


GOVERNANCE OF THE FUND OPERATIONS

Fund cover

Fidelity cover

In terms of pensions law a fund is **required** to take out **fidelity cover**:

- The **purpose** of this cover is to **indemnify** the Fund **against any loss suffered**
- The terms of this cover and the **quantum** should be **carefully considered** by the Board
- **Expert advice** should be **obtained** in this regard



Note: Such cover should include loss arising from negligence.

In terms of pensions law a fund is required to take out fidelity cover.

The purpose of this cover is to indemnify the Fund against any loss suffered by the Fund which cannot otherwise be recovered.

The terms of this cover and the quantum should be carefully considered by the Board to ensure that it is appropriate for the Fund; where necessary, expert advice should be obtained in this regard.

Note: Such cover should include loss arising from negligence.