

**MEMO# 2175**

September 7, 1990

## **QUESTIONNAIRE ON INVESTMENT ADVISER E & O INSURANCE**

September 7, 1990 TO: INVESTMENT ADVISER ASSOCIATE MEMBERS NO. 39-90 RE:  
QUESTIONNAIRE ON INVESTMENT ADVISER E & O INSURANCE

A number of associate members of the Investment Company Institute have made inquiries on the availability of E & O insurance for investment advisers. As you may be aware, in early 1988 the Institute sponsored the formation of a captive insurance company, ICI Mutual, to provide fidelity bonds and D&O/E&O liability insurance for mutual funds. An attempt, at that time, to include investment advisers (not advising a mutual fund) was not feasible. ICI Mutual Insurance Company has successfully written the fidelity bond and D&O/E&O insurance for investment company members since March 1988, and is now in a position to review the exposure and risks associated with writing investment advisers errors and omissions insurance as well as review other related insurance coverages. In order to determine the feasibility of writing E & O insurance for investment advisers, we have prepared and enclosed a second more comprehensive questionnaire that centers around current insurance coverages carried and the related loss history. Please note, it is very important that this information be answered as completely as possible. All individual firm data submitted on this survey will be kept on a confidential basis by ICI Mutual Insurance Company. The sole purpose of the survey is to develop a data base in order to evaluate the feasibility of offering investment advisers errors and omissions insurance to associate members of ICI. Any questions you have regarding this survey may be referred for Joe Harvey's attention at the Investment Company Institute. You may reach him on (202) 955-3582. Thank you for your interest and participation in this survey. Donald E. O'Connor  
Vice President - Operations Enclosure