



MUTUAL FUND DIRECTORS FORUM

The FORUM for FUND INDEPENDENT DIRECTORS

Contact:

Chris Sullivan
MacMillan Communications
(212) 473-4442
chris@macmillancom.com

MUTUAL FUND DIRECTORS FORUM RELEASES NEW PAPER ON DIRECTOR AND OFFICER INSURANCE

Designed to provide fund independent directors with the foundational principles of indemnification, director and officer insurance and related issues

Washington, D.C. (January 4, 2018) – The Mutual Fund Directors Forum (www.mfdf.org), the independent membership organization for fund independent directors, today released an extensive new paper titled *Practical Guidance on Director and Officer Insurance for Fund Independent Directors* (<http://mfdf.org/images/Newsroom/D&O.pdf>). The paper is designed to provide fund independent directors with practical guidance and principles to build their knowledge of director and officer insurance and indemnification and related topics. The paper aims to be a resource that fund independent directors can refer to for guidance throughout their board tenure.

“The economic crises and scandals over the last three decades resulted in increased litigation and regulation of the financial industry,” said Susan Wyderko, President and CEO of the Mutual Fund Directors Forum. “The costs of investigations, examinations, trials, settlements, judgments, and penalties can be staggering. Our goal with this report is to provide directors with a framework to think about how to insure against these costs.”

The paper has four main sections, which outline the basic principles of indemnification, advancement of expenses, director and officer and errors and omission insurance and cybersecurity insurance. It also familiarizes directors with Director & Officer (D&O) policy terms and provisions, provides guidance on how directors can engage with counsel, fund management and insurance brokers during the negotiating and policy renewal process, and discusses emerging and common points of dispute with insurers.

“While a fund independent director’s risk of being personally sued or targeted by regulators has been historically low, fund directors still wish to be well informed about how indemnification and insurance protect them from personal liability. Having a solid knowledge base in these areas will give directors confidence to engage intelligently with counsel and management, and as they

carry out their fund oversight responsibilities,” added Joanne Skerrett, Counsel with the Mutual Fund Directors Forum.

To learn more and to download a copy of this new paper, please [click here](#).

About the Mutual Fund Directors Forum

Formally organized in 2002, the Mutual Fund Directors Forum is an independent, nonprofit organization that serves the independent directors of U.S. mutual funds by providing educational and outreach programs as well as the opportunity for directors to exchange views with one another, other industry participants, and with industry regulators. For more information, please visit www.mfdf.org.

###