of Herbert Simon. MH Holdings, Inc. is owned 50% by the estate of Melvin Simon and 50% by a trust for the benefit of Herbert Simon. 3,192,000 common shares and 8,000 shares of Class B common stock owned by one or more members of the group are held by voting trusts as to which Herbert Simon and David Simon are the voting trustees.

(4) Includes 4,850,651 common shares currently outstanding; 31,513,363 common shares issuable upon exchange of units; 250,000 common shares issuable upon exercise of stock options that are exercisable within 60 days; and 8,000 shares of Class B common stock. Does not include 4,172,426 common shares issuable upon exchange of units held by members of the Simon Family other than the estate of Melvin Simon, Herbert Simon and David Simon or units held by trusts for the benefit of members of the Simon family over which MSA, Herbert Simon and David Simon do not have voting or dispositive power.

(5) Based solely on information provided by The Vanguard Group, Inc. in a Schedule 13G filed with the Securities and Exchange Commission on February 3, 2010. The Vanguard Group, Inc. has the sole power to vote 447,163 shares of common stock and dispose of 23,817,526 shares. Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 399,275 shares of common stock and directs the voting of those shares.

(6)

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Based solely on information provided by BlackRock, Inc. in a Schedule 13G filed with the Securities and Exchange Commission on January 29, 2010.

(7)

Based solely on information provided by Cohen & Steers, Inc., Cohen & Steers Capital Management, Inc. and Cohen & Steers Europe S.A. in a Schedule 13G filed with the Securities and Exchange Commission on February 12, 2010. The Cohen & Steers entities have the sole power to vote 13,145,128 shares of common stock and to dispose of 15,805,408 shares.

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CORPORATE GOVERNANCE MATTERS

Policies on Corporate Governance

Our Board believes that good corporate governance is important to ensure that the company is managed for the long-term benefit of its stockholders. Each year, the Board or one of its committees reviews our Governance Principles, the written charters for each of its standing committees of the Board and our Code of Business Conduct and Ethics and amends them as appropriate to reflect new policies or practices. The current version of each of these documents is available on our Internet website, www.simon.com, in the Investors/Corporate Governance section, and will be provided in print without charge upon written request to our Secretary at 225 West Washington Street, Indianapolis, Indiana 46204.

We will also either disclose on Form 8-K or post on our Internet website any substantive amendment to, or waiver from, a provision of the Code of Business Conduct and Ethics that applies to any of our directors or executive officers.

Board Leadership Structure

Until 2007, leadership of the Board of Directors was the responsibility of two executive Co-Chairmen of the Board Melvin Simon and Herbert Simon. During that time, our Chief Executive Officer David Simon was responsible for directing our operations, employees and management. In 2007, the Board of Directors combined these two positions and David Simon has continued to hold the offices of Chairman and Chief Executive Officer since then. The Board of Directors believes that it is most efficient and effective for a single individual to fulfill these two leadership roles at this time. Combining the Chairman and Chief Executive Officer roles facilitates clear leadership responsibility and accountability, effective decision-making, and a cohesive corporate strategy.

Because David Simon is our employee, the Lead Independent Director presides over executive sessions of the independent directors and plays an active role in setting Board agendas and facilitating interactions between the independent directors and the senior management team. The Board of Directors will re-evaluate its leadership structure on an ongoing basis and may change it as circumstances warrant.

Board Oversight of Risk Management

We have implemented a company-wide enterprise risk management process to identify and assess the major risks we face and develop strategies for controlling, mitigating and monitoring risk. As part of this process, we gather information throughout our company to identify and prioritize these major risks. The identified risks and mitigation strategies are validated with management and presented to the Audit Committee on an ongoing basis.

Examples of major risks we have identified are our ability to access capital, changes in economic conditions and consumer spending, the risks from competition from other shopping venues, including internet sales, tenant bankruptcies and our ability to renew leases and otherwise lease space.

The Audit Committee has standing agenda items for several of its meetings each year relating to its responsibilities in this process and reports on these items to the full Board. Our Vice President of Audit Services (who is also responsible for our internal audit function) is responsible for supervising the enterprise risk management process and in that role reports directly to the Audit Committee. Other members of senior management who have responsibility for designing and implementing various aspects of our risk management process also regularly meet with the Audit Committee. The Audit Committee discusses our major financial risk exposures with our Chief Executive Officer and Chief Financial Officer and receives reports from other members of senior management with regard to other identified risks.

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The recent activities of the Compensation Committee with respect to risks relating to our compensation policies and procedures are discussed on pages 38 to 39 of this proxy statement.

Additional review or reporting on risks is conducted as needed or as requested by the Board or Audit Committee.

Director Independence

The Board has adopted standards to assist it in making determinations of director independence. These standards incorporate, and are consistent with, the definition of "independent" contained in the New York Stock Exchange listing rules. These standards are included in our Governance Principles, which are available on our Internet website, www.simon.com, as described above. The Board has affirmatively determined that each of the persons nominated for election as directors by the holders of voting shares meets these standards and is independent.

Herbert Simon, David Simon and Mr. Sokolov are our employees and, accordingly, are not considered independent directors.

Majority Vote Standard for Election of Directors

Our By-Laws provide for a majority voting standard for the election of directors. This means that any director who, in an uncontested election, receives a greater number of "against" votes than "for" votes must promptly tender his or her resignation to the Board of Directors, subject to its acceptance. The Governance and Nominating Committee will promptly consider the resignation and recommend to the Board whether to accept or reject it. Both the committee and the Board may consider any factors they deem appropriate and relevant to their actions.

The Board will act on the tendered resignation, taking into account the Governance and Nominating Committee's recommendation. The affected director cannot participate in any part of the process. We will publicly disclose the Board's decision by a press release, a filing with the Securities and Exchange Commission or other broadly disseminated means of communication within 90 days after the vote is certified.

In a contested election (a situation in which the number of nominees exceeds the number of directors to be elected), the standard for election of directors will be a plurality of the votes cast by the holders of shares entitled to vote on the election of directors, provided a quorum is present.

Nominations for Directors

The Governance and Nominating Committee will consider director nominees recommended by stockholders. A stockholder who wishes to recommend a director candidate should send such recommendation to our Secretary at 225 West Washington Street, Indianapolis, Indiana 46204, who will forward it to the committee. Any such recommendation should include a description of the candidate's qualifications for Board service, the candidate's written consent to be considered for nomination and to serve if nominated and elected, and addresses and telephone numbers for contacting the stockholder and the candidate for more information. A stockholder who wishes to nominate an individual as a director candidate at the annual meeting of stockholders, rather than recommend the individual to the Governance and Nominating Committee as a nominee, must comply with the advance notice requirements set forth in our By-Laws.

Our Governance Principles provide that all candidates for election as members of the Board should possess high personal and professional ethics, integrity and values and be committed to representing the long-term interests of our stockholders and otherwise fulfilling the responsibilities of directors as described in our Governance Principles. Our Governance Principles further provide that our directors should not serve on

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more than four boards of public companies, including our Board, unless the Board or Governance and Nominating Committee determines that serving on more than four boards does not impair the ability of the director to serve as an effective member of our Board. In recommending candidates to the Board for election as directors, the Governance and Nominating Committee will consider the foregoing minimum qualifications as well as each candidate's credentials, keeping in mind our desire, as stated in our Governance Principles, to have a Board representing diverse experiences and backgrounds, as well as areas that are relevant to our business activities.

Director Qualifications

The Board of Directors believes that its members should exhibit high standards of independent judgment and integrity, have a strong record of achievement, have an understanding of our business and the competitive environment in which we operate, and have diverse experiences and backgrounds. Directors should be committed to enhancing stockholder value on a long-term basis and have sufficient time to carry out their duties.

In addition, the Board of Directors has determined that the Board as a whole should strive to have the right diversity, mix of characteristics and skills so it can perform its oversight responsibilities on an optimal basis. The Board believes that directors with skills, such as the following, can assist in meeting this goal:

leadership of large, complex organizations;

accounting and finance;

capital markets;

retail marketing;

strategic planning;

relevant industries, especially real estate acquisitions, development and operations;

banking;

legal and corporate governance;

government and governmental relationships; and

international business.

Additional biographic and other information concerning the directors can be found at pages 17 to 20. Set forth below are key experiences, qualifications, attributes and skills that led the Governance and Nominating Committee to the conclusion that each such person is currently qualified to serve as a director:

Melvyn E. Bergstein is the co-founder of a publicly-held consulting company and has served as its chief executive officer or the chief executive officer of its predecessors for many years where he has gained experience in finance, investor relations,

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compensation and strategic planning. He was director of one of the country's leading consulting firms. He has executed major consulting engagements with other companies operating in a wide range of businesses. He has served on the board of directors and as chairman of the oversight committee of a publicly-held company. He serves on our Audit Committee and Compensation Committee which he has chaired for a number of years. The Board of Directors has determined that he is an "audit committee financial expert."

Linda Walker Bynoe has served as the chief executive officer of a project management, consulting and financial advisory services company for fifteen years. Ms. Bynoe has diverse consulting and investment experience and expertise in accounting, financial reporting and corporate governance, serving on audit, compensation and risk committees of other public companies. She has many years of experience as a

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director of financial services and other complex corporations, including real estate investment trusts ("REITs"), which make her well-suited to serve on our Board. Ms. Bynoe received her M.B.A. from Harvard University. She has served as a director of several other publicly-held companies and brings those experiences to her service on our Compensation Committee and Governance and Nominating Committee.

Larry C. Glasscock served as the chief executive officer of the nation's leading health benefits company for many years. He is experienced in leading a large public company, developing and implementing turnaround and growth strategies, and developing talent and participating in successful leadership transitions. In addition, Mr. Glasscock also worked in financial services for 20 years. He also serves, and has served, for over 15 years as a director of other public companies. Mr. Glasscock has experience serving on audit committees, including as chairman, and compensation committees of publicly traded companies.

Karen N. Horn, Ph.D. has more than 30 years of experience in international finance and management, including her service as president of the Federal Reserve Bank of Cleveland and as a senior executive of a number of financial institutions. These experiences provide her with expertise in financial management and economic policy and an in-depth knowledge of the capital markets in which we actively participate. Dr. Horn serves as a director of several other publicly-held companies. She is a member of our Compensation Committee and Governance and Nominating Committee which she chairs.

Allan Hubbard has more than 30 years experience as an entrepreneur having founded and led a company that acquires and grows companies in North America and Europe. He served on the board of directors of a major, publicly-held healthcare company for a number of years during which time he served on that board's audit, compensation and governance committees. Mr. Hubbard also has extensive government and economic policy experience having held key economic positions in the administrations of two U.S. Presidents. He is an honors graduate of Harvard Business School with an emphasis in finance and an honors graduate of Harvard Law School. Mr. Hubbard serves on our Compensation Committee and Audit Committee and has been designated as an "audit committee financial expert."

Reuben S. Leibowitz has years of experience leading a private equity firm's real estate activities and developing long-term corporate strategies. Mr. Leibowitz practiced 15 years as a public accountant and a number of years specializing in tax issues. He has an in-depth understanding of our Premium Outlets® platform having served as a director of Chelsea Property Group, the publicly-held company we acquired in 2004. He serves on our Compensation Committee and Audit Committee and has been designated as an "audit committee financial expert."

Daniel C. Smith, Ph.D. has spent decades teaching and conducting research, in the areas of financial management, compensation, human resource development, strategic brand management, marketing strategy and corporate governance. He serves as Dean of one of the country's top-rated business schools where he is responsible for financial oversight and long term financial planning, hiring and retention policies, compensation policies, public relations and the long term strategy of the school. He serves on our Governance and Nominating Committee and Audit Committee and has been designated an "audit committee financial expert."

J. Albert Smith, Jr. has served as president and managing director of the Midwest operations of a major financial institution for a number of years during which time he has been involved in real estate lending activities. Through these experiences he has developed expertise in financial management and credit markets. He has served as our Lead Independent Director, is a member of our Governance and Nominating Committee and Audit Committee which he chairs. He has been designated an "audit committee financial expert."

Herbert Simon is our co-founder and Chairman Emeritus. The retail real estate business that he and his brother, Melvin Simon, started decades ago established the foundation for all of our current operations

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and record of achievement. Mr. Simon's leadership of a preeminent professional basketball franchise has led to his service on the board of directors of the National Basketball Association.

David Simon has served as our Chief Executive Officer or the chief executive officer of our predecessor for 15 years. During that time he has provided leadership in the development and execution of our successful growth strategy, overseeing numerous strategic acquisitions that have been consolidated into what is recognized as the nation's leading retail real estate company. David gained experience in mergers and acquisitions while working at major Wall Street firms before joining his father and uncle. David serves on the National Association of Real Estate Investment Trusts' board of governors which gives him an industry-wide perspective that extends beyond our own operations.

Richard S. Sokolov has served as our Chief Operations Officer since 1996 immediately following our acquisition of DeBartolo Realty Corporation. Mr. Sokolov had served as chief executive officer and general counsel of DeBartolo Realty Corporation and its predecessor operations for a number of years. Mr. Sokolov serves as a trustee and a member of the Executive Committee of the International Council of Shopping Centers, the leading industry organization for retail real estate companies.

Communications with the Board

The Board has implemented a process by which our stockholders and other interested parties may communicate with one or more members of our Board, its committees or the independent directors as a group in a writing addressed to Simon Property Group, Inc., Board of Directors, c/o Secretary, 225 West Washington Street, Indianapolis, Indiana 46204. The Board has instructed our Secretary to promptly forward all such communications to the specified addressees thereof.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, requires our directors, executive officers and beneficial owners of more than 10% of our capital stock to file reports of ownership and changes of ownership with the Securities and Exchange Commission and the New York Stock Exchange. Based on our records and other information, we believe that during the year ended December 31, 2009 all applicable Section 16(a) filing requirements were met except that Mr. Rulli, one of the named executive officers, did not file a timely report for four gifts he made to members of his family during 2007 and 2008 which involved a total of 1,022 shares.

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TRANSACTIONS WITH RELATED PERSONS

Policy

On an annual basis, each director and executive officer is obligated to complete a director and officer questionnaire which requires disclosure of any transactions with us in which the director or executive officer, or any member of his or her immediate family, has an interest. Pursuant to our Code of Business Conduct and Ethics, which is available in the Investors/Corporate Governance section of our Internet website at www.simon.com, the Audit Committee must review and approve all related person transactions in which any executive officer, director, director nominee or more than 5% stockholder of the company, or any of their immediate family members, has a direct or indirect material interest. Pursuant to the charter of the Audit Committee, which is available in the Investors/Corporate Governance section of our Internet website at www.simon.com, the Audit Committee may not approve a related person transaction unless (1) it is in or not inconsistent with our best interests and (2) where applicable, the terms of such transaction are at least as favorable to us as could be obtained from an unrelated third party.

Our general counsel is charged with reviewing any conflict of interest involving any other employee.

Transactions with the Simons

We are a party to noncompetition agreements with Herbert Simon and David Simon, collectively, the Simons. Pursuant to such agreements and except as set forth below, Herbert Simon is prohibited from engaging in the shopping center business in North America other than through the company or as a passive investor until the date that he is no longer one of our directors or officers, and David Simon is prohibited from engaging in the shopping center business in North America other than through the company and, with certain exceptions, for two years after he resigns or is terminated for cause. These restrictions will not prohibit Herbert Simon or David Simon from owning an interest in four (now two) shopping centers owned by the Simons that were not contributed to the Operating Partnership at the time of our predecessor's initial public offering in 1993. It is anticipated that such commitments will not, in the aggregate, involve a material amount of time, but no assurance can be given in this regard. In addition, Herbert Simon may pursue other investment activities in which he is currently engaged.

We manage the shopping centers referred to above pursuant to management agreements that provide for a management fee and reimbursement of our direct and indirect costs. In 2009, we received \$2,431,016 in fees and reimbursements for managing these centers. Seventy-nine percent (79%) of these fees are paid by a shopping center in which the Simons have a 50% interest. Although some of the agreements were not negotiated on an arms-length basis, they have been reviewed and approved by the Audit Committee and management believes that their terms are fair to us.

We provide MSA with office space and legal, human resource administration, property specific financing and other support services in exchange for MSA's payment to us for the cost of those services. In 2009, MSA paid us \$1,250,000 as MSA's share of the cost of these services. We also reimburse entities owned by MSA and David Simon, respectively, for our business use of the aircraft owned and operated by such entities. Our reimbursement for aircraft use is based upon a below market hourly cost of operating each of the aircraft in question and the verified number of hours of our use, plus reimbursement for certain out-of-pocket expenses. For our business use of aircraft in 2009, we reimbursed MSA \$500,000 and David Simon's company \$306,823. In addition, we reimbursed MSA \$79,550 for maintenance, pilot and other support services that MSA provided with respect to our use of David Simon's company's aircraft. These payments and reimbursements were reviewed and approved by the Audit Committee.

Our Charter requires that at least a majority of our directors be neither our employees nor members or affiliates of members of the Simon family (including Herbert Simon, David Simon, members of the immediate

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family of any of the late Melvin Simon or Herbert Simon or David Simon, other lineal descendants of any of the foregoing, estates of any of the foregoing, trusts established for the benefit of any of the foregoing or entities controlled by any of the foregoing). Our Charter further requires that transactions involving us in our capacity as general partner of the Operating Partnership, in which any member or affiliate of any member of the Simon family has an interest must, in addition to any other vote that may be required, be approved in advance by a majority of such "independent directors".

Other Transactions

Some of the limited partners of the Operating Partnership guarantee a portion of the mortgage debt obligations on certain properties through foreclosure guarantees. In each case, the loans (which are without recourse against us and our affiliates) were made by unrelated third party institutional lenders and the guarantees are for the benefit of each lender. In the event of foreclosure of the mortgaged property, the proceeds from the sale of the property are first applied against the amount of the guarantee and also reduce the amount payable under the guarantee. To the extent the sale proceeds from the disposal of the property do not cover the amount of the guarantee, then the limited partner is liable to pay the difference between the sale proceeds and the amount of the guarantee so that the entire amount guaranteed to the lender is satisfied. In addition, some of the limited partners have executed capital contribution obligation agreements which guarantee a portion of our third-party unsecured non-recourse debt obligations. In the event these loans are called, the proceeds realized from the lenders' exercise of their remedies would be applied against and reduce the amount of the contribution obligation. To the extent the proceeds from the exercise of lenders' remedies are less than the amount of the contribution obligation, the limited partner would be obligated to make a capital contribution in an amount equal to the shortfall in the proceeds. As of December 31, 2009, the following directors, executive officers and beneficial owners of more than 5% of any class of our voting securities guaranteed the indicated amounts: Edward J. DeBartolo, Jr., et al. \$110,039,163; and MSA, wholly owned subsidiaries of MSA, the estate of Melvin Simon, Herbert Simon, David Simon and other members of the Simon family \$63,775,000.

Table of Contents**MEETINGS AND COMMITTEES OF THE BOARD****Meetings and Attendance**

Our business, property and affairs are managed under the direction of our Board of Directors. Members of our Board of Directors are kept informed of our business through discussions with our Chairman and Chief Executive Officer, other executive officers and our Lead Independent Director, by reviewing materials provided to them, by visiting our offices and properties, and by participating in meetings of the Board and its committees. Directors are also expected to use reasonable efforts to attend the annual meeting of stockholders. All directors, except for Daniel C. Smith, attended the 2009 annual meeting. During 2009, the Board of Directors met six times. Much of the Board's oversight responsibilities are conducted through its four standing committees. Those committees consist of an Audit Committee, a Compensation Committee, a Governance and Nominating Committee and an Executive Committee. During 2009, all directors, except for Pieter S. van den Berg, participated in 75% or more of the aggregate number of meetings of the Board and the committees on which they served. Mr. van den Berg retired from the Board in October 2009.

Executive Sessions of Independent Directors

The independent directors meet in executive session without management present following each regularly scheduled Board meeting. In addition, the Board has designated J. Albert Smith, Jr. as Lead Independent Director. The Lead Independent Director presides over the executive sessions. He also helps to set agendas for Board meetings and serves as a liaison between the independent directors and the senior management team.

Committee Membership

The table below provides current membership information for each of the standing committees of the Board.

Name	Audit	Compensation	Governance and Nominating	Executive
Melvyn E. Bergstein	X	X ⁽¹⁾		
Linda Walker Bynoe		X	X	
Larry C. Glasscock ⁽²⁾				
Karen N. Horn, Ph.D.		X	X ⁽¹⁾	
Allan Hubbard	X	X		
Reuben S. Leibowitz	X	X		
David Simon				X ⁽¹⁾
Herbert Simon				X
Daniel C. Smith, Ph.D.	X		X	
J. Albert Smith, Jr. ⁽³⁾	X ⁽¹⁾		X	
Richard S. Sokolov				X
Number of 2009 Meetings	9	&n">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 is 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 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

**Conditions and
Limitations**

*Definitions
(continued)*

- (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**.

**Conditions and
Limitations**

*Definitions
(continued)*

- 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.

- 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.

**Conditions and
Limitations**

*Definitions
(continued)*

- 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;

**Conditions and
Limitations**

*General Exclusions -
Applicable to All Insuring
Clauses
(continued)*

- 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;

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**Conditions and
Limitations**

*Specific Exclusions -
Applicable To All Insuring
Clauses Except Insuring
Clause 1.
(continued)*

- 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

**Conditions and
Limitations**

*Limit Of Liability/Non-
Reduction And Non-
Accumulation Of Liability
(continued)*

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.

**Conditions and
Limitations**

*Notice To Company -
Proof - Legal Proceedings
Against Company
(continued)*

- 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.

**Conditions and
Limitations**

(continued)

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

**Conditions and
Limitations**

*Subrogation - Assignment
Recovery
(continued)*

- 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.

**Conditions and
Limitations**

*Termination
(continued)*

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.

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.

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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.

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**Conditions And
Limitations**

*Change or Modification
(continued)*

If this Bond is for a joint ASSURED, no charge 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.

ICAP Bond (5-98)
Form 17-02-1421 (Ed. 5-98)

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ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2015

FEDERAL INSURANCE COMPANY
Endorsement/Rider No. 1
To be attached to and
form a part of Policy No. 81906724

Issued to: JOHN HANCOCK FUNDS

COMPLIANCE WITH APPLICABLE TRADE SANCTION LAWS

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

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

**By: /s/ Paul N. Morrissette
Authorized Representative**

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FEDERAL INSURANCE COMPANY

Endorsement No: 2
Bond Number: 81906724

NAME OF ASSURED: JOHN HANCOCK FUNDS

NAME OF ASSURED ENDORSEMENT

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

**JOHN HANCOCK FUNDS listed as the Named Assured on the Declarations Page
Includes the following Trusts:**

John Hancock Collateral Trust

John Hancock Financial Opportunities Fund

John Hancock Bond Trust

John Hancock California Tax-Free Income Fund

John Hancock Capital Series

John Hancock Current Interest

John Hancock Emerging Markets Income Fund

John Hancock Flexible Income Opportunities Fund

John Hancock Floating Rate High Income Fund

John Hancock Hedged Equity & Income Fund

John Hancock Income Securities Trust

John Hancock Investment Trust

John Hancock Investment Trust II

John Hancock Investment Trust III

John Hancock Investors Trust

John Hancock Municipal Securities Trust

John Hancock Preferred Income Fund

John Hancock Preferred Income Fund II

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John Hancock Preferred Income Fund III

John Hancock Premium Dividend Fund

John Hancock Series Trust

John Hancock Sovereign Bond Fund

John Hancock Strategic Diversified Income Fund

John Hancock Strategic Series

John Hancock Tax-Advantaged Dividend Income Fund

John Hancock Tax-Advantaged Global Shareholder Yield Fund

John Hancock Tax-Exempt Series Fund

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JOHN HANCOCK FUNDS II
JOHN HANCOCK FUNDS III
JOHN HANCOCK VARIABLE INSURANCE TRUST

Effective July 13, 2015:

John Hancock Exchange-Traded Fund Trust

This Endorsement applies to loss discovered after 12:01 a.m. on December 31, 2015.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: December 28, 2015

By: /s/ Paul N. Morrissette
Authorized Representative

FEDERAL INSURANCE COMPANY

Endorsement No: 3

Bond Number:

81906724

NAME OF ASSURED:

JOHN HANCOCK FUNDS

TERMINATION-NONRENEWAL-NOTICE ENDORSEMENT

It is agreed that this Bond is amended as follows:

- 1 . By adding to Section 13., Termination, the following:

"Termination By The Company

Bonds In Effect For More Than Sixty (60) Days

If this Bond has been in effect for more than sixty (60) days, or, if this Bond is a renewal, the COMPANY may terminate by providing written notice of cancellation at least sixty (60) days before the effective date of termination for at least one of the following reasons:

- 1 . Nonpayment of premium;
- 2 . Discovery of fraud or material misrepresentation in obtaining this Bond or in the presentation of a claim thereunder;
- 3 . Discovery of willful or reckless acts or omissions or violation of any provision of this Bond on the part of the ASSURED which substantially and materially increases any hazard insured against, and which occurred subsequent to the inception of the current BOND PERIOD;
- 4 . Conviction of the ASSURED of a crime arising out of acts increasing the hazard insured against;
- 5 . Material change in the risk which increases the risk of loss after insurance coverage has been issued or renewed, except to the extent that the COMPANY should reasonably have foreseen the change, or contemplated the risk when the contract was written;
- 6 . Determination by the Commissioner that the continuation of the Bond would jeopardize a COMPANY'S solvency or would place the COMPANY in violation of the insurance laws of any state;
- 7 . Determination by the Commissioner that continuation of the present premium volume of the COMPANY would jeopardize the COMPANY'S policyholders, creditors or the public;
- 8 . Such other reasons that are approved by the Commissioner;
- 9 . Determination by the Commissioner that the COMPANY no longer has adequate reinsurance to meet the ASSUREDS needs;
- 10 . Substantial breaches of contractual duties, conditions or warranties; or
- 11 . Unfavorable underwriting facts, specific to the ASSURED, existing that were not present at the inception of the Bond.

Bonds In Effect Sixty (60) Days Or Less

If this Bond has been in effect for sixty (60) days or less, and it is not a renewal Bond, the COMPANY may terminate for any reason by providing written notice of termination at least sixty (60) days before the effective date of termination.

Notice Of Termination

Notice of termination under this Section shall be mailed or delivered, by certified mail, return receipt provided by the United States Postal Service, to the ASSURED and to the authorized agent or broker, if any, at least sixty (60) days prior to the effective date of cancellation at the address shown on the DECLARATIONS of this Bond.

If this Bond is cancelled for nonpayment of premium, the COMPANY will mail or deliver, by certified mail, return receipt provided by the United States Postal Service, a written notice at least thirty (30) days before the effective date of cancellation. The cancellation notice shall contain information regarding the amount of premium due and the due date, and shall state the effect of nonpayment by the due date. Cancellation shall not be effective if payment of the amount due is made prior to the effective date of cancellation.

All notice of cancellation shall state the reason(s) for cancellation.

There is no liability on the part of, and no cause of action of any nature shall arise against, the COMPANY, its authorized representatives, its employees, or any firm, person or corporation furnishing to the COMPANY, information relating to the reasons for cancellation or nonrenewal, for any statement made by them in complying or enabling the COMPANY to comply with this Section, for the provision of information pertaining thereto, or for statements made or evidence submitted at any hearings conducted in connection therewith, if such information was provided in good faith and without malice.

Notice Of Nonrenewal

If the COMPANY elects not to renew this Bond, the COMPANY shall mail or deliver written notice, by certified mail, return receipt, provided by the United States Postal Service, to the ASSURED, at his last known address, at least sixty (60) days before the expiration date or before the anniversary date, if this Bond has been written for a term of more than one (1) year. Such notice shall also be mailed to the ASSURED'S agent or broker, if any.

Such notice shall contain all of the following:

- a. Bond Number:
- b. Date of Notice;

- c. Reason for Cancellation;
- d. Expiration Date of the Bond;
- e. Effective Date and Hour of Cancellation.

Notice of nonrenewal shall not be required if the COMPANY or a COMPANY within the same insurance group has offered to issue a renewal Bond, the ASSURED has obtained replacement coverage or has agreed in writing to obtain replacement coverage, the ASSURED has requested or agreed to nonrenewal, or the Bond is expressly designated as nonrenewable.

Return Premium Calculations

Any unearned premiums which have been paid by the ASSURED shall be refunded to the ASSURED on a pro rata basis if terminated by the COMPANY or the ASSURED. The unearned premiums shall be refunded to the ASSURED within forty-five (45) days of receipt of the request for cancellation or the effective date of cancellation, whichever is later.

Conditional Renewal

If the COMPANY offers or purports to renew the Bond, but on less favorable terms or at higher rates, the new terms or higher premiums may take effect on the renewal date, if the COMPANY mails or delivers by certified mail, return receipt provided by the United States Postal Service, to the ASSURED, notice of the new terms or premiums at least sixty (60) days prior to the renewal date. If the COMPANY notifies the ASSURED within sixty (60) days prior to the renewal date, the new terms or premiums do not take effect until sixty (60) days after the notice is mailed or delivered, in which case, the ASSURED may elect to cancel the renewal Bond within the sixty (60) day period. If the COMPANY does not notify the ASSURED of the new terms or premiums, the COMPANY shall continue the Bond at the expiring terms and premiums until notice is given or until the effective date of replacement coverage is obtained by the ASSURED, whichever occurs first.”

- 2 . It is further understood and agreed that for the purposes of Section 13., Termination, any occurrence listed in this Section shall be considered to be a request by the ASSURED to immediately terminate this Bond.

This Endorsement applies to loss discovered after 12:01 a.m. on December 31, 2015.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: December 28, 2015

By: /s/ Paul N. Morrissette
Authorized Representative

FEDERAL INSURANCE COMPANY

Endorsement No.: 4

Bond Number:

81906724

NAME OF ASSURED: JOHN HANCOCK FUNDS

UNAUTHORIZED SIGNATURE ENDORSEMENT

It is agreed that this Bond is amended as follows:

1 . By adding the following INSURING CLAUSE:

12 . 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:

r. **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.

s. **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.

- t. **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 December 31, 2015.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: December 28, 2015

By: /s/ Paul N. Morrissette
Authorized Representative

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FEDERAL INSURANCE COMPANY

Endorsement No.: 5

Bond Number:

81906724

NAME OF ASSURED:

JOHN HANCOCK 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:

u. **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)

v. **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.

w. **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.

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

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

z. **APS Transaction** means any **APS Purchase, APS Redemption, APS Election** or **APS Exchange**.

aa. **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

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- 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 December 31, 2015.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: December 28, 2015

By: /s/ Paul N. Morrissette
Authorized Representative

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FEDERAL INSURANCE COMPANY

Endorsement No.: 6

Bond Number:

81906724

NAME OF ASSURED: JOHN HANCOCK FUNDS

TELEFACSIMILE INSTRUCTION FRAUD ENDORSEMENT

It is agreed that this Bond is amended as follows:

1 . By adding the following INSURING CLAUSE:

14 . 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:

- bb. **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 December 31, 2015.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: December 28, 2015

By: /s/ Paul N. Morrissette
Authorized Representative

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FEDERAL INSURANCE COMPANY

Endorsement No.:

7

Bond Number:

81906724

NAME OF ASSURED: JOHN HANCOCK 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:

“ 15 . 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 15

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 December 31, 2015.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: December 28, 2015

By: /s/ Paul N. Morrissette
Authorized Representative

ICAP Bond

FEDERAL INSURANCE COMPANY

Endorsement No.: 8

Bond Number:

81906724

NAME OF ASSURED: JOHN HANCOCK 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 8, 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 December 31, 2015.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: December 28, 2015

By: /s/ Paul N. Morrisette
Authorized Representative

ENDORSEMENT/RIDER

Effective date of

this endorsement/rider: December 31, 2015

FEDERAL INSURANCE COMPANY

Endorsement/Rider No.

9

To be attached to and

form a part of Bond No.

81906724

Issued to: JOHN HANCOCK FUNDS

AUTOMATIC INCREASE IN LIMITS ENDORSEMENT

In consideration of the premium charged, it is agreed that General Agreements, Section C., Additional Offices or Employees-Consolidation, Merger or Purchase or Acquisition of Assets or Liabilities-Notice to Company, is amended by adding the following:

If the ASSURED, while this Bond is in force, establish new funds other than by consolidation or merger with, purchase or acquisition of assets or liabilities of, another institution, such funds shall automatically be covered hereunder from the date of establishment.

If the ASSURED, while this Bond is in force, require an increase in limits to comply with SEC Reg. 17g-1, due to an increase in assets, such increase shall automatically be covered hereunder from the date of such increase, but only as excess coverage. Such excess coverage shall not exceed five million dollars (\$5,000,000) in additional limits and shall be excess of this Bond and of the following excess

Bond:

Carrier:	ICI Mutual Insurance Company
Bond Number	87142113 B
Limits of Liability:	\$ 15,000,000
Bond Period:	December 31, 2014 to December 31, 2015

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Bond shall remain unchanged.

**By: /s/ Paul N. Morrisette
Authorized Representative**

Q07-1972(08/2007)

Page 1

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2015

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 10
To be attached to and
form a part of Bond No. 81906724

Issued to: JOHN HANCOCK FUNDS

AMEND DEFINITION OF EMPLOYEE ENDORSEMENT

In consideration of the premium charged, it is agreed that Section 1., Definitions, the term **Employee** is amended to include the following:

Any natural person while in the service of the ASSURED solely while performing sub-advisory services for the ASSURED pursuant to a written contract.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Bond shall remain unchanged.

**By: /s/ Paul N. Morrissette
Authorized Representative**

Q07-1957 (08/2007)

Page 1

ENDORSEMENT/RIDER

Effective date of

this endorsement/rider: December 31, 2015

FEDERAL INSURANCE COMPANY

Endorsement/Rider No.

11

To be attached to and

form a part of Bond No.

81906724

Issued to: JOHN HANCOCK FUNDS

**DELETING VALUATION-OTHER PROPERTY AND AMENDING CHANGE OR MODIFICATION
ENDORSEMENT**

In consideration of the premium charged, it is agreed that this Bond is amended as follows:

- 1 . The paragraph titled Other Property in Section 9, Valuation, is deleted in its entirety.
- 2 . The third paragraph in Section 16, Change or Modification, is deleted in its entirety and replaced with the following:

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 the Securities and Exchange Commission, Washington, D.C., by the COMPANY.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Bond shall remain unchanged.

**By: /s/ Paul N. Morrisette
Authorized Representative**

17-02-2437 (12/2006) rev.

Page 1

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2015

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 12

To be attached to and
form a part of Policy No. 81906724

Issued to: JOHN HANCOCK FUNDS

AMEND NAME OF ASSURED (NEW FUNDS) ENDORSEMENT

In consideration of the premium charged, is agreed that:

- 1 . The NAME OF ASSURED, as set forth on the DECLARATIONS of this Bond, shall include any newly created, merged, consolidated or terminated registered investment company sponsored by an ASSURED or any newly created portfolio of an ASSURED. Provided, however, that this provision shall not apply to a registered investment company that is created as a result of a merger, consolidation or acquisition with any other registered investment company.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

**By: /s/ Paul N. Morrissette
Authorized Representative**

Q09-1831 (11/2009)

Page 1

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2015

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 13

To be attached to and
form a part of Bond No. 81906724

Issued to: JOHN HANCOCK FUNDS

AMEND DISCOVERY AND NOTICE ENDORSEMENT

In consideration of the premium charged, it is agreed that this Bond is amended as follows:

(1) Section 6., Discovery, is deleted in its entirety and replaced it with the following:

Discovery

This Bond applies only to loss first discovered by the President, General Counsel or Risk Manager of the ASSURED during the BOND PERIOD. Discovery occurs at the earlier of the President, General Counsel or Risk Manager 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.

(2) Section 7., Notice to Company-Proof-Legal Proceedings Against Company, is amended by deleting paragraph a. and replacing it with the following:

- a. The ASSURED shall give the COMPANY notice thereof at the earliest practicable moment, not to exceed sixty (60) days after discovery of loss by President, General Counsel or Risk Manager of the ASSURED, in an amount that is in excess of fifty percent (50%) of the applicable DEDUCTIBLE AMOUNT, as stated in ITEM 2. of the DECLARATIONS.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Bond shall remain unchanged.

**By: /s/ Paul N. Morrissette
Authorized Representative**

14-02-14521 (08/2008)

FEDERAL INSURANCE COMPANY

Endorsement No. 14

Bond Number: 81906724

NAME OF ASSURED: JOHN HANCOCK 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 LIMIT OF LIABILITY	DEDUCTIBLE AMOUNT
1 . Employee	\$ 15,000,000	\$ 0
2 . On Premises	\$ 15,000,000	\$ 150,000
3 . In Transit	\$ 15,000,000	\$ 150,000
4 . Forgery or Alteration	\$ 15,000,000	\$ 150,000
5 . Extended Forgery	\$ 15,000,000	\$ 150,000
6 . Counterfeit Money	\$ 15,000,000	\$ 150,000
7 . Threats to Person	\$ 15,000,000	\$ 150,000
8 . Computer System	\$ 15,000,000	\$ 150,000
9 . Voice Initiated Funds Transfer Instruction	\$ 15,000,000	\$ 150,000
10 . Uncollectible Items of Deposit	\$ 15,000,000	\$ 150,000
11 . Audit Expense	\$ 150,000	\$ 0
12 . Unauthorized Signature Endt	\$ 15,000,000	\$ 150,000
13 . Automated Telephone Transaction Endt	\$ 15,000,000	\$ 150,000
14 . Telefacimilie Instruction Fraud Endt	\$ 15,000,000	\$ 150,000
15 . Stop Payment Order or Refusal To Pay Check Endt	\$ 15,000,000	\$ 150,000
16 . Extended Computer Systems Endt	\$ 15,000,000	\$ 150,000

This Endorsement applies to loss discovered after 12:01 a.m. on December 31, 2015.

ALL OTHER TERMS AND CONDITIONS OF THIS BOND REMAIN UNCHANGED.

Date: December 28, 2015

**By: /s/ Paul N. Morrissette
Authorized Representative**

**POLICYHOLDER
DISCLOSURE NOTICE OF
TERRORISM INSURANCE COVERAGE**

(for policies with no terrorism exclusion or sublimit)

Insuring Company:

You are hereby notified that, under the Terrorism Risk Insurance Act (the “Act”) this policy makes available to you insurance for losses arising out of certain acts of terrorism. Terrorism is defined as any act certified by the Secretary of the Treasury 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 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 85% of covered terrorism losses that exceed the statutorily established deductible to be paid by the insurance company providing the coverage. Beginning in 2016, the Federal share will be reduced by 1% per year until it reaches 80%, where it will remain.

However, if aggregate insured losses attributable to terrorist acts certified under the Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

10-02-1281 (Ed. 03/2015)

If aggregate insured losses attributable to terrorist acts certified under the Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

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.

10-02-1281 (Ed. 03/2015)

IMPORTANT NOTICE TO POLICYHOLDERS

All of the members of the Chubb Group of Insurance companies doing business in the United States (hereinafter Chubb) distribute their products through licensed insurance brokers and agents (producers). Detailed information regarding the types of compensation paid by Chubb to producers on US insurance transactions is available under the Producer Compensation link located at the bottom of the page at www.chubb.com, or by calling 1-866-588-9478. Additional information may be available from your producer.

Thank you for choosing Chubb.

10-02-1295 (ed. 6/2007)

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.

Form 14-02-12160 (ed. 7/2006)

ICI MUTUAL INSURANCE COMPANY,

a Risk Retention Group

1401 H St. NW

Washington DC 20005

INVESTMENT COMPANY BLANKET BOND

(EXCESS)

ICI MUTUAL INSURANCE COMPANY,

a Risk Retention Group

1401 H St. NW

Washington, DC 20005

DECLARATIONS

NOTICE

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your state. State insurance insolvency guaranty funds are not available for your risk retention group.

Item 1. Name of Insured (the “Insured”) Bond Number:

John Hancock Funds 87142115B

Principal Office: 601 Congress Street
Boston, MA 02210

Mailing Address: C/O Aon Financial Services Group
One Federal Street
Boston, MA 02210

Item Bond Period: from 12:01 a.m. on December 31, 2015 to 12:01 a.m. on December 31, 2016, or the earlier

2. effective date of the termination of this Bond, standard time at the Principal Office as to each of said dates.

Item 3. Limit of Liability—

	LIMIT OF LIABILITY	DEDUCTIBLE AMOUNT ¹
1. EMPLOYEE	\$15,000,000	\$15,000,000
2. ON PREMISES	\$15,000,000	\$15,000,000
3. IN TRANSIT	\$15,000,000	\$15,000,000
4. FORGERY OR ALTERATION	\$15,000,000	\$15,000,000

5. EXTENDED FORGERY	\$15,000,000	\$15,000,000
6. COUNTERFEIT MONEY	\$15,000,000	\$15,000,000
7. THREATS TO PERSONS	\$15,000,000	\$15,000,000
8. COMPUTER SYSTEMS	\$15,000,000	\$15,000,000
9. VOICE-INITIATED FUNDS TRANSFER INSTRUCTION	\$15,000,000	\$15,000,000
10. UNCOLLECTIBLE ITEMS OF DEPOSIT	\$15,000,000	\$15,000,000

1 Plus the applicable deductible of the Primary Bond

Item 4. PRIMARY BOND - Federal Insurance Company Bond No. 81906724

Item The liability of ICI Mutual Insurance Company, a Risk Retention Group (the “Underwriter”) is subject to the
5. terms of the following Riders attached hereto:

Riders: 1

and of all Riders applicable to this Bond issued during the Bond Period.

By: /S/ Maggie Sullivan By: /S/ John Mulligan
Authorized Representative Authorized Representative

Excess Bond (10/15)

NOTICE

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your state. State insurance insolvency guaranty funds are not available for your risk retention group.

ICI Mutual Insurance Company, a Risk Retention Group (“Underwriter”), in consideration of the required premium, and in reliance on the application and all other information furnished to the Underwriter by the Insured, and subject to and in accordance with the Declarations, General Agreements, Provisions, Conditions and Limitations of this bond, agrees to indemnify the Insured for loss, discovered during the Bond Period, which would otherwise have been paid under the **Primary Bond** but for the fact that the loss exceeds the limit of liability of such Primary Bond. Coverage under this bond shall follow the terms and conditions of the **Primary Bond**, except with respect to:

- a. Any coverage exceptions specified by riders attached to this bond;
- b. The deductible amounts and limits of liability as stated in ITEM 3. of the Declarations; and
- c. The General Agreements, Provisions, Conditions and Limitations set forth herein.

GENERAL AGREEMENTS

A. CHANGE OR MODIFICATION OF PRIMARY BOND

If after the inception date of this bond the **Primary Bond** is changed or modified, written notice of any such change or modification shall be given to the Underwriter as soon as practicable, not to exceed thirty (30) days after such change or modification, together with such information as the Underwriter may request. There shall be no coverage under this bond for any loss arising from or in any way related to such change or modification until such time as the Underwriter is advised of and specifically agrees by written endorsement to provide coverage for such change or modification.

B. LOSS--NOTICE--PROOF--LEGAL PROCEEDINGS

This bond is for the use and benefit only of the Insured and the Underwriter shall not be liable hereunder for loss sustained by anyone other than the Insured (except that if the Insured includes such other loss in the Insured's proof of loss, the Underwriter shall consider its liability therefor.) As soon as practicable and not more than sixty (60) days after discovery of any loss covered hereunder, the Insured shall give the Underwriter written notice thereof and, as soon as practicable and within one year after such discovery, shall also furnish to the Underwriter affirmative proof of loss with full particulars. The Underwriter may extend the sixty day notice period or the one year proof of loss period if the Insured requests an extension and shows good cause therefor.

The Underwriter shall not be liable hereunder for loss of Securities unless each of the Securities is identified in such proof of loss by a certificate or bond number or by such identification means as the Underwriter may require. The Underwriter shall have a reasonable period after receipt of a proper affirmative proof of loss within which to investigate the claim, but where the loss is of Securities and is clear and undisputed, settlement shall be made within forty-eight (48) hours even if the loss involves Securities of which duplicates may be obtained.

The Insured shall not bring legal proceedings against the Underwriter to recover any loss hereunder prior to sixty (60) days after filing such proof of loss or subsequent to twenty-four (24) months after the discovery of such loss or, in the case of a legal proceeding to recover hereunder on account of any judgment against the Insured in or settlement of any suit or to recover court costs or attorneys' fees paid in any such suit, twenty-four (24) months after the date of the final judgment in or settlement of such suit. If any limitation in this bond is prohibited by any applicable law, such limitation shall be deemed to be amended to be equal to the minimum period of limitation permitted by such law.

Notice hereunder shall be given to Manager, Professional Liability Claims, ICI Mutual Insurance Company, 1401 H St. NW, Washington, DC 20005.

PROVISIONS, CONDITIONS AND LIMITATIONS

SECTION 1. DEFINITIONS

Deductible Amount means the amount stated in ITEM 3. of the Declarations, applicable to each Single Loss. In no event shall this **Deductible Amount** be reduced for any reason, including but not limited to, the non-existence, **a.** invalidity, insufficiency or uncollectibility of any **Underlying Bond(s)**, including the insolvency or dissolution of any Insurer providing coverage under any **Underlying Bond(s)**.

Primary Bond means the bond scheduled in ITEM 5. of the Declarations or any bond that may replace or substitute **b.** for such bond.

c. **Single Loss** means:

- (1) all loss resulting from any one actual or attempted theft committed by one person, or
- (2) all loss caused by any one act (other than a theft or a dishonest or fraudulent act) committed by one person, or
- (3) all loss caused by dishonest or fraudulent acts committed by one person, or
- (4) all expenses incurred with respect to any one audit or examination, or
- (5) all loss caused by any one occurrence or event other than those specified in subsections (1) through (4) above.

d. **Underlying Bond** means the **Primary Bond** and all other insurance coverage referred to in ITEM 4. of the Declarations.

SECTION 2. SINGLE LOSS LIMIT OF LIABILITY

The Underwriter's liability for each **Single Loss** shall not exceed the Limit of Liability as stated in ITEM 3. of the Declarations.

SECTION 3. DISCOVERY

For all purposes under this bond, a loss is discovered, and discovery of a loss occurs, when the Insured

(1) becomes aware of facts, or

receives notice of an actual or potential claim by a third party which alleges that the Insured is liable under (2) circumstances, which would cause a reasonable person to assume that loss covered by this bond has been or is likely to be incurred even though the exact amount or details of loss may not be known.

SECTION 4. ASSIGNMENT OF RIGHTS

Upon payment to the Insured hereunder for any loss, the Underwriter shall be subrogated to the extent of such payment to all of the Insured's rights and claims in connection with such loss; provided, however, that the Underwriter shall not be subrogated to any such rights or claims one named Insured under this bond may have against another named Insured under this bond. At the request of the Underwriter, the Insured shall execute all assignments or other documents and take such action as the Underwriter may deem necessary or desirable to secure and perfect such rights and claims, including the execution of documents necessary to enable the Underwriter to bring suit in the name of the Insured.

Assignment of any rights or claims under this bond shall not bind the Underwriter without the Underwriter's written consent.

SECTION 5. COOPERATION OF INSURED

At the Underwriter's request and at reasonable times and places designated by the Underwriter the Insured shall:

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

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

SECTION 6. TERMINATION

The Underwriter may terminate this bond as to any Insured or all Insureds only by written notice to such Insured or Insureds and, if this bond is terminated as to any investment company registered under the Investment Company Act

of 1940, to each such investment company terminated thereby and to the Securities and Exchange Commission, Washington, D.C., in all cases not less than sixty (60) days prior to the effective date of termination specified in such notice.

The Insured may terminate this bond only by written notice to the Underwriter not less than sixty (60) days prior to the effective date of the termination specified in such notice. Notwithstanding the foregoing, when the Insured terminates this bond as to any investment company registered under the Investment Company Act of 1940, the effective date of termination shall be not less than sixty (60) days from the date the Underwriter provides written notice of the termination to each such investment company terminated thereby and to the Securities and Exchange Commission, Washington, D.C.

This bond will terminate as to any Insured entity that is not an investment company registered under the Investment Company Act of 1940 immediately and without notice upon (1) the takeover of such Insured's business by any State or Federal official or agency, or by any receiver or liquidator, or (2) the filing of a petition under any State or Federal statute relative to bankruptcy or reorganization of the Insured, or assignment for the benefit of creditors of the Insured.

Premiums are earned until the effective date of termination. The Underwriter shall refund the unearned premium computed at short rates in accordance with the Underwriter's standard short rate cancellation tables if this bond is terminated by the Insured or pro rata if this bond is terminated by the Underwriter.

Upon the detection by any Insured that an employee (as defined in the **Primary Bond**) has committed any dishonest or fraudulent act(s) or theft, the Insured shall immediately remove such employee from a position that may enable such employee to cause the Insured to suffer a loss by any subsequent dishonest or fraudulent act(s) or theft. The Insured, within two (2) business days of such detection, shall notify the Underwriter with full and complete particulars of the detected dishonest or fraudulent act(s) or theft.

For purposes of this section, detection occurs when any partner, officer, or supervisory employee of any Insured, who is not in collusion with such employee, becomes aware that the employee has committed any dishonest or fraudulent act(s) or theft.

This bond shall terminate as to any employee (as defined in the **Primary Bond**) by written notice from the Underwriter to each Insured and, if such employee is an employee of an Insured investment company registered under the Investment Company Act of 1940, to the Securities and Exchange Commission, in all cases not less than sixty (60) days prior to the effective date of termination specified in such notice.

SECTION 7. CONFORMITY

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.

SECTION 8. CHANGE OR MODIFICATION

This bond may only be modified by written Rider forming a part hereof over the signature of the Underwriter's authorized representative. Any Rider which modifies the coverage provided by Insuring Agreement A, Fidelity (or the equivalent insuring agreement) of the Primary Bond in a manner which adversely affects the rights of an Insured investment company registered under the Investment Company Act of 1940 shall not become effective until at least sixty (60) days after the Underwriter has given written notice thereof to the Securities and Exchange Commission, Washington, D.C., and to each Insured investment company registered under the Investment Company Act of 1940 affected thereby.

SECTION 9. DEDUCTIBLE AMOUNT; LIMIT OF LIABILITY

The Underwriter shall not be liable under any Insuring Agreement unless the amount of the loss covered thereunder, after deducting the net amount of all reimbursement and/or recovery received by the Insured with respect to such loss (other than from the **Primary Bond** or from any other bond, suretyship or insurance policy), shall exceed the applicable **Deductible Amount**; in such case the Underwriter shall be liable only for such excess, subject to the applicable Limit of Liability and other agreements, provisions, conditions and limitations of this bond.

The maximum liability of the Underwriter for any Single Loss covered by any Insuring Agreement under this bond shall be the Limit of Liability applicable to such Insuring Agreement, subject to the applicable **Deductible Amount** and the other agreements, provisions, conditions and limitations of this bond.

SECTION 10. COMPLIANCE WITH APPLICABLE TRADE AND ECONOMIC SANCTIONS

This bond shall not be deemed to provide any coverage, and the Underwriter shall not be required to pay any loss or provide any benefit hereunder, to the extent that the provision of such coverage, payment of such loss or provision of such benefit would cause the Underwriter to be in violation of any applicable trade or economic sanctions, laws or regulations, including, but not limited to, any sanctions, laws or regulations administered and enforced by the U.S. Department of Treasury Office of Foreign Assets Control (OFAC).

ICI MUTUAL INSURANCE COMPANY,

a Risk Retention Group

INVESTMENT COMPANY BLANKET BOND

(EXCESS BOND)

RIDER NO. 1

INSURED

John Hancock Funds

EFFECTIVE DATE

December 31, 2015

BOND PERIOD

December 31, 2015 to December 31, 2016

BOND NUMBER

87142115B

**AUTHORIZED
REPRESENTATIVE**

/S/ Maggie Sullivan

Most property and casualty insurers, including ICI Mutual Insurance Company, a Risk Retention Group (“ICI Mutual”), are subject to the requirements of the Terrorism Risk Insurance Act of 2002, as amended (the “Act”). The Act establishes a federal insurance backstop under which ICI Mutual and these other insurers will be partially reimbursed for future **“insured losses”** resulting from certified **“acts of terrorism.”** (Each of these **bolded terms** is defined by the Act.) The Act also places certain disclosure and other obligations on ICI Mutual and these other insurers.

Pursuant to the Act, any future losses to ICI Mutual caused by certified **“acts of terrorism”** will be partially reimbursed by the United States government under a formula established by the Act. Under this formula, the United States government will reimburse ICI Mutual for the Federal Share of Compensation of ICI Mutual’s **“insured losses”** in excess of ICI Mutual’s **“insurer deductible”** until total **“insured losses”** of all participating insurers in excess of a statutorily established aggregate deductible reach the Cap on Annual Liability. If total **“insured losses”** of all property and casualty insurers in excess of a statutorily established aggregate deductible reach the Cap on Annual Liability during any applicable period, the Act provides that the insurers will not be liable under their policies for their portions of such losses that exceed such amount. Amounts otherwise payable under this policy may be reduced as a result.

This policy has no express exclusion for **“acts of terrorism.”** However, coverage under this policy remains subject to all applicable terms, conditions and limitations of the policy (including exclusions) that are permissible under the Act. The portion of the premium that is attributable to any coverage potentially available under the policy for **“acts of**

terrorism” is one percent (1%).

As used herein, “Federal Share of Compensation” shall mean:

85% in calendar year 2015;

84% in calendar year 2016;

83% in calendar year 2017;

82% in calendar year 2018;

81% in calendar year 2019; and

80% in calendar year 2020.

As used herein, “Cap on Annual Liability” shall mean, with respect to total **“insured losses”** of all participating insurers:

\$100 billion in calendar year 2015;

\$120 billion in calendar year 2016;

\$140 billion in calendar year 2017;

\$160 billion in calendar year 2018;

\$180 billion in calendar year 2019; and

\$200 billion in calendar year 2020.

RX53.1-00 (2/15)

John Hancock Bond Trust	John Hancock Investors Trust
John Hancock California Tax-Free Income Fund	John Hancock Municipal Securities Trust
John Hancock Capital Series	John Hancock Preferred Income Fund
John Hancock Collateral Trust	John Hancock Preferred Income Fund II
John Hancock Current Interest	John Hancock Preferred Income Fund III
John Hancock Emerging Markets Income Fund	John Hancock Premium Dividend Fund
John Hancock Exchange-Traded-Fund Trust	John Hancock Sovereign Bond Fund
John Hancock Financial Opportunities Fund	John Hancock Strategic Diversified Income Fund
John Hancock Floating Rate High Income Fund	John Hancock Strategic Series
John Hancock Funds II	John Hancock Tax-Advantaged Dividend Income Fund
John Hancock Funds III	John Hancock Tax-Advantaged Global Shareholder Yield Fund
John Hancock Hedged Equity & Income Fund	John Hancock Variable Insurance Trust
John Hancock Income Securities Trust	
John Hancock Investment Trust	
John Hancock Investment Trust II	
John Hancock Investment Trust III	

(Collectively referred to as the “Trusts” and the series are collectively referred to as the “Funds”)

2015-2016 Joint Financial Institutions (Fidelity) Bond (the “Joint Bond”)

WHEREAS, Rule 17g-1 under the 1940 Act governs the required bonding of the Trusts’ officers and employees under a joint fidelity bond;

WHEREAS, the Trustees desire to approve the Joint Bond for a one-year term ending December 31, 2016; and

WHEREAS, the Trustees of the Trusts have considered the allocation of premiums for the Joint Bond among the John Hancock Trusts and have determined that the allocation should be based on the premium (including tax) of \$98,106; it is:

RESOLVED, that the Joint Bond issued by Federal Insurance Company (Chubb) and ICI Mutual Insurance Company, covering each officer and employee of the Trusts against larceny and embezzlement, in the amount of \$30 million for a one-year term ending December 31, 2016, and in the proposed form presented at this meeting, after consideration of all factors deemed relevant by the Board, including, but not limited to: (i) the expected value of the

aggregate assets of the Trusts to which any officer or employee of such Trusts may have access; (ii) the type and terms of the arrangements made for the custody and safekeeping of such assets; and (iii) the nature of the securities in the John Hancock Trusts' portfolios, be, and it hereby is, determined to be reasonable in form and amount, and hereby approved;

FURTHER RESOLVED, that the portion of the premium for the Joint Bond to be paid by each Trust, in substantially the form presented at this Meeting, after consideration of all factors deemed relevant by the Board, including, but not limited to: (i) the number of the other parties named as insureds; (ii) the nature of the business activities of such other parties; (iii) the amount of the Joint Bond; (iv) the amount of the premium for such Joint Bond; (v) the ratable allocation of the premium among all parties named as insureds; and (vi) the extent to which the share of the premium allocated to each Trust is less than the premium such Trust would have had to pay if it had provided and maintained a single insured bond, be, and it hereby is, approved; and

FURTHER RESOLVED, that the appropriate officers of the Trusts be, and each hereby is, authorized to increase the amount of the Joint Bond coverage from time to time to ensure adequate coverage based upon the value of the Trusts' assets and to enable the Trusts to remain in compliance with the 1940 Act and the rules promulgated thereunder;

FURTHER RESOLVED, that the Joint Insured Bond Agreement among the Trusts (the "Joint Bond Agreement"), in substantially the form presented at this Meeting, providing in substance that, in the event any recovery is received under the Joint Bond as a result of a loss sustained by the Trusts and any one or more other named insureds, the Trusts shall receive an equitable and proportionate share of the recovery, but in no event less than the amount it would have received had it provided and maintained a single bond with the minimum coverage required by paragraph (d)(1) of Rule 17g-1 under the 1940 Act, be, and it hereby is, approved;

FURTHER RESOLVED, that the Secretary of the Trusts or his delegate be, and each hereby is, authorized to make all necessary filings and give all notices and information with respect to such Joint Bond and the Joint Bond Agreement required by paragraph (g) of Rule 17g-1 under the 1940 Act; and

FURTHER RESOLVED, that the appropriate officers of the Trusts be, and each hereby is, authorized to make any and all payments and to do any and all such further acts, in the name of the Trusts and on its behalf, as they, or any of them, may determine to be necessary or desirable and proper, with the advice of counsel, in connection with or in furtherance of the foregoing resolutions.

Agreement Relating to Joint Insured Bond

WHEREAS, each of the parties hereto is a named insured under a “joint insured bond,” as that term is defined in Rule 17g-1 under the Investment Company Act of 1940 (the “1940 Act”); and

WHEREAS, Rule 17g-1(f) under the 1940 Act requires an agreement between all the named insureds under a joint insured bond;

NOW, THEREFORE, the parties hereto hereby agree as follows:

In the event recovery is received under the joint insured bond as a result of a loss sustained by any two or more of the named insureds, each insured shall receive an equitable and proportionate share of the recovery, but 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 paragraph (d)(1) of Rule 17g-1 under the 1940 Act.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by the undersigned thereunto duly authorized on September 24, 2015.

JOHN HANCOCK VARIABLE INSURANCE TRUST

on behalf of each of its Series

JOHN HANCOCK FUNDS II

on behalf of each of its Series

John HANCOCK FUNDS III

on behalf of each of its series

JOHN HANCOCK BOND TRUST

on behalf of each of its series

JOHN HANCOCK CAPITAL SERIES

on behalf of each of its series

JOHN HANCOCK CALIFORNIA TAX-FREE INCOME FUND

on behalf of each of its series

JOHN HANCOCK COLLATERAL TRUST

On behalf of each of its series

JOHN HANCOCK CURRENT INTEREST

on behalf of each of its series

JOHN HANCOCK INVESTMENT TRUST

on behalf of each of its series

JOHN HANCOCK INVESTMENT TRUST II

on behalf of each of its series

JOHN HANCOCK INVESTMENT TRUST III

on behalf of each of its series

JOHN HANCOCK MUNICIPAL SERIES TRUST

on behalf of each of its series

JOHN HANCOCK SOVEREIGN BOND FUND

on behalf of its of its series

JOHN HANCOCK STRATEGIC SERIES

on behalf of each of its series

JOHN HANCOCK EMERGING MARKETS INCOME FUND

on behalf of its of its series

JOHN HANCOCK EXCHANGE-TRADED FUND TRUST

on behalf of each of its series

JOHN HANCOCK FINANCIAL OPPORTUNITIES FUND

on behalf of each of its series

JOHN HANCOCK FLOATING RATE HIGH INCOME FUND

On behalf of each of its series

JOHN HANCOCK HEDGED EQUITY & INCOME FUND

on behalf of each of its series

JOHN HANCOCK INCOME SECURITIES TRUST

on behalf of each of its series

JOHN HANCOCK INVESTORS TRUST

on behalf of each of its series

JOHN HANCOCK PREFERRED INCOME FUND

on behalf of each of its series

JOHN HANCOCK PREFERRED INCOME FUND II

on behalf of each of its series

JOHN HANCOCK PREFERRED INCOME FUND III

on behalf of each of its series

**JOHN HANCOCK
PREMIUM DIVIDEND
FUND**

**on behalf of each of its
series**

**JOHN HANCOCK
STRATEGIC
DIVERSIFIED INCOME
FUND**

**on behalf of each if its
series**

**JOHN HANCOCK
TAX-ADVANTAGED
DIVIDEND INCOME
FUND**

**on behalf of each of its
series**

**JOHN HANCOCK
TAX-ADVANTAGED
GLOBAL
SHAREHOLDER YIELD
FUND**

**on behalf of each of its
series**

Executed on behalf of each
Trust and its relevant Series
referenced above:

By: /s/ Betsy Anne Seel
Name: Betsy Anne Seel
Title: Assistant Secretary

STATEMENT REGARDING SINGLE BOND AMOUNT

If the investment companies shown below had not been named as an insured under this joint insured bond, they would have provided and maintained a single bond in the amount of at least:

John Hancock Bond Trust	\$2,100,000
John Hancock California Tax-Free Income Fund	\$750,000
John Hancock Capital Series	\$2,100,000
John Hancock Collateral Trust	\$1,500,000
John Hancock Current Interest	\$750,000
John Hancock Emerging Markets Income Fund	\$50,000
John Hancock Exchange-Traded Fund Trust	\$525,000
John Hancock Financial Opportunities Fund	\$900,000
John Hancock Floating Rate High Income Fund	\$50,000
John Hancock Funds II	\$2,500,000
John Hancock Funds III	\$2,500,000
John Hancock Hedged Equity & Income Fund	\$600,000
John Hancock Income Securities Trust	\$750,000
John Hancock Investment Trust	\$2,500,000
John Hancock Investment Trust II	\$1,700,000
John Hancock Investment Trust III	\$400,000
John Hancock Investors Trust	\$600,000
John Hancock Municipal Securities Trust	\$1,000,000
John Hancock Preferred Income Fund	\$1,000,000
John Hancock Preferred Income Fund II	\$900,000
John Hancock Preferred Income Fund III	\$1,000,000
John Hancock Premium Dividend Fund	\$1,250,000
John Hancock Sovereign Bond Fund	\$2,100,000
John Hancock Strategic Diversified Income Fund	\$50,000
John Hancock Strategic Series	\$2,300,000
John Hancock Tax-Advantaged Dividend Income Fund	\$1,250,000
John Hancock Tax-Advantaged Global Shareholder Yield Fund	\$450,000
John Hancock Variable Insurance Trust	\$2,500,000

PREMIUM PERIOD

Premiums have been paid for the period **December 31, 2015 to December 31, 2016.**