

Current Status: Pending

PolicyStat ID: 15756886



San Bernardino County Employees' Retirement Association

Origination: 3/4/2010
Effective: Upon Approval
Last Approved: N/A
Last Revised: 6/3/2021
Next Review: 3 years after approval
Area: Investments
References:
Applicability: SBCERA systemwide

Insurance for Investment Managers

POLICY NO. 010

Insurance Requirements

Without limiting an Investment Manager's obligation for indemnification, Manager will provide and maintain at its own expense during the term of any Investment Management Agreement or similar agreement with SBCERA a program of insurance that, in the judgment of the Chief Investment Officer in consultation with Chief Counsel, ensures that the Manager has sufficient insurance coverage to effectively cover any obligation that might arise as a direct or indirect result of the Manager's relationship with SBCERA. In determining the sufficiency of such coverage, the Chief Investment Officer and Chief Counsel shall consider:

- types of coverage available
types of exposure that can reasonably be anticipated
availability of such coverage in light of prevailing market conditions, and
importance of the specific investment(s) to SBCERA's portfolio.

Coverages and terms and conditions to be considered shall include, but not be limited to:

- coverage against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Manager, its agents, representatives or employees
legally mandatory coverages such as automobile and worker's compensation coverage, coverage for professional errors and omissions, fiduciary liability, and cyber liability.

Such coverage, if market conditions permit, shall include a fidelity or financial institution bond covering employee dishonesty and computer theft. All coverage required under this policy should be, where market conditions permit:

- A. primary to and not contributing with any other insurance maintained by SBCERA
B. provided by insurer(s) rated A or better by an industry recognized rating agency or otherwise approved in writing by SBCERA
C. supported by evidence of such insurance, in a form satisfactory to SBCERA;
D. delivered to SBCERA on or before the effective date of the Investment Management Agreement or similar agreement;
E. accompanied by a written statement from the insurer that SBCERA is to be given commercially reasonable written notice in advance of any material modification or termination of any policy of

Exhibit A: Page 2

insurance; and

- F. shall place commercially reasonable limitations and notification and approval requirements on any deductibles and self-insured retentions.

Manager will supply certificates of insurance which substantially comply with the requirements of this policy. SBCERA shall retain, where commercially reasonable, the right at any time to review the coverage, form, and amount of the insurance required hereby. If, in the opinion of SBCERA, the insurance provisions in these requirements do not provide adequate protection for SBCERA and its members, SBCERA and Manager shall meet to discuss insurance coverage, sufficient in form and amount to provide adequate protection.

Manager shall maintain throughout the term of any Investment Agreement **errors and omissions insurance** to cover the Manager and its agents for errors, omissions, and losses arising from the services provided under any Investment Agreement. The insurance policy limit and the amount of the bond maintained by the Manager under this policy shall be consistent with industry standards, the underlying capitalization of the Manager, and the amount and type of assets under investment.

Attachments

No Attachments

Approval Signatures

Step Description	Approver	Date
Chief Counsel Review	Barbara Hannah: Chief Counsel	pending
Investment Services Review	Donald Pierce: Chief Investment Officer	5/6/2024
Investment Services Review	Eydie Cox: Sr Investment Analyst	5/2/2024

Applicability

SBCERA, SBCERA Internal