

VALUE LINE FUND INC  
Form 40-17G  
October 07, 2008

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RESOLVED, that the Funds shall be covered under a joint fidelity bond issued by St. Paul Travelers in the amount of \$9 million; and

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

FURTHER RESOLVED, that the premium of \$19,350 for said bond be allocated proportionately to each Fund taking all relevant factors into consideration including the extent to which the share of the premium allocated to each Fund under the bond is less than the premium which each Fund would have had to pay had it maintained a single insured bond; and

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

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INVESTMENT COMPANY BLANKET BOND  
St. Paul Fire and Marine Insurance Company

St. Paul, Minnesota 55102-1396  
(A Stock Insurance Company, herein called Underwriter)

DECLARATIONS

BOND NO. 485PB0553

Item 1. Name of Insured (herein called Insured):  
VALUE LINE MUTUAL FUNDS  
Principal Address:  
220 EAST 42ND STREET  
NEW YORK, NY 10017

Item 2. Bond Period from 12:01 a.m. on 03/15/08 to 12:01 a.m. on 03/15/09 the effective date of the termination or cancellation of the bond, standard time at the Principal Address as to each of said dates.

Item 3. Limit of Liability  
Subject to Sections 9, 10, and 12 hereof:

|   | Limit of Liability | Deductible Amount |
|---|--------------------|-------------------|
| Insuring Agreement A - FIDELITY                       | \$9,000,000        | \$25,000          |
| Insuring Agreement B - AUDIT EXPENSE                  | \$50,000           | \$10,000          |
| Insuring Agreement C - PREMISES                       | \$9,000,000        | \$25,000          |
| Insuring Agreement D - TRANSIT                        | \$9,000,000        | \$25,000          |
| Insuring Agreement E - FORGERY OR ALTERATION          | \$9,000,000        | \$25,000          |
| Insuring Agreement F - SECURITIES                     | \$9,000,000        | \$25,000          |
| Insuring Agreement G - COUNTERFEIT CURRENCY           | \$9,000,000        | \$25,000          |
| Insuring Agreement H - STOP PAYMENT                   | \$9,000,000        | \$25,000          |
| Insuring Agreement I - UNCOLLECTIBLE ITEMS OF DEPOSIT | \$100,000          | \$25,000          |

OPTIONAL COVERAGES

ADDED BY RIDER:

|                              |                      |
|------------------------------|----------------------|
| COMPUTER SYSTEMS             | \$9,000,000/\$25,000 |
| VOICE INITIATED TRANSACTIONS | \$9,000,000/\$25,000 |
| TELEFACSIMILE                | \$9,000,000/\$25,000 |

UNAUTHORIZED  
SIGNATURE

\$9,000,000/\$25,000

If "Not Covered" is inserted above opposite any specified Insuring Agreement or Coverage, such Insuring Agreement or Coverage and any other reference thereto in this bond shall be deemed to be deleted therefrom.

Item 4. Offices or Premises Covered - Offices acquired or established subsequent to the effective date of this bond are covered according to the terms of General Agreement  
A. All the Insured's offices or premises in existence at the time this bond becomes effective are covered under this bond except the offices or premises located as follows:

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Item 5. The liability of the Underwriter is subject to the terms of the following endorsements or riders attached hereto: Endorsements or Riders No. 1 through

|        |       |
|--------|-------|
| ICB005 | 07-04 |
| ICB010 | 07-04 |
| ICB011 | 07-04 |
| ICB012 | 07-04 |
| ICB013 | 07-04 |
| ICB014 | 07-04 |
| ICB016 | 07-04 |
| ICB026 | 07-04 |
| ICB038 | 07-04 |
| ICB057 | 07-04 |

Item 6. The Insured by the acceptance of this bond gives notice to the Underwriter terminating or canceling prior bonds or policy(ies) No.(s) 403BD0341 such termination or cancellation to be effective as of the time this bond becomes effective.

IN WITNESS WHEREOF, the Company has caused this bond to be signed by its President and Secretary and countersigned by a duly authorized representative of the Company.

Countersigned: ST. PAUL FIRE AND MARINE INSURANCE  
COMPANY

/s/ Ronald J. Lockton  
Authorized Representative      Countersigned  
At

/s/Bruce Backberg  
Secretary

/s/Brian MacLean  
President

Countersignature Date

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FIDELITY BOND  
JOINT INSUREDS AGREEMENT

THIS AGREEMENT is made as of the 15th day of March, 2008 by and among each of the Value Line funds listed on Schedule A to this Agreement (collectively, the “Insureds”).

The Insureds have acquired a joint fidelity bond (the “Fidelity Bond Policy”) issued by St. Paul Travelers (the “Insurance Company”) in the amount of \$9,000,000 (the “Bond Amount”). The Fidelity Bond Policy is effective from March 15, 2008 to March 15, 2009 (the “Policy Period”). Under the terms of the Fidelity Bond Policy, the Insurance Company has agreed to cover the Insureds against larceny and embezzlement of each officer and employee of the Insureds who may have access to securities or funds of the Insureds, either directly or through authority to draw upon such funds or to direct generally the disposition of such securities, with certain exceptions, in accordance with the terms of the Fidelity Bond Policy and the requirements of Rule 17g-1 under the Investment Company Act of 1940, as amended (the “1940 Act”).

The Bond Amount is at least equal to the sum of the total amount of coverage which each Insured would have been required as of December 31, 2007, to provide and maintain individually pursuant to the schedule set forth under Rule 17g-1(d) of the 1940 Act had each such Insured not been named under the Fidelity Bond Policy.

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

1. Allocation of Premium. Each Insured shall pay a pro rata portion of the aggregate premiums to be borne by the Insured, which portion shall be determined based on the relative gross assets of each Insured as of a specified date as determined by an appropriate officer of the Funds, in relation to the aggregate gross assets of all of the Insureds at such date. From time to time, adjustments may be made by mutual agreement of the Insureds to the portion of the premium theretofore paid by an Insured, based on a subsequent change or changes in the gross assets of one or more Fund Insureds.
  2. Loss to One Insured. If any proceeds are received under the Fidelity Bond Policy as a result of a loss sustained by only one Insured, the entire proceeds shall be allocated to the Insured incurring such loss.
  3. Loss to More than One Insured. If any proceeds are received under the Fidelity Bond Policy as a result of any loss sustained by more than one Insured, the Insureds shall receive a recovery allocated pro rata among the Insureds based upon premium payments or as otherwise agreed to by the Insureds in writing; provided, further, that each Insured shall receive an amount at least equal to the amount which it would have received had it provided and maintained a single insured bond with the minimum coverage required by Rule 17g-1(d)(1) under the 1940 Act.
  4. Purpose and Interpretation. The Insureds agree that the sole purpose and intent of this Agreement is to provide for the allocation among them of responsibility for payment of premiums and allocation of recoveries under the Fidelity Bond Policy, and that the entitlement of each Insured shall otherwise be determined by, and subject to, the terms of the Fidelity Bond Policy.
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5. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.
6. Specific Performance. In addition to any and all other remedies that may be available at law in the event of any breach of this Agreement, each party shall be entitled to specific performance of the agreements and obligations of the other parties hereunder and to such other injunctive or other equitable relief as may be granted by a court of competent jurisdiction.
7. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York (without reference to the conflicts of law provisions thereof).
8. Notices. All notices, requests, consents, and other communications under this Agreement shall be in writing and shall be sent (i) by U.S. postal service pre-paid registered or certified mail, return receipt requested and retained or (ii) via a reputable nationwide overnight courier service guaranteeing next business day delivery, in each case addressed to the intended recipient at the address set forth below, or such other address as the relevant party may designate by written notice to the other parties:
- For any            John W. Chandler  
Insured:  
  
                         416 North Hemlock Lane  
                         Williamstown, MA 01267
- With a copy to:  
                         The Value Line Funds  
                         220 East 42nd Street  
                         New York, NY 10017  
                         Attention: Jean B. Buttner
9. Complete Agreement; Amendments; Continuation. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings relating to such subject matter. No amendment, modification or termination of, or waiver under, any provision of this Agreement shall be valid unless in writing and signed by each party, and consented to by a majority of the trustees or directors of each Insured.
10. Counterparts; Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document. This Agreement may be executed by facsimile signatures.
11. Limitation of Liability. The obligations of the Insureds under this Agreement are not binding individually on the directors, trustees or holders of shares of any Insured (or any series thereof) individually, but bind only the assets of the applicable Insured (or such series).

[End of Text]

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

EACH FUND INSURED

By: /s/ John W. Chandler  
Name: John W. Chandler  
Title: Lead Independent Director

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Schedule A

Value Line Funds

The Value Line Fund, Inc.  
Value Line Income and Growth Fund, Inc.  
Value Line Premier Growth Fund, Inc.  
Value Line Larger Companies Fund, Inc.  
The Value Line Cash Fund, Inc.  
Value Line U.S. Government Securities Fund, Inc.  
Value Line Centurion Fund, Inc.  
The Value Line Tax Exempt Fund, Inc. (National Bond)  
Value Line Convertible Fund, Inc.  
Value Line Aggressive Income Trust  
Value Line New York Tax Exempt Trust  
Value Line Strategic Asset Management Trust  
Value Line Emerging Opportunities Fund, Inc.  
Value Line Asset Allocation Fund, Inc.