



CHARITY PROTECTION

Aggregate Policy



THIS CHARITY PROTECTION AGGREGATE POLICY (AND THE SCHEDULE WHICH FORMS AN INTEGRAL PART OF THE POLICY) IS A LEGAL CONTRACT. IT NEEDS TO BE EXAMINED THOROUGHLY TO ENSURE IT MEETS THE INSURED'S REQUIREMENTS. IF IT DOES NOT MEET THE INSURED'S REQUIREMENTS THE INSURANCE ADVISER NEEDS TO BE CONTACTED WITHOUT UNDUE DELAY.

ANY FACTS WHICH THE INSURER HAS TAKEN INTO ACCOUNT IN THE ASSESSMENT OR ACCEPTANCE OF THIS INSURANCE, AND ANY SUBSEQUENT CHANGES TO THOSE FACTS NEED TO BE DECLARED. FAILURE TO DO SO MAY INVALIDATE YOUR POLICY OR RESULT IN CERTAIN COVERS NOT OPERATING FULLY. IF YOU ARE IN ANY DOUBT AS TO WHETHER A FACT IS MATERIAL OR NOT, THE INSURANCE ADVISER NEEDS TO BE CONTACTED WITHOUT UNDUE DELAY BY THE INSURED.

Royal & Sun Alliance Insurance plc (herein called the **Insurer**) and the **Insured** agree that:

The **Policy** the **Policy Schedule** (including any **Policy Schedule** issued in substitution) and any endorsements shall be considered one document and any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears.

The **Proposal** or any information supplied by the **Insured** shall be incorporated in the contract.

The **Insurer** will provide the insurance described in this **Policy** subject to the terms and conditions for the **Policy Period** shown in the **Policy Schedule** and any subsequent period for which the **Insured** shall pay and the **Insurer** shall agree to accept the premium.

PLEASE READ THE POLICY WORDING CAREFULLY.

IMPORTANT NUMBERS

Your Claims Helpline number is **0845 300 4006**, Please quote your policy number.

Your Advice-line number is **0800 107 3499**, please quote reference: 33789.

Contents

Claim Notification	5
Additional Benefits	5
Legal Assistance	5
Health & Safety	5
Tax Advice	5
Stress Counselling	5
Interpretation	6
I. Trustee Liability	6
A. Trustee Liability Insuring Clauses	6
B. Trustee Limit of Liability	6
C. Trustee Liability Extensions	6
D. Trustee Liability Exclusions	7
II. Charity Liability Cover	8
A. Charity Liability Insuring Clauses	8
B. Charity Limit of Liability	8
C. Charity Liability Extensions	8
D. Charity Liability Exclusions	8
III. Employment Practices Liability	9
A. Employment Practices Liability Insuring Clause	9
B. Employment Practices Limit of Liability	9
C. Employment Practices Liability Exclusions	9
IV. Fidelity Cover	10
A. Fidelity Liability Insuring Clause	10
B. Fidelity Limit of Liability	10
C. Fidelity Liability Exclusions	10
V. Professional Indemnity	10
A. Professional Indemnity Insuring Clause	10
B. Professional Indemnity Limit of Liability	10
C. Professional Indemnity Exclusions	10
VI. Policy Exclusions	11
VII. Policy Conditions	12
VIII. Claims Conditions	15
IX. Policy Definitions	17
How We use Your Information	22
Complaints Procedure	23

Claim Notification

Conditions that apply to the **Policy** and in the event of a claim are set out in this **Policy**. It is important that you comply with all policy conditions and you should familiarise yourself with any requirements. Directions for claim notification are included under Claims Conditions.

This information requested with the Claims Conditions will enable us to make an initial evaluation on policy liability and claim value. We may, however, request additional information depending upon circumstances. Sometimes we, or someone acting on our behalf, may wish to meet with you to discuss the circumstances of the claim, or to undertake further investigations.

Initially a notification of any claim should be sent to:

Professional & Financial Risks Claims Department
St Mark's Court
Chart Way
Horsham
West Sussex
RH12 1XL

We recognise that there may be some occasions when you need to notify us of matters urgently and we are pleased to be able to offer a Claims Helpline.

The Claims Helpline number is **0845 300 4006**

Please quote your policy number.

For your protection, telephone calls may be recorded or monitored.

Additional Benefits

Choosing a Royal & Sun Alliance Insurance plc policy means that you also benefit from a number of additional services that we provide free of charge through First Assist. Our advice-lines will put you in touch with highly qualified experts who can offer information and assistance on a number of issues. Better still you can use any of these advice-lines completely free and there is no limit to the number of times you can call.

Legal Assistance

A 24 hour service that gives you access to a team of legal experts offering confidential advice on business matters such as defence of prosecutions, employment, customer and supplier disputes.

Health & Safety

Help is available 24 hours a day on health and safety legislation, including its interpretation, and advice on civil and criminal liability for accidents at work.

Tax Advice

A confidential telephone advisory service offering assistance on all taxation issues such as PAYE, VAT and income tax. This service is available Monday to Friday, 9am to 5pm.

Stress Counselling

Stress affects most people at some point in their working lives. Our stress counselling service will help you deal with stress at work by addressing minor problems before they become major crises.

Confidentiality is of the utmost importance, and our counsellors are qualified and experienced in assessing problems quickly so they can provide immediate therapy.

The advice-line number is **0800 107 3499**

Please quote reference: 33789

Advice lines are intended for business use and are a service provided to the **Insured** only in their capacity as a policyholder.

This page should be read in conjunction with the rest of your policy documents.

Interpretation

In this **Policy** the singular includes the plural and vice versa. The male gender includes the female and neutral genders. Person includes bodies corporate.

References to any Act or law include any rule, order, regulation or other similar instrument made thereunder and shall include any amendment, replacement, consolidation or re-enactment of such Act or law.

Any Legal references within this **Policy** shall include any equivalent legal provision in the jurisdiction of ordinary residence of the **Insured** or location of the risk provided that such jurisdiction falls within the territorial scope of this **Policy**.

The use of headings and sub-headings is for ease of reference only and is not intended to be construed as an aid to interpretation. Any sentence commencing with the term "including" or "includes" or any similar expression is intended to be construed as illustrative and not as exhaustive.

I. TRUSTEE LIABILITY

THIS INSURANCE COVERS CLAIMS FIRST MADE AGAINST THE INSURED AND NOTIFIED TO THE INSURER DURING THE POLICY PERIOD OR APPLICABLE DISCOVERY PERIOD

A. Trustee Liability Insuring Clauses

1. Trustee Liability Cover

The **Insurer** shall pay, on behalf of any **Insured Person**, **Loss** arising from **Claims** first made during the **Policy Period** or any applicable **Discovery Period** for which the **Charity** has not provided an indemnity to that **Trustee** for such **Loss**.

2. Charity Reimbursement Cover

The **Insurer** shall pay, on behalf of the **Charity**, **Loss** arising from **Claims** first made during the **Policy Period** if, and to the extent that, the **Charity** is legally required and permitted to indemnify and has provided an indemnity to a **Trustee** for such **Loss**.

3. Loss of or damage to Documents

The **Insurer** shall pay on behalf of the **Charity** or the **Trustee** all costs and expenses reasonably incurred by the **Charity** or the **Trustee** in replacing or restoring **Documents**.

The maximum liability of the **Insurer** during the **Policy Period** under this Extension shall be the lesser of 10% of the **Limit of Liability** or the maximum aggregate **Sub-Limit** of £100,000 provided that:

1. such loss of or damage to **Documents** is first **Discovered** during the **Policy Period** or any applicable **Discovery Period**;
2. where the **Documents** are in electronic format, the **Insured** can demonstrate to the reasonable satisfaction of the **Insurer** that sufficient and proper procedures were in place for the security and daily back-up of the **Documents**; and

3. the **Insurer** shall not be liable for any costs or expenses in respect of loss of or damage to **Documents** directly based on, arising out of or in any way involving:

- (a) the transmission or impact of any **Virus**; or
- (b) unauthorised access to a **System**.

B. Trustee Limit of Liability

The **Limit of Liability** purchased as provided in the **Policy Schedule** shall be the maximum aggregate liability of the **Insurer** for **Loss** arising from all **Claims** and all **Related Claims** first made during the **Policy Period** or any applicable **Discovery Period**. For the avoidance of doubt a separate aggregate **Limit of Liability** shall apply to this Policy Section.

- (i) The **Limit of Liability** shall not apply separately for each **Insured**.
- (ii) The **Insurer's** liability for **Loss** sustained or **Loss** arising out of any one **Claim** and all **Related Claims** sustained by any or all **Insureds** shall not exceed the amount for which the **Insurer** would have been liable had all such **Loss** been suffered by any one **Insured**.

C. Trustee Liability Extensions

The maximum liability of the **Insurer** during the **Policy Period** under each Extension shall be subject to the maximum aggregate limit as detailed in B. **Trustees Limit of Liability** unless specified otherwise below.

1. Civil Fines and Penalties

This **Policy** will pay any civil fine or penalty imposed upon an **Insured Person** by any **United Kingdom** regulator, disciplinary body, criminal authority, government body, government agency, official trade body or any other body that is empowered by **United Kingdom** statute to investigate the affairs of an **Insured**, as a direct result of such person acting in their capacity as an **Insured Person** unless that civil fine or penalty is deemed uninsurable under **United Kingdom** law.

2. Compensation for Court Attendance

In the event of the legal advisers acting on behalf of the **Insured**, with the consent of the **Insurer**, requiring any **Trustee** of the **Insured** to attend any court tribunal, arbitration, adjudication, mediation or other hearing as a witness in connection with a **Claim** made against the **Insured** and notified under this **Policy** the **Insurer** will provide compensation to the **Insured** at the rate of £250 per person for each day on which attendance is required.

The maximum liability of the **Insurer** during the **Policy Period** under this Extension shall be the lesser of 10% of the **Limit of Liability** or the maximum aggregate **Sub-Limit** of £100,000.

3. Corporate Manslaughter / Homicide Act 2007

The **Insurer** shall pay that part of **Loss** on behalf of any **Insured** which relates to **Defence Costs** only incurred by any **Insured** in respect of any criminal proceedings relating to Corporate Manslaughter (or other similar or equivalent criminal offence in any jurisdiction in which the **Charity** operates) resulting from a **Wrongful Act** or **Investigation**.

For the purposes of this Extension **Defence Costs** shall not include costs relating to any publicity or remedial orders imposed by any court (or similar or equivalent judicial remedial or punitive measure imposed in any jurisdiction in which the **Charity** operates).

4. Crisis & Regulatory Event

The **Insurer** shall pay reasonable costs (including but not limited to lawyers' and agents' fees) and expenses (other than regular or overtime wages, salaries, fees or benefits of the **Insured Persons** or **Employees** of the **Charity**) incurred with its prior written consent in respect of fees necessarily incurred by the **Insured** to employ the services of an external public relations consultant, crisis management firm or law firm solely to provide guidance to minimise or limit adverse publicity which is anticipated which may otherwise develop into a **Claim** or **Investigation**.

The **Insurer** shall not unreasonably withhold its consent to the incurring of costs and expenses under this Extension.

The maximum liability of the **Insurer** during the **Policy Period** under this Extension shall be the lesser of 10% of the **Limit of Liability** or the maximum aggregate **Sub-Limit** of £100,000.

5. Emergency Costs and Expenses

In the event that the **Insured** are unable to reasonably obtain the **Insurer's** prior written consent to incur **Defence Costs** the **Insurer** shall retrospectively approve such costs, less any applicable **Retention**, provided such costs are notified to the **Insurer** as soon as possible after they are incurred.

The maximum liability of the **Insurer** during the **Policy Period** under this Extension shall be the lesser of 10% of the **Limit of Liability** or the maximum aggregate **Sub-Limit** of £50,000.

This Extension shall not apply in addition to any other Extension for any **Loss**, **Claim** or **Related Claim**.

6. Investigation Defence Costs

The **Insurer** shall pay that part of **Loss** which relates to **Defence Costs** only on behalf of any **Insured Person** incurred by any **Insured Person** in defending themselves due to any notice of an **Investigation** commenced by the filing of a notice of charge, formal investigative order, questionnaire or similar document.

The **Insurer** shall not pay under this Extension any remuneration of any **Insured Person**, for the cost of their time, or any costs or overheads incurred by any **Charity** except for those provided for under this Extension.

7. Outside Trusteeship Liability

The **Insurer** shall pay **Loss** on behalf of any **Insured Person** and any **Employee** of the **Charity** who at the specific request of the **Charity** was, is, or becomes during the **Policy Period** a director, officer or trustee or occupies a position of equivalent status, of any **Outside Charity** or Not For Profit body, for **Claims** against them in respect of a **Wrongful Act** committed or attempted by such **Insured Persons** or **Employees** in their respective capacities as directors, officers, trustees or positions of equivalent status, of such **Outside Charity**.

This Extension shall be excess of any indemnification provided by the **Outside Charity** and any valid and collectible Not For Profit liability insurance in respect of the **Outside Charity**.

This extension shall not apply to **USA Claims**.

8. Personal Liability for Unpaid Taxes following Insolvency

The **Insurer** shall pay on behalf of the **Insured Persons** that part of **Loss** arising from their personal liability for unpaid taxes where the **Charity** has become insolvent except to the extent such liability arises from improper personal financial gain, fraud and dishonesty or wilful intent of the **Insured Person** to breach any statutory duty governing the payment of taxes.

The maximum liability of the **Insurer** during the **Policy Period** under this Extension shall be the lesser of 10% of the **Limit of Liability** or the maximum aggregate **Sub-Limit** of £100,000.

9. Pollution

The **Insurer** shall pay that part of **Loss** which relates to **Defence Costs** only on behalf of any **Insured** incurred by any **Insured** in defending themselves against criminal or regulatory proceedings in respect of **Pollution** of any kind which results from a **Wrongful Act**.

This Extension shall not apply to any **USA Claim**.

10. Retired and Former Trustees

In the event that any **Insured Person Retires** as a **Trustee** from the **Charity** prior to the expiry of the **Policy Period** such **Insured Person** shall be entitled to a free **Discovery Period** for a period of 72 months after the expiry of the **Policy Period**, provided always that this **Discovery Period** shall not apply where the **Policyholder** renews or replaces this **Policy** (whether with the **Insurer** or otherwise) or where a **Discovery Period** has been activated in accordance with Policy Condition H. **Discovery Period**, of this **Policy**.

11. Spouses

If a **Claim** against an **Insured Person** includes a **Claim** against the **Insured Person's Spouse** solely by reason of:

- (a) such **Spouse's** legal status as a **Spouse** of the **Insured Person**; or
- (b) such **Spouse's** ownership interest in property which the claimant seeks as recovery for **Claims** made against the **Insured Person**

all **Loss** which such **Spouse** becomes legally obliged to pay by reason of such **Claim** shall be treated for the purposes of this **Policy** as **Loss** which the **Insured Person** becomes legally obliged to pay on account of the **Claims** made against the **Insured Person**.

All terms and conditions of this **Policy**, including without limitation the **Retention**, applicable to **Loss** incurred by such **Insured Person** in the **Claim** shall also apply to such spousal **Loss**. This coverage does not apply to the extent the **Claim** alleges any **Wrongful Act** by the **Insured Person's Spouse**.

D. Trustee Liability Exclusions (none applicable to this section)

II. CHARITY LIABILITY COVER

THIS INSURANCE COVERS CLAIMS FIRST MADE AGAINST THE INSURED AND NOTIFIED TO THE INSURER DURING THE POLICY PERIOD OR APPLICABLE DISCOVERY PERIOD

A. Charity Liability Insuring Clauses

The **Insurer** shall pay, on behalf of the **Charity**, **Loss** arising from **Claims** first made during the **Policy Period** provided that the **Insurer** shall not be liable for and the **Charity** shall be liable to pay any applicable **Retention**.

B. Charity Limit of Liability

The **Limit of Liability** purchased as provided in the **Policy Schedule** shall be the maximum aggregate liability of the **Insurer** for **Loss** arising from all **Claims** and all **Related Claims** first made during the **Policy Period** or any applicable **Discovery Period**. For the avoidance of doubt a separate aggregate **Limit of Liability** shall apply to this Policy Section.

- (i) The **Limit of Liability** shall not apply separately for each **Insured**.
- (ii) The **Insurer's** liability for **Loss** sustained or **Loss** arising out of any one **Claim** and all **Related Claims** sustained by any or all **Insureds** shall not exceed the amount for which the **Insurer** would have been liable had all such **Loss** been suffered by any one **Insured**.

C. Charity Liability Extensions

The maximum liability of the **Insurer** during the **Policy Period** under each Extension shall be subject to the maximum aggregate limit as detailed in B. **Charity Limit of Liability** unless specified otherwise below.

The **Insurer** shall pay on behalf of the **Charity**:

1. Corporate Manslaughter / Homicide Act 2007

The **Insurer** shall pay that part of **Loss** on behalf of any **Insured** which relates to **Defence Costs** only subject to the aggregate **Sub-Limit** specified in the **Policy Schedule** incurred by any **Insured** in respect of any criminal proceedings relating to corporate manslaughter (or other similar or equivalent criminal offence in any jurisdiction in which the **Charity** operates) resulting from a **Wrongful Act** or **Investigation**.

For the purposes of this Extension, **Defence Costs** shall not include costs relating to any publicity or remedial orders imposed by any court (or similar or equivalent judicial remedial or punitive measure imposed in any jurisdiction in which the **Charity** operates).

2. Emergency Costs and Expenses

In the event that the **Insured** are unable to reasonably obtain the **Insurer's** prior written consent to incur **Defence Costs** the **Insurer** shall retrospectively approve such costs, less any applicable **Retention**, provided such costs are notified to the **Insurer** as soon as possible after they are incurred.

The maximum liability of the **Insurer** during the **Policy Period** under this Extension shall be the lesser of 5% of the **Limit of Liability** or the maximum aggregate **Sub-Limit** of £50,000.

3. Pollution

The **Insurer** shall pay on behalf of any **Insured** that part of the **Loss** which relates to **Defence Costs**, incurred by any **Insured** in defending themselves against criminal or regulatory proceedings in respect of **Pollution** of any kind which results from a **Wrongful Act**. This Extension shall not apply to any **USA Claim**.

4. Social Media Public Relations Consultancy Fees

The **Insurer** shall pay the reasonable costs and expenses for **Public Relations Consultancy Fees** incurred by a **Charity** directly to mitigate the adverse effect or potentially adverse effect on that **Charity's** reputation due to negative publicity regarding alleged business practices posted on internet based social media platforms or websites.

The maximum liability of the **Insurer** during the **Policy Period** under this Extension shall be the lesser of 10% of the **Limit of Liability** or the maximum aggregate **Sub-Limit** of £100,000.

The **Insurer** shall not unreasonably withhold its consent to the incurring of costs and expenses under any of the above Extensions.

D. Charity Liability Exclusions

The **Insurer** shall not be liable for **Loss**:

1. Employment Wrongful Act

for any actual or alleged liability relating to or arising out of in any way an **Employment Wrongful Act**.

2. Professional Services

arising out of **Professional Services** undertaken by or on behalf of the **Charity**

3. Workers Compensation

for any actual or alleged liability relating to workers compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment insurance, retirement benefits, social security benefits, pension benefits or any similar law or obligation whatsoever.

4. Contractual Liability

for any actual or alleged contractual liability of the **Charity** under any express, oral, written, or implied contracts or agreements provided, however this exclusion shall not apply to any **Defence Costs** relating to such matters.

The maximum liability of the **Insurer** during the **Policy Period** for such **Defence Costs** shall be the lesser of 10% of the **Limit of Liability** or the maximum aggregate **Sub-Limit** of £100,000.

III. EMPLOYMENT PRACTICES LIABILITY

THIS INSURANCE COVERS CLAIMS FIRST MADE AGAINST THE INSURED AND NOTIFIED TO THE INSURER DURING THE POLICY PERIOD OR APPLICABLE DISCOVERY PERIOD

A. Employment Practices Liability Insuring Clause

The **Insurer** shall pay, on behalf of the **Charity**, **Loss** arising from **Claims** first made during the **Policy Period** for **Employment Wrongful Acts** against the **Charity** where such **Claim** is brought by:

1. an **Employee** or prospective **Employee**;
2. a **Trustee** or prospective **Trustee** of any **Charity**;
3. a natural person at work (whether self employed or employed by an organisation other than the **Charity**) provided such natural person is providing services to the **Charity** on premises owned and occupied by the **Charity**;
4. (in respect of an **Investigation**) the Equality and Human Rights Commission or any other officially recognised regulatory, professional, or trade body, or any similar or equivalent body.

However, the **Insurer** shall not be liable for **Loss** arising out of any **USA Claim** for an **Employment Wrongful Act**.

B. Employment Practices Limit of Liability

The **Limit of Liability** purchased as provided under Employment Practices Liability in the **Policy Schedule** shall be the maximum aggregate liability of the **Insurer** for **Loss** arising from all **Claims** and all **Related Claims** first made during the **Policy Period** or any applicable **Discovery Period**. For the avoidance of doubt a separate aggregate **Limit of Liability** shall apply to this Policy Section.

- (i) The **Limit of Liability** shall not apply separately for each **Charity**.
- (ii) The **Insurer's** liability for **Loss** sustained or **Loss** arising out of any one **Claim** and all **Related Claims** sustained by any or all **Charities** shall not exceed the amount for which the **Insurer** would have been liable had all such **Loss** been suffered by any one **Charity**.

C. Employment Practices Liability Exclusions

1. Exclusions applicable to all Loss

The **Insurer** shall not be liable for **Loss**:

(a) Strikes, Collective Redundancies, Labour Disputes

directly or indirectly based on, arising out of or in any way involving any **Claim** incurred as a result of strikes, obligations to consult representatives and employees in relation to collective redundancies, lockouts, trade union disputes, labour disputes or negotiations or other similar actions including but not limited to disputes in respect of recognition.

(b) Violation of Health & Safety, Workers' Compensation or Similar Law

directly or indirectly based on, arising out of or in any way involving an actual or alleged violation of the responsibilities, obligations or duties imposed by any law governing health and safety, workers' compensation, unemployment insurance, social security, disability benefits or similar law.

2. Exclusions Applicable to Loss, Other Than Defence Costs

The **Insurer** shall not be liable for **Loss** other than **Defence Costs**, directly or indirectly based on, arising out of, or in any way involving:

(a) Accommodation for Disabled Persons

costs incurred by the **Company** to make any reasonable accommodation for any disabled person in respect of working practices or otherwise;

(b) Breach of Employment Contract, Breach of Minimum Wage Legislation or Benefits Due to Employees

Liability for:

- (i) payment of wages or any other form of payment due under a contract of employment or otherwise, (including compensation payable in respect of contractual or statutory notice periods and contractual or statutory payments due on redundancy) or liability for awards of damages for breach of, or for the payment of a debt under; an **Employee's** contract of employment, provided that this Exclusion shall not apply to the extent that any breach of an **Employee's** contract of employment relates to a breach of any disciplinary or grievance procedures or equal opportunities policy;
- (ii) repayment of deductions wrongfully made from salary, wages or **Benefits** or from any other form of payment due under the contract of employment;
- (iii) breach of any obligation in accordance with any minimum wage legislation, save that this Exclusion shall not apply, and cover shall be provided under Insuring Clause A. Employment Practices Liability Insuring Clause, where a **Claim** relates to any actual or alleged **Retaliation** in connection with such breach; or
- (iv) payment of **Benefits** due to an **Employee** from the **Insured** or otherwise or to become due or the equivalent value of such **Benefits**, provided that this Exclusion shall not apply to the extent that such **Loss** relates to a **USA Claim** and:
 - (a) constitutes the value of any actual or alleged wrongfully denied family or medical leave; or
 - (b) is on account of any **Claim** for actual or alleged wrongful dismissal, discharge or termination of employment.

IV. FIDELITY COVER

THIS INSURANCE COVERS CLAIMS FIRST DISCOVERED DURING THE POLICY PERIOD AND NOTIFIED TO THE INSURER DURING THE POLICY PERIOD OR APPLICABLE DISCOVERY PERIOD

A. Fidelity Liability Insuring Clause

The **Insurer** shall indemnify the **Charity** for **Fidelity Loss** first **Discovered** during the **Policy Period** or any applicable **Discovery Period** to the extent that such **Loss** is not reasonably recoverable from the said **Trustee** or **Employee** subject to a maximum limit as applicable to the Policy Section.

B. Fidelity Limit of Liability

The **Limit of Liability** purchased as provided under **Fidelity** in the **Policy Schedule** shall be the maximum aggregate liability of the **Insurer** for **Loss** arising from all **Claims** and all **Related Claims** first **Discovered** during the **Policy Period** or any applicable **Discovery Period**. For the avoidance of doubt a separate aggregate **Limit of Liability** shall apply to this Policy Section.

- (i) The **Limit of Liability** shall not apply separately for each **Charity**.
- (ii) The **Insurer's** liability for **Loss** sustained or **Loss** arising out of any one **Claim** and all **Related Claims** sustained by any or all **Charities** shall not exceed the amount for which the **Insurer** would have been liable had all such **Loss** been suffered by any one **Charity**.

All **Fidelity Loss** of any kind sustained as a result of any act, or series of related acts of fraud or dishonesty committed alone or in collusion with others shall be deemed to be one **Fidelity Loss** for the purpose of the calculation of the **Limit of Liability** and **Retention** regardless of the number of **Insureds** who sustained such **Fidelity Loss**.

C. Fidelity Liability Exclusions

The **Insurer** shall not be liable for:

I. Fidelity Loss which is dependent upon:

- (a) a profit and loss computation or comparison; or
- (b) a comparison of inventory records with an actual physical count, provided, however, that where the **Charity** establishes wholly apart from such comparison that it has sustained **Loss** covered under the **Policy** caused by an identified **Employee** or **Trustee** then it may offer its inventory records and actual physical count of inventory in support of the amount of **Loss** claimed:
 - 1. caused by an **Employee** or **Trustee** which is sustained after **Discovery** by another **Trustee** of any fraud, or dishonesty committed by such **Employee** or **Trustee**; or
 - 2. sustained by one **Insured** or one part of an **Insured** to the advantage of any other **Insured** or other part of an **Insured**.
 - 3. directly or indirectly based on, arising out of, or in any way involving taxes, fines or other

penalties, punitive or exemplary damages or any multiplied portion of damages.

- 4. which amounts to indirect or consequential loss of any kind, including but not limited to interest, profits, dividends or other income.

V. PROFESSIONAL INDEMNITY

THIS INSURANCE COVERS CLAIMS FIRST MADE AGAINST THE INSURED AND NOTIFIED TO THE INSURER DURING DISCOVERY PERIOD

A. Professional Indemnity Insuring Clause

The **Insurer** shall pay, on behalf of the **Insured**, **Loss** arising from **Claims** first made against the the **Insured** during the **Policy Period** in respect of any civil liability arising from **Professional Indemnity Wrongful Acts**.

B. Professional Indemnity Limit of Liability

The **Limit of Liability** purchased as provided in the **Policy Schedule** shall be the maximum aggregate liability of the **Insurer** for **Loss** arising from all **Claims** and all **Related Claims** first made against the **Insured** during the **Policy Period**.

For the avoidance of doubt a separate aggregate **Limit of Liability** shall apply to this Policy Section.

- (i) The **Limit of Liability** shall not apply separately for each **Insured**;
- (ii) The **Insurer's** liability for **Loss** sustained or **Loss** arising out of any one **Claim** and all **Related Claims** sustained by any or all **Insureds** shall not exceed the amount for which the **Insurer** would have been liable had all such **Loss** been suffered by any one **Insured**.

C. Professional Indemnity Exclusions

The **Insurer** shall not be liable for **Loss** directly or indirectly based on, arising out of or in any way involving:

I. Trading Liabilities

any trading losses or trading liabilities incurred in connection with any business managed or carried on by the **Charity** including loss of any client account or business.

2. Transportation or Property

the ownership, use, occupation or leasing of mobile or immobile goods or property by or on behalf of the **Charity**.

3. Contractual Agreement

- (a) any express guarantee given by the **Insured**; or
- (b) any express contractual penalty made between the **Insured** and a third party; or
- (c) any acceptance by the **Insured** of liability for liquidated damages;

in so far as liability assumed by the **Insured** exceeds the amount of the **Insured's** liability in the absence of such agreement.

4. Legal Activity

5. Goods and Services

- (a) the supply of any goods by or on behalf of the **Charity** or products manufactured constructed altered repaired treated sold supplied or distributed by or on behalf of the **Charity**;
- (b) any **Claim** brought by any supplier or prospective supplier arising from or in connection with the actual or prospective supply to or use by the **Charity** of goods or services.

6. USA Jurisdiction and Operations

- (a) **USA Claim**
- (b) the enforcement, upholding or registration against the **Insured** by any arbitrator; tribunal or court outside the **USA** of any **Loss** connected with or arising out of any **Claim** brought in the **USA**;
- (c) the operations of the **Charity** or any **Insured Persons** or any branch or parent company of the **Charity** in the **USA**.

7. Nuclear

Loss or destruction of or damage to any property whatsoever or any **Loss** or expense of whatsoever nature resulting or arising therefrom or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- (b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

VI. POLICY EXCLUSIONS

A. Exclusions applicable to all Sections of Cover

The **Insurer** shall not be liable for **Loss**:

1. Bodily Injury/Property Damage

for bodily injury, mental anguish or emotional distress, illness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof.

This Exclusion does not apply to the provisions of the Professional Indemnity section.

2. Dishonesty or Illegal Profits

directly or indirectly based on, arising out of, or in any way involving:

(a) Fraud or Dishonesty

any dishonesty or fraud found by way of any judgment or other final adjudication to have been committed by any **Insured**;

(b) Illegal Profit or Advantage

any **Insured** found by way of judgment or other final adjudication to have gained any profit or advantage or to have received any remuneration to which he was not legally entitled.

The provisions of Claims Condition B. Allocation shall apply to this Exclusion to the extent that the application of this Exclusion shall establish that **Defence Costs** are not covered under this **Policy**.

3. Pension Trusteeship or Administration

directly or indirectly based on, arising out of, or in any way involving the trusteeship or administration by any **Insured** of any pension plan, programme or scheme or other employee benefit programme or any **Insured** acting in a fiduciary capacity in respect thereof, including any obligation incurred under the Pensions Act 1995 or the, Pensions Act 2004, or for any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (USA) or any regulations promulgated thereunder or within any similar or equivalent law or regulation, provided that this Exclusion shall not apply to **Loss** arising from a **Claim** for **Retaliation**, under the following policy sections; Trustee Liability, Charity Liability and Employment Practices Liability.

4. Pollution

directly or indirectly based on, arising out of, or in any way involving:

(a) Pollution;

- (b) any direction or request that any **Insureds** test for; monitor; clean up, remove, contain, treat, detoxify or neutralise **Pollutants**, or any voluntary decision to do so, including without limitation any claim for financial loss to the **Charity**, its shareholders, bondholders or its creditors based on, arising out of, or in any way involving the matters described in this Exclusion.

This Exclusion does not apply to the provisions of Trustee Liability Section Extension 9 and Charity Liability Section Extension 3 relating to Pollution Defence Costs

5. Prior Knowledge of Fact, Circumstance or Situation

or **Fidelity Loss** directly or indirectly based on, arising out of, or in any way involving any fact, **Circumstance** or situation:

- (a) which has been or should have been the subject of any written notice given under any **Policy** of which this **Policy** is a direct or indirect renewal or replacement; or
- (b) alleged in, relating to or underlying any written demand for monetary damages or other relief or any civil, criminal or administrative or regulatory proceeding (including arbitration) pending on or prior to the **Policy Period**.

6. **Trustees Indemnity Charities Act 2006 (reference Chapter 50 section 39)**

or **Fidelity Loss** sustained by any **Insured** where such **Loss** or **Fidelity Loss** arises, either directly or indirectly, out or in respect of any act or omission which, at the time of such act or omission, the **Insured**

- (a) knew (or should reasonably have known) such act or omission was not in the interests of the **Charity**; or
- (b) did not care whether or not such act or omission was in the best interests of the **Charity**.

B. Severability of Exclusions

No fact pertaining to or knowledge possessed by any **Insured** shall be imputed to any other **Insured** for the purposes of applying any Exclusions.

VII. POLICY CONDITIONS

A. Acquisition or Creation of Charity

- (a) Subject to Policy Condition A. (b), if any **Charity** creates or acquires, during the **Policy Period**, a new **Subsidiary** (either directly or indirectly), the new **Subsidiary** shall be automatically covered under this **Policy** in relation to **Wrongful Acts** committed or alleged to have been committed after the date the new **Subsidiary** was created or acquired by the **Charity** subject to the provisions of Policy Condition A. (c).

The **Charity** shall not have to provide the **Insurer** with any particulars of the new **Subsidiary** until the next renewal date following creation or acquisition of the **Subsidiary**, provided always that if such new **Subsidiary** employs any person in the **USA**, then the provisions of Policy Condition A. (b) shall apply.

- (b) Automatic coverage in accordance with Policy Condition A. (a) above shall not apply where a new **Subsidiary** created or acquired by any **Charity**:
 - (i) has gross consolidated assets that increase the gross consolidated assets of the **Charity** by more than fifty per cent (50%) (by reference to the **Charity's** most recent consolidated annual accounts); or
 - (ii) is a Financial Institution; or
 - (iii) has any of its **Securities** listed on any exchange; or
 - (iv) is situated outside of the UK and in a country in which the **Charity** does not already hold a **Subsidiary**; or
 - (v) has increased the number of **Employees** or **Crime Employees** by more than fifty per cent (50%) in the **Policy Period**.
- (c) If any **Charity** acquires or creates a **Subsidiary** that falls within the parameters specified in **Extension A.(b)**, then cover shall be extended to such new **Subsidiary** in relation to **Wrongful Acts** committed or alleged to have been committed after the date the new **Subsidiary** was created or acquired by the **Charity**, provided that, and as a condition precedent to such cover being provided, the **Policyholder**:

- (i) gives the **Insurer** written notice of any such creation or acquisition as soon as possible, together with such additional information as the **Insurer** may require;
- (ii) accepts any notified alteration in the terms of this **Policy**; and
- (iii) pays any additional premium required by the **Insurer**.

Subject to these conditions precedent having been met, the **Insurer** shall include the new **Subsidiary** within the scope of this **Policy** by way of endorsement.

- (d) The **Insurer** shall have no liability under Policy Condition A.(c) in respect of any matter which the **Insured** does not notify to the **Insurer** in accordance with the requirements of this **Extension**. The **Insurer** may consider the provision of retroactive cover for any new **Subsidiary** in respect of **Wrongful Acts** committed, or alleged to have been committed, prior to the date of any such acquisition or creation, upon specific request.

If the **Insurer**, at its absolute discretion, agrees to provide such cover, it shall be recorded by way of endorsement.

B. Alteration and Assignment

No change in, modification of, or assignment of interest under this **Policy** shall be effective except when made by written endorsement to this **Policy** and issued by the **Insurer**.

C. Acquisitions Prior to the Policy Period

If a new **Subsidiary** has been acquired by the **Charity** prior to the **Policy Period**, such **Subsidiary** shall be covered under this **Policy** only for **Loss** in relation to **Wrongful Acts** committed or alleged to have been committed after the date on which such **Subsidiary** was acquired by the **Charity**, and committed during the **Policy Period**.

D. Arbitration

Any dispute arising out of or in connection with this **Policy** shall be referred to a sole arbitrator; who shall be a Queen's Counsel specialising in insurance law. The sole arbitrator shall be appointed by agreement between the parties or, failing such agreement within 30 days of one party receiving written notice of a nomination being made by the other party, by the Chairman for the time being of the Bar Council. The arbitration shall be held in London and in the English language.

E. Authorisation Clause

It is a condition of this **Policy** that the **Policyholder** shall act on behalf of all **Insureds** with respect to the giving and receiving of notice of any **Claim** or **Circumstance**, the payment of premiums and the receiving of any return premiums that may become due under this **Policy**, the negotiation, agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this **Policy** (except the giving of notice to apply for the **Discovery Period**), and the **Insureds** agree that the **Policyholder** shall so act on their behalf.

F. Consumer Credit Termination Clause

The **Insurer** reserves the right to terminate this **Policy** in the event that there is a default in instalment payments due under any linked loan agreement.

G Defence Costs

Defence Costs incurred by the **Insurer**, or by the **Insured** with the written consent of the **Insurer**, are part of and not in addition to the applicable **Limit of Liability** and the payment by the **Insurer** of **Defence Costs** reduces such **Limit of Liability**.

H Discovery Period

The purchase of any **Discovery Period** shall not increase or reinstate the applicable **Limit of Liability**, which shall be the **Insurer's** maximum liability for the **Policy Period** and **Discovery Period** combined.

The **Insured Persons** or the **Policyholder** shall be entitled to elect a **Discovery Period** on the terms set out below if:

- (a) the **Insurer** declines to offer any terms for renewal of this **Policy**; or
- (b) the **Policyholder** makes a specific written request to the **Insurer** for such **Discovery Period**, which is accepted by the **Insurer**.

The offer of renewal terms and conditions or premiums different from those in effect prior to renewal shall not constitute the **Insurer** declining to renew.

The standard terms of the **Discovery Period** shall be 12 months for one hundred per cent (100%) of that part of the **Full Annual Premium** payable in respect of this **Policy**.

Options to purchase up to 72 months may be available but shall be at the **Insurer's** sole discretion.

The application to elect any **Discovery Period** must be received by the **Insurer** within 30 days of the expiry of the **Policy Period**, and payment of the premium, if applicable, must be made within 30 days of the expiry of the **Policy Period** (such premium being non-refundable). For the avoidance of doubt, any time delay between the expiry of the **Policy Period** and the election of any **Discovery Period** shall be part of and not in addition to the **Discovery Period** elected.

If a **Merger** takes place, the **Policyholder** shall not be entitled to purchase a **Discovery Period** on the terms set out in this Extension, however the **Policyholder** within 30 days of the expiry of the **Policy Period** may request a quotation from the **Insurer** for a **Discovery Period**. The **Insurer** shall consider such request and may, at its absolute discretion, offer a **Discovery Period** on such terms as the **Insurer** may reasonably consider appropriate.

During the 30 day application period referred to above and during any **Discovery Period** and without prejudice to VI. Claims Condition A.2., the **Insured Persons** and the **Policyholder** may continue to notify **Claims** to the **Insurer** but only in respect of **Wrongful Acts** committed prior to the expiry of the **Policy Period**.

This Condition is not applicable to the provisions of the Professional Indemnity Section.

I. Fidelity Loss

All **Fidelity Loss** of any kind shall be subject to a maximum aggregate limit as noted in the **Policy Schedule** such limit being part of and not in addition to the **Limit of Liability**.

All **Fidelity Loss** of any kind sustained as a result of any act, or series of related acts, of fraud or dishonesty committed alone or

in collusion with others shall be deemed to be one **Fidelity Loss** for the purpose of the calculation of the **Limit of Liability** and **Retention** regardless of the number of **Insureds** who sustained such **Fidelity Loss**.

All acts committed by any **Employee** or **Trustee** or in which such **Employee** or **Trustee** is concerned or implicated shall be considered as one occurrence or event.

Regardless of the number of years the **Policy** remains in effect and the total premiums due or paid, the **Limit of Liability** shall not be cumulative from year to year or from **Policy Period** to **Policy Period**.

J. Financial or Trade Sanctions

The **Insurer** shall not provide coverage, or indemnity or be liable to provide any indemnity or payment or other benefit under this **Policy** if and to the extent that doing so would violate or breach any prohibition or restriction imposed by law, sanction or regulation.

If any such prohibition or restriction takes effect during the **Policy Period** the **Policyholder** or the **Insurer** may cancel that part of this **Policy** which is prohibited or restricted with immediate effect by giving written notice to the **Policyholder**.

Subject to any applicable minimum premium payment requirements the **Insurer** shall after such cancellation refund a proportionate amount of the premium for the unexpired **Policy Period** provided that:

- (a) no **Circumstances** that could reasonably be considered as being likely to give rise to a **Claim** under the **Policy** have been notified to the **Insurer** by the **Insured**; and
- (b) no claims have been paid by the **Insurer** or have accrued and are outstanding awaiting payment in respect of such claims

prior to the date on which such prohibition or restriction took effect.

K. Interpretation of Legal References

Any legal references within this **Policy** shall include any equivalent legal provision in the jurisdiction of ordinary residence of the **Policyholder** or location of the risk insured, provided that such jurisdiction falls within the territorial scope of this **Policy**.

L. Law Applicable

Under the laws of the **United Kingdom** (England, Scotland, Wales and Northern Ireland) both parties may choose the law which applies to this contract, to the extent permitted by those laws. Unless the parties agree otherwise in writing the **Insurer** has agreed with the **Insured** that the law which applies to this contract is the law which applies to the part of the **United Kingdom** in which the **Insured** is based or if the **Insured** is based in the Channel Islands or the Isle of Man the law of whichever of those two places in which the **Insured** is based.

The parties have agreed that any legal proceedings between them in connection with this contract will only take place in the courts of the part of the **United Kingdom** in which the **Insured** is based or if the **Insured** is based in either the Channel Islands or the Isle of Man the courts of whichever of those two places in which the **Insured** is based.

M. Partial Invalidity

Should any provision of this **Policy** be, or become, invalid or unenforceable in accordance with the law to which this **Policy** is subject, such provision shall be deemed to be deleted and all other terms and conditions of this **Policy** shall remain in full force and effect.

N. Proposal, Severability and Waiver of Rights**1. Proposal**

- (a) In granting coverage under this **Policy** the **Insurer** has relied upon the statements, representations and declarations in the **Proposal** and it is agreed that the **Proposal** shall form the basis of and is incorporated into the **Policy**.
- (b) The **Insureds** shall not conceal or misrepresent any material fact or circumstance when completing the **Proposal**.

2. Severability

- (a) Other than with respect to Policy Section 2.(b) below, the **Proposal** shall be construed as a separate application for cover by each of the **Insureds** with respect to the statements, representations and declarations contained therein. No fact relating to, or statement of, or knowledge possessed by, any **Insured** shall be imputed to any other **Insured** for the purpose of determining the availability of cover.
- (b) The **Insureds** agree that in the event that any statements or representations made in the **Proposal** are inaccurate or incomplete, the **Insurer** shall be entitled to avoid the relevant Insuring Clause with respect to any of the following **Insureds**:
 - (i) any natural person **Insured** or any **Trustee** of the **Insured** who knew the facts that were not fully and accurately disclosed in the **Proposal**; or
 - (ii) any **Insured** that is a corporation, partnership or sole trader; where any partner, **Member** or principal respectively who knew the facts that were not fully and accurately disclosed in the **Proposal**.

3. Waiver of Rights

The **Insurer** confirms that this **Policy** will not be rescinded for any misrepresentation or non-disclosure however, in the event of any such misrepresentation or non-disclosure then any **Insured Persons** who knew of such misrepresentation or non-disclosure shall have no cover under this **Policy**. Furthermore no cover will be provided for the **Charity** where the **Charity** has a requirement, legally or otherwise, to indemnify such **Insured Persons** whom had such knowledge of misrepresentation or non-disclosure.

O. Retentions

- (a) The **Insurer's** liability under this **Policy** for **Loss** arising from any single **Claim** and all **Related Claims** shall apply only to that part of such **Loss** which is excess of the applicable **Retention** stated in this **Policy Schedule**. The **Insured** shall bear at their own risk the amount of any applicable **Retention** in respect of each and every **Claim** and **Related Claim**.

- (b) Any **USA Retention** (if applicable) shall apply to each and every **USA Claim**.
- (c) If the **Charity** is permitted or required to indemnify the **Insured Persons** in respect of any **Loss** suffered by them but fails to do so, the **Insurer** shall pay such **Loss** directly to the **Insured Persons** on behalf of the **Charity**, provided that the **Charity** shall be liable to pay any applicable **Retention**.
- (d) Any **Retention** borne by an **Insured** in respect of any **Claim** shall be reimbursed by the **Insurer** if final judgment or adjudication is given in favour of an **Insured** by a court or tribunal of competent jurisdiction. For the purposes of this condition, final judgment or adjudication shall only be adjudged to have been given when all rights of appeal to higher courts or tribunals have been foregone or exhausted.
- (e) Any **Retention** does not form part of the **Limit of Liability** and it shall be payable by the **Insured** before the application of the **Limit of Liability**.

P. Retention Reimbursement

Any **Retention** borne by the **Insured** in respect of any **Claim** shall be reimbursed by the **Insurer** if final judgment or adjudication is given in favour of the **Insured** by a court or tribunal of competent jurisdiction. For the purposes of this sub-section, final judgment or adjudication shall only be deemed to have been given when all rights of appeal to higher tribunals have been foregone or exhausted.

Q. Takeovers & Mergers

If during the **Policy Period** a **Merger** takes place, cover shall continue in full force and effect until the expiry of the **Policy Period** but only with respect to:

- (a) **Wrongful Acts** committed or alleged to have been committed;
- (b) **Fidelity Loss** committed; and
- (c) **Loss** of or damage to **Documents** first occurring prior to the date of such **Merger**.

R. Territory

Unless otherwise stated in the policy wording, cover under this **Policy** shall extend worldwide.

S. Third Party Rights

A person who is not a party to this **Policy** has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this **Policy** but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

T. Transactions Changing Coverage**1. Acquisition, Merger or Winding Up of the Policyholder**

Unless otherwise agreed in writing by the **Insurer**, this **Policy** shall terminate for all **Insureds** upon:

- (a) the acquisition of the entire issued share capital of the **Policyholder** or of all or substantially all of its assets, by another entity, or the **Merger** or consolidation of the **Policyholder** into or with another entity such that the **Policyholder** is not the surviving entity; or

- (b) the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate at least 50% of the directors of the **Policyholder**; or
- (c) the appointment of a liquidator; provisional liquidator; receiver; administrative receiver; supervisor; trustee or other similar insolvency appointee or fiduciary in respect of the **Policyholder**; or
- (d) winding-up of the **Policyholder** (but not, for this purpose, any **Subsidiary**).

Following termination, the **Policyholder** may continue to notify **Circumstances** during the **Policy Period** or **Discovery Period** or **Circumstances** or **Claims** first made against the **Insured** during the **Policy Period** provided that:

- (i) cover shall only apply to **Loss** or that part of any **Loss** occurring prior to the event described in (a) or (b) above; and
- (ii) this **Policy** has not been replaced by a similar policy of insurance issued by the **Insurer** or by another insurer irrespective of whether such other insurance provides cover for loss sustained prior to its effective date.

2. Disposal or Winding Up of Subsidiary Companies

Unless otherwise agreed in writing by the **Insurer**, this **Policy** shall terminate for a **Subsidiary** upon:

- (a) the appointment of a liquidator; provisional liquidator; receiver; administrative receiver; supervisor; **Trustee**, or other similar insolvency appointee or fiduciary in respect of such **Subsidiary**; or
- (b) falling outside of the definition of **Subsidiary**.

Following termination, the **Policyholder** may continue to notify **Circumstances** or **Claims** first made or **Loss Discovered** against the **Insured** during the **Policy Period** provided that cover shall only apply to **Loss** or that part of **Loss** occurring prior to the event described in a) or b) above.

VIII. CLAIMS CONDITIONS

A. Claims Notification

- I. The **Policyholder** shall give to the **Insurer** written notice as soon as possible after receipt of notice of any **Claim** or after the **Policyholder** becomes aware of any **Circumstances** and in any event notice shall be given to the **Insurer**:
 - (a) during the **Policy Period** or any applicable **Discovery Period**; or
 - (b) in respect of any **Claim**) within 60 days after the end of the **Policy Period** or any applicable **Discovery Period**

except in respect of any **Trustee**, who may in the event that the **Policyholder** fails or refuses to give notice under Claims Condition A.I. gives written notice of a **Claim** direct to the **Insurer**, however all other terms and conditions of Claims Condition A.I shall otherwise apply.

- 2. Notification of any **Claim** or **Circumstance** must be sent to the **Insurer** at the Claims Department, Professional & Financial Risks, St Mark's Court, Chart Way, Horsham, West Sussex RH12 1XL for the attention of the Professional & Financial Risks Claims Manager. Each notification shall so far as possible provide full details of the **Claim** or **Circumstance** including, but not limited to:
 - (a) the identity of the claimant or potential claimant;
 - (b) the nature of the **Claim**;
 - (c) the likely quantum of the **Claim**; and
 - (d) the **Policyholder's** preliminary views (if any) on the merits of such **Claim** and the **Policyholder** shall provide the **Insurer** with such further information and documentation (where appropriate documentation includes evidence of invoices, receipts, proof of payments and the like) as it may reasonably require.
- 3. Any **Claim** arising from any notification of **Circumstances** shall be deemed to have been made in the **Policy Period** (including any applicable **Discovery Period**) in which the **Circumstances** were first notified to the **Insurer**.

B. Allocation

- 1. If an **Insured** incurs both **Loss** covered by this **Policy** and **Loss** not covered by this **Policy** (either because a **Claim** is made against both **Insured Persons** and the **Charity** or because a **Claim** includes both **Loss** which is covered and that which is not) the **Insurer** shall negotiate in good faith with the **Insured** to determine a fair and reasonable allocation of the **Loss** taking into account the relative legal exposures of the parties with respect to covered and uncovered **Loss**.

Whilst the **Claim** is ongoing the **Insurer** shall advance all **Defence Costs** whilst any **Insured Persons** are named in such action, such **Defence Costs** will not be included in any allocation of the **Loss**.

- 2. If the **Insured** and the **Insurer** cannot agree on an allocation in respect of **Loss**, the **Insured** and the **Insurer** agree to submit the issue of allocation to a Queen's Counsel, (whose identity shall be agreed between the parties and failing agreement within 30 days of one party receiving written notice of a nomination being made by the other party, shall be chosen by the Chairman for the time being of the Bar Council) whose decision shall be binding. The Queen's Counsel shall be directed to apportion all costs of the determination and shall act as an expert and not as an arbitrator.
- 3. All references to Queen's Counsel in this **Policy** include, where proceedings have been commenced in jurisdictions outside England and Wales, a lawyer of similar status. Reference to the Chairman for the time being of the Bar Council or his nominee include, where proceedings have been commenced in jurisdictions outside England and Wales, a similar or equivalent appointee.

C. Defence and Cooperation

1. The **Insurer** shall have the right but is not obliged to conduct in the name of the **Insured** the defence and settlement of any **Claim** covered by this **Policy**, and to appoint lawyers or other representatives for this purpose even if any of the allegations against the **Insured** are groundless, false or fraudulent. The **Insurer's** right to defend shall cease upon exhaustion of the **Limit of Liability** applicable to this **Policy**.
2. With respect to any **Claim** or **Circumstance** notified:
 - (a) the **Insured** shall execute all papers required and shall do everything necessary to defend such **Claim** and provide the **Insurer** with all information, documentation, assistance and co-operation as the **Insurer** reasonably requests; and
 - (b) the **Insurer** shall advance **Defence Costs** excess of any applicable **Retention**, provided that if and to the extent it is finally established that any such **Defence Costs** are not covered under this **Policy**, the **Insureds**, severally according to their interests, hereby agree to repay the **Insurer** such non-covered **Defence Costs**.
3. The **Insured** shall not settle or offer to settle any **Claim**, incur any **Defence Costs** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim**, without the **Insurer's** prior written consent. The **Insurer** shall not be liable for, and any applicable **Retention** shall not be depleted or exhausted by, any settlement, **Loss** or **Defence Costs**, assumed obligation or admission to which the **Insurer** has not consented.

The **Insurer** shall not unreasonably withhold any consent referred to in Claims Condition C.3.

The **Insured** agrees that in the event of a **Claim** the **Insured** shall do nothing that shall prejudice the **Insurer's** position or its potential or actual rights of recovery. The **Insured** shall at all times use reasonable endeavours to do, and concur in doing, all such things as are reasonably practicable to avoid or diminish any **Loss** and to assist with the defence or settlement of any **Claim**. The **Insurer** may make any investigation it deems necessary.

Reasonable endeavours in this context shall include self reporting to any regulator an actual or suspected material breach of a **Charity's** or an **Insured Person's** legal or regulatory duties where the **Charity** or **Insured Person** is required to give notice of such an actual or potential breach. The cost of any such steps will constitute **Defence Costs**. For the avoidance of doubt, any self reporting shall not constitute an admission of liability with regard to any **Claim**.

D. Disputes as to Contesting Legal Proceedings

1. Subject to the provisions of Claims Condition D.2., in the event of a disagreement arising between the **Insurer** and the **Insured** as to whether or not to contest or settle legal proceedings or proceed with appeals, the issue shall be remitted to a Queen's Counsel whose decision on the probability of successfully defending the **Claim** or the acceptability of the proposed terms of settlement or the probability of succeeding on appeal shall be final. The identity of such Queen's Counsel shall be agreed by the parties or, failing such agreement within 30 days of one party receiving written notice of a nomination being made by the other party, by the Chairman for the time being of the Bar Council.
2. In the event that Queen's Counsel or Junior Counsel is instructed in connection with the defence of a **Claim**, the parties shall submit any issue between them to the said Counsel as to whether or not to contest or settle legal proceedings or proceed with appeals.
3. Any appointment under the provisions of Claims Condition D. shall be as expert and not as arbitrator.
4. The costs of the said expert determination shall be deemed to form part of the **Defence Costs**.
5. All references to Queen's Counsel and Chairman of the Bar Council include, where proceedings have been commenced in jurisdictions outside England and Wales, a lawyer of similar status or equivalent appointee.

E. Fidelity Loss

1. It shall be a condition precedent to the obligations of the **Insurer** under this **Policy** that the **Policyholder** shall give the **Insurer** written notice as soon as possible after **Discovery** of a **Fidelity Loss**, and in any event no later than 60 days after such **Discovery**. Such notice shall be sent to the **Insurer** at the address set out in the **Schedule**.
2. Within 6 months after **Discovery** of any such **Fidelity Loss**, the **Policyholder** shall furnish to the **Insurer** above proof of **Loss** with full particulars including all relevant information in their possession in relation to the **Fidelity Loss** and such further information as may be required by the **Insurer**.
3. Legal proceedings for the recovery of any **Fidelity Loss** hereunder shall not be brought prior to the expiration of 60 days after proof of **Loss** is filed with the **Insurer** or after the expiry of 24 months from **Discovery** of such **Fidelity Loss**.

F. Other Insurance

This **Policy** shall be specifically excess of any other valid and collectible insurance (including but not limited to any insurance which is stated to be primary, contributory, excess, contingent or otherwise), unless such other insurance is specifically excess of this **Policy**.

If at the time of **Loss** there is any other insurance effected by or on behalf of any **Insured** covering the same **Loss** as covered by this **Policy**, the liability of the **Insurer** for **Loss** under this **Policy** will be limited to its rateable portion of such **Loss**, subject always to the **Limit of Liability** and appropriate Extensions.

For the avoidance of doubt, a **Loss** which is covered partly by this **Policy** and partly by another policy (including policies of which this is a renewal) issued by the **Insurer** to the **Insured** for which any previous applicable **Discovery Period** has not expired, shall be limited to the larger amount of cover under the previous policy or this **Policy** and shall on no account be cumulative.

G. Related Claims

All **Related Claims** shall be deemed one **Claim**, and such **Claim** shall be deemed to be first made on the date the earliest of such **Claims** is first made, regardless of whether such date is before or during the **Policy Period** or the **Discovery Period**.

H. Subrogation and Recoveries

1. In the event of any payment under this **Policy**, the **Insurer** shall be subrogated to the extent of such payment to all the **Insured's** rights of recovery. The **Insured** shall do everything necessary to secure and preserve such rights, including the execution of such documents as are necessary to enable the **Insurer** effectively to bring proceedings in the name of the **Insured**.
2. Provided however that in no event shall the **Insurer** exercise its rights of subrogation against an **Insured Person** except where such **Insured Person** has been fraudulent, committed a criminal act or obtained any profit or advantage to which the **Insured Person** was not legally entitled. This exception shall not apply to **Fidelity Loss**.
3. All recoveries obtained by the **Insured** from other parties shall be allocated, after the settlement of any **Claim** under this **Policy** as follows:
 - (a) firstly, to the benefit of the **Insured** to reduce or extinguish the amount of the **Insured's Loss** to the extent that it would have been paid under this **Policy** but for the fact that such **Loss** exceeds the **Limit of Liability** together with any **Retention** where applicable;
 - (b) secondly, to the benefit of the **Insurer** for all sums paid in settlement of **Loss** arising under this **Policy**;
 - (c) thirdly, to the benefit of the **Insured** for the amount of the **Retention** under this **Policy**.

All recoveries shall be applied as herein only after deduction of the reasonable cost of obtaining such recovery. All recoveries made prior to settlement of any **Claim** under this **Policy** shall be held for the benefit of the **Insurer** and applied as stated herein after settlement if any is made.

I. Valuation

The **Insurer** shall not be liable for more than:

1. the actual market value of securities at the close of business on the business day immediately preceding the day on which the **Fidelity Loss** was **Discovered** or the actual cost of replacing securities whichever is less plus the cost of posting any required lost instrument bond (which cost shall be paid by the **Insurer** on behalf of the **Insured**);

2. the value of a foreign currency calculated in pounds sterling at the rate of exchange published as the Financial Times closing mid point rate on the date of **Discovery**.

IX. POLICY DEFINITIONS

When used in this **Policy**:

- A. **Benefits** means perquisites, fringe benefits, amounts due or payments made in connection with an employee benefit plan or pension scheme, share or stock options or any other right to purchase, acquire or sell shares or stock, and any other obligation or payment, made to or for the benefit of an **Employee** other than salary (including bonus) or wages.
- B. **Circumstance** means an incident, occurrence, fact, matter, act or omission which is likely to give rise to a **Claim** under this **Policy**.
- C. **Charity** means the **Policyholder** and its **Subsidiaries**.
- D. **Claim** means:
 1. service of a Claim Form, counterclaim, **Related Claim**, Application notice, Notice of appeal, Witness summons or similar legal document including an application for any related injunction served upon any **Insured** in respect of a **Wrongful Act**;
 2. any arbitration proceeding or request to nominate an arbitrator served upon any **Insured** in respect of a **Wrongful Act**;
 3. any written communication (including electronic communications), whether or not containing a demand for compensation or damages, received by any **Insured** threatening commencement of proceedings in respect of a **Wrongful Act**, and any written demand against any **Insured Person** for monetary damages, reinstatement or other non-monetary relief;
 4. any criminal prosecution of an **Insured Person** resulting from a **Wrongful Act**;
 5. any notice of an **Investigation** commenced by the filing of a notice of charge, formal investigative order, questionnaire or similar document:
 - (a) into the affairs of the **Charity** as provided in **Trustee Extension 6** of Section I A C and where an **Insured Person** is required to attend or give evidence; or
 - (b) involving a **Wrongful Act** alleged to have been committed by an **Insured Person** or in respect of which an **Insured Person** is required to attend or give evidence by reason of his acting in the capacity of a **Trustee**;
 6. proceedings brought against any **Insured Person** during the **Policy Period** by any **Official Body** seeking:
 - (a) extradition of an **Insured Person** where the allegations from which the extradition proceedings result or arise from a **Wrongful Act** by reason of his acting in the capacity of a **Trustee**;

- (b) confiscation, assumption or ownership and control, suspension or freezing of rights of ownership of real property or personal assets of any **Insured Person**;
- (c) a charge over real property or personal assets of such **Insured Person**;
- (d) a temporary or permanent prohibition on such **Insured Person** from holding the **Insured Person** from performing the function of a **Trustee** of the **Charity**;
- (e) restriction of such **Insured Person's** liberty to a specified domestic residence or an **Official Detention**;
- (f) deportation of an **Insured Person** following revocation of otherwise proper, current and valid immigration status for any reason other than an **Insured Person's** conviction of a crime

provided that such allegation is first made against, or received by, any **Insured Person** during the **Policy Period**.

For the purposes of **Claims** under the Professional Indemnity Policy Section, any reference to **Wrongful Act** in IX D1. to D6 shall be construed as a reference to **Professional Indemnity Wrongful Act**

- E. **Corporate Trustee** means a company incorporated for the purpose of administering the **Charity** or of acting as **Trustee** of the **Charity**.
- F. **Defence Costs** means that part of **Loss** consisting of reasonable and necessary costs, charges, fees including but not limited to lawyers' and agents' fees and expenses (other than regular or overtime wages, salaries, fees or benefits of the **Trustees** or **Employees** of the **Charity**) incurred by the **Insurer** or (with the **Insurer's** prior written consent) the **Insured**:
 - 1. in defending, investigating or settling **Claims** or assisting the **Insurer** in investigating, defending or settling **Claims** (including the premiums paid for any insurance instruments or bonds which may be required in certain jurisdictions to institute an appeal or enter an appearance but without any obligation to apply for or furnish any such insurance instruments or bonds);
 - 2. in respect of the attendance or giving of evidence by any **Insured Person** at an **Investigation** into the affairs of the **Charity**;
 - 3. in respect of any **Investigation** involving a **Wrongful Act** alleged to have been committed by an **Insured Person** or relating to which an **Insured Person** is required to attend or give evidence by reason of his acting in the capacity of a **Trustee**.
- G. **Discovery** means when a **Trustee** (not in collusion with a dishonest **Trustee** or **Employee** or any other person) first becomes aware of facts which would cause a reasonable person to believe that a **Fidelity Loss** covered by the **Policy** has been or is likely to be incurred, regardless of when the act or acts causing or contributing to such **Fidelity Loss** occurred, even though the exact amount or details of such **Fidelity Loss** may not then be known, and **Discovered** shall be construed accordingly.

- H. **Discovery Period** means the period immediately following the expiry of the **Policy Period** during which the **Policyholder** may continue to notify **Claims** or **Circumstances** but only in relation to **Wrongful Acts** committed prior to the expiry of the **Policy Period**. Any **Claim** made during the **Discovery Period** shall be deemed to have been made during the immediately preceding **Policy Period**. **Discovery Period** does not apply to the Professional Indemnity Policy Section.
- I. **Documents** means:
 - 1. documents (excluding bearer bonds, coupons, bank or currency notes or other negotiable instruments); or
 - 2. computer systems records the property of the **Insured** or for which the **Insured** is legally responsible.
- J. **Employee** means any natural person who was, or is, or becomes during the **Policy Period**:
 - 1. an employee of the **Charity**, (which shall include trainees, casual, part-time, seasonal, temporary, voluntary and work experience personnel) acting in such capacity; or
 - 2. seconded to the **Charity** and acting in such capacity.
- K. **Employment Wrongful Act** means any error, misstatement, misleading statement, act, omission, neglect or breach of duty actually or allegedly committed or attempted by any one or more **Insureds** in their capacities as such against any past, present or prospective **Employee** or **Trustee** of the **Policyholder**, in connection with any actual or alleged:
 - 1. wrongful, unlawful or unfair dismissal, discharge or termination of employment;
 - 2. breach of any written or oral employment contract or quasi-employment contract;
 - 3. employment-related misrepresentation;
 - 4. violation of employment discrimination laws (including sexual or other workplace harassment and discrimination on the grounds of racial or national origin, sex, sexual orientation, religion, maternity, pregnancy, age and disability);
 - 5. violation or non-compliance with legislation regulating working hours;
 - 6. wrongful failure to employ or promote;
 - 7. wrongful demotion;
 - 8. wrongful discipline;
 - 9. wrongful deprivation of a career opportunity;
 - 10. failure to grant tenure;
 - 11. failure to adopt adequate workplace or employment policies and procedures;
 - 12. **Retaliatory** treatment of whistleblowers and others;
 - 13. negligent evaluation;
 - 14. employment-related invasion of privacy;

15. employment-related breach of data protection legislation;
16. employment-related libel, slander, humiliation and defamation;
17. failure to furnish accurate job references;
18. employment-related wrongful infliction of mental anguish or emotional distress; or
19. breach of any obligation which has been transferred to the **Charity** by virtue of the Transfer of Undertakings (Protection of Employment) Regulations 1981 or the EC Acquired Rights Directive, save for any obligation which existed at or prior to the date of transfer.
- L. Fidelity Loss** means direct loss of **Property, Money** or securities belonging to the **Charity** or for which the **Charity** is legally responsible, such loss caused by a fraudulent act (not committed or occurring prior to the **Original Inception Date** specified in **Policy Schedule**) committed by any **Trustee** or **Employee** whilst:
1. acting in that capacity or in the first 60 days following ceasing to act in that capacity; and
 2. resident within the **United Kingdom**.
- M. Full Annual Premium** means the annual premium payable by the **Policyholder**, including any additional premium which becomes payable immediately prior to the expiry of the **Policy Period** in question.
- N. Identity** means publicly available data held by an official registry or any other party which relates to the formation and identity of the **Insured**, such data being relied upon by investors or vendors in establishing the financial standing and credit worthiness of the **Insured**.
- O. Insured** means:
1. the **Insured Persons**;
 2. the **Charity** or any **Subsidiaries**;
 3. the **Policyholder**
- declared to the **Insurer** prior to the commencement of the **Policy Period** or as acquired and created during the **Policy Period** under the terms of Policy Condition A. Acquisition or Creation of a Subsidiary.
- P. Insured Persons** means any natural person who was, is, or becomes during the **Policy Period**, a **Trustee** or a Volunteer who has been officially appointed by the **Charity**, a manager or **Employee**.
- Q. Insurer** means Royal & Sun Alliance Insurance plc.
- R. Investigation** means any formal or official investigation (other than the **Charity's** own internal investigation), examination, dawn raids, site raids, regulatory interviews or other proceedings made or commenced during the **Policy Period** by a governmental body, professional body or other institution duly authorised to carry out such investigations.
- S. Legal Activity** means
1. the provision of legal advice or assistance, or representation in connection with the application of the law or resolution of legal dispute;
 2. any Reserved Legal Activity as defined in section 12 of the Legal Services Act 2007, namely:
 - (a) the exercise of a right of audience;
 - (b) the conduct of litigation;
 - (c) reserved instrument activities;
 - (d) probate activities;
 - (e) notarial activities;
 - (f) the administration of oaths.
- T. Limit of Liability** means the limit specified in the **Policy Schedule**. Any reference to **Limit of Liability** shall mean an aggregate limit for all **Claims** or **Loss** under each Policy Section, as applicable.
- U. Loss** means
- I.
 - (a) damages, compensation, contributions, judgments or (if concluded with the **Insurer's** prior written consent) settlements;
 - (b) claimant's legal costs and expenses;
 - (c) punitive, exemplary and aggravated damages, except for:
 - (i) such damages awarded in respect of an **Employment Wrongful Act** or a **Professional Indemnity Wrongful Act**;
 - (ii) such damages awarded in respect of any **USA Claim**;
 - (iii) that which is defined under Definition U.2 below.
 - (d) all other costs and expenses ordered by a court or other legally authorised tribunal, or incurred with the **Insurer's** prior written consent; and
 - (e) **Defence Costs**, in respect of a **Claim** made against, or received by, any **Insured**, jointly or severally;
 - (f) in respect of an **Employment Wrongful Act** only, the cost to the **Insured** of paying wages (but not **Benefits**) to an **Employee** for the period from the date of the purported dismissal or termination to the date on which the court or **Tribunal** of first instance delivered its judgment to the parties.
- The **Insurer** shall advance **Defence Costs** in accordance with Claims Condition C Defence and Cooperation

2. **Loss** and any **Defence Costs** associated therefrom, shall not include:
- (a) taxes;
 - (b) fines, except for as provided in Trustee Liability Section Extension I;
 - (c) penalties except for as provided in Trustee Liability Section Extension I;
 - (d) any other form of **Loss** which is uninsurable under the law of the state or country to which the **Claim** is subject;
 - (e) the multiple portion of any multiplied damage award;
 - (f) any amount which the **Insured** is not legally liable to pay; and
 - (g) in respect of an **Employment Wrongful Act** only:
 - (i) any amount not indemnified by the **Charity** for which the **Insureds** are absolved from payment by reason of any covenant, agreement or court order;
 - (ii) the value of any share or stock options or any other right to purchase, acquire or sell shares or stock;
 - (iii) taxes, fines or penalties imposed by law or the multiple portion of any multiplied damage award;
 - (iv) the cost of complying with any injunctive or other non-monetary relief or any agreement to provide any such relief; or
 - (v) matters uninsurable under the law in accordance with which this Clause is construed or such **Claim** is adjudicated

provided however that **Loss** shall include aggravated, punitive or exemplary damages to the extent such damages are insurable under the laws of the **United Kingdom**, Channel Islands or Isle of Man.
- V. **Member** means a member of a Limited Liability Partnership as defined under the Limited Liability Partnership Act 2000.
- W. **Merger** means the occurrence of either of the following events:
- (a) the Policyholder consolidating with or merging into or selling all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert; or
 - (b) any person or entity, whether individually or together with any other person or entity, acquiring an amount of share capital representing more than fifty per cent (50%) of the voting power for the election of **Trustees** of the **Policyholder**, or acquiring the voting rights for such an amount of the shares.
- X. **Money** means currency, coins and bullion, or monetary balances held at a financial institution to the credit of the **Charity**.
- Y. **Original Inception Date** means the date from which the **Charity** has maintained uninterrupted **Trustees** liability cover with an **Insurer**, whether under this **Policy** or any preceding **Policy**.
- Z. **Outside Charity** means any registered charity or non-profit organisation (other than a **Subsidiary**).
- AA. **Policy** means, collectively the **Policy Schedule**, the **Proposal**, each Policy Section and the Terms and Conditions of the **Policy** (including any endorsements thereto).
- BB. **Policyholder** means the organisation designated in the **Policy Schedule**.
- CC. **Policy Period** means the period of time specified in the **Policy Schedule**.
- DD. **Policy Schedule** means the Charity Trustee Protection Policy Schedule attaching to this **Policy**.
- EE. **Pollutants** means any air emission, odour; waste water, oil or oil products, infectious or medical waste, biological contaminants, asbestos or asbestos products, electric or magnetic or electromagnetic fields and noise, and any ionising radiations or contamination by radioactivity. **Pollutants** shall also mean any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by, the United States Environmental Protection Agency or a country, state, county, municipality or locality counterpart thereof. Such substances shall include, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials.
- FF. **Pollution** means the actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of **Pollutants** into or on real or personal property, water or the atmosphere.
- GG. **Professional Indemnity Wrongful Act** means any act or omission actually or allegedly committed arising out of the provision of **Professional Services**.
- HH. **Professional Services** means the services specified in the **Policy Schedule** when performed within or in furtherance of the charitable purposes of the **Charity**, other than by a trust corporation or by a **Trustee** in the course of carrying on his profession.
- II. **Property** means tangible property other than **Money** or securities.
- JJ. **Proposal** means, the signed proposal form, Statement of Fact and declaration completed in respect of this **Policy**, including any renewal declaration, and any information supplied by or on behalf of any **Insured** in addition to or in connection with or in substitution therefor:
- KK. **Public Relations Consultancy Fees** means fees necessarily incurred by the **Insured** to employ the services of an external public relations consultant solely to provide advice to minimise adverse publicity following **Loss** covered by this **Policy**.
- LL. **Related Claims** means all **Claims** based on, arising out of, or in any way involving the same or related facts, **Circumstances**, situations, transactions or events or the same or related series of facts, **Circumstances**, situations, transactions or events.

- MM. Retaliation/Retaliatory** means a **Wrongful Act** of an **Insured** relating to, or alleged to be in response to, the treatment of any **Employee** less favourably than others, or the victimisation of that person, because that person threatens to bring proceedings, give evidence or information, take any action or make any allegation concerning the **Insured** with reference to legislation relating to sex, race, or disability discrimination, whistle blowing and, subject to the provisions of this **Policy**, any employment protection law generally or where the **Insured** has already done any of the foregoing.
- NN. Retention** means that part of each and every **Claim** or **Loss**, as applicable, which is payable by the **Insured**, the amount of which is specified in the **Policy Schedule**.
- OO. Retires/Retirement** means the act of any **Insured Person** voluntarily relinquishing their position from the **Charity** with a resulting state of **Retirement** whereby such **Insured Persons** do not subsequently resume or assume the position of **Trustee or Employee** in any **Charity** thereafter.
- PP. Spouse** means a lawful spouse, civil partner or any person deriving similar status by reason of the common law.
- QQ. Sub-Limit** means the maximum aggregate liability of the **Insurer** from all **Claims** or **Related Claims** first made during the **Policy Period** or any applicable **Discovery Period**, arising from an Extension to an **Insuring Clause** under this **Policy**. **Sub-Limits** shall be part of and not in addition to the **Limit of Liability** attaching to the applicable Insuring Clause.
- RR. Subsidiary** means any entity in which the **Policyholder**:
- (i) holds directly or indirectly more than fifty per cent (50%) of the voting rights; or
 - (ii) has the right to appoint or remove a majority of the board of **Trustees**; or
 - (iii) holds more than half of the issued share capital
- and where the **Policyholder** is a partnership, an entity shall be a **Subsidiary** of the partnership where such holding or right is held for the benefit of the partnership.
- SS. System** means computers, other computing and electronic equipment linked to computer hardware, electronic data, processing equipment, microchips and anything which relies on a microchip for any part of its operation and includes for the avoidance of doubt any computer installation.
- TT. Tribunal** means a tribunal constituted in accordance with the Employment Tribunals (Constitution and Rules of Procedures) Regulations 2004, and any statutory amendment or successor thereto.
- UU. Trustee** means any natural person who was, who is or who will become:
- (i) a trustee of the **Charity** or the **Employee** thereof to whom any duty of such trustee is delegated;
 - (ii) a trustee of any trust other than a trust corporation or a pension fund trust which was, is, or may hereafter be or be deemed to be the **Charity** or wholly or mainly engaged within or in furtherance of the charitable purposes of the **Charity**;
 - (iii) a director including any de facto director (as defined under Section 251 of the Companies Act 2006 or any equivalent provision in the jurisdiction) in which the **Charity**, or company incorporated for the purpose of administering the **Charity**, or the **Corporate Trustee** other than its external auditor, liquidator, administrator, receiver or solicitor; and
 - (iv) an officer or member of the committee of management of any unincorporated association which was, is or may hereafter be or be deemed to be the **Charity** or wholly or mainly engaged within or in furtherance of the charitable purposes of the **Charity**.
- For the avoidance of doubt, the **Policy** covers a director or trustee solely in relation to his activities for and on behalf of the **Charity** and not in relation to any other activities.
- VV. United Kingdom** shall mean the United Kingdom of Great Britain and Northern Ireland.
- WW. USA** means the United States of America and in each case its territories and possessions and any state or political sub-division thereof.
- XX. USA Claim** means means each and every claim brought against the **Insured** in the **USA**, or which is instituted or pursued before an arbitrator or tribunal or in courts in the **USA** (whether for enforcement of judgement or otherwise) or in which it is contended that the laws of any country state or political sub-division in the **USA** should apply.
- YY. Virus** means programming code or series of instructions designed to achieve an unexpected, unauthorised and/or undesirable effect or operation when loaded onto a **System**, transmitted between **Systems** by transfer between computer systems via networks, extranets, internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not.
- ZZ. Wrongful Act** means in respect of:
1. an **Insured Person**

any actual or alleged error, misstatement, misleading statement, act, omission, neglect, breach of duty, breach of trust, libel, slander, breach of contract, breach of warranty of authority, wrongful trading as set out in section 214 of the Insolvency Act 1986 (or any equivalent situation in any jurisdiction in which the **Company** is incorporated), **Employment Wrongful Act** or other act actually or allegedly committed or attempted by any **Insured Person** in their duties or capacity as a **Trustee** or manager or an appointed volunteer or an **Employee**.
 2. the **Charity**

any actual or alleged error, misstatement, misleading statement, act, omission, neglect, or breach of duty, breach of trust, breach of warranty of authority, or other act actually or allegedly committed or attempted by the **Charity**.

How We Use Your Information

Please read the following carefully as it contains important information relating to the details that you have given us. You should show this notice to any other party related to this insurance.

Who we are

This product is underwritten by Royal & Sun Alliance Insurance plc.

You are giving your information to Royal & Sun Alliance Insurance plc, which is a member of the RSA Group of companies (the Group).

In this information statement, 'we', 'us' and 'our' refers to the Group unless otherwise stated.

How your information will be used and who we share it with

Your information comprises all the details we hold about you and your transactions and includes information obtained from third parties.

If you contact us electronically, we may collect your information identifier; e.g. Internet Protocol (IP) Address or telephone number supplied by your Service Provider.

We may use and share your information with other members of the Group to help us and them:

- Assess financial and insurance risks;
- Recover debt;
- Prevent and detect crime;
- Develop our services, systems and relationships with you;
- Understand our customers' requirements;
- Develop and test products and services

We do not disclose your information to anyone outside the Group except:

- Where we have your permission; or
- Where we are required or permitted to do so by law; or
- To credit reference and fraud prevention agencies and other companies that provide a service to us, our partners or you; or
- Where we may transfer rights and obligations under this agreement.

We may transfer your information to other countries on the basis that anyone we pass it to provides an adequate level of protection. In such cases, the Group will ensure it is kept securely and used only for the purpose for which you provided it. Details of the companies and countries involved can be provided on request.

From time to time we may change the way we use your information. Where we believe you may not reasonably expect such a change we shall write to you. If you do not object, you will consent to that change. We will not keep your information for longer than is necessary.

Sensitive Information

Some of the information we ask you for may be sensitive personal data, as defined by the Data Protection Act 1998 (such as information about health or criminal convictions). We will not use such sensitive personal data about you or others except for the specific purpose for which you provide it and to carry out the services described in your policy documents. Please ensure that you only provide us with sensitive information about other people with their agreement.

How to contact us

On payment of a small fee, you are entitled to receive a copy of the information we hold about you. If you have any questions, or you would like to find out more about this notice you can write to:

Data Protection Liaison Officer
Customer Relations Office
RSA
Bowling Mill
Dean Clough
Halifax, HX3 5WA

Complaints Procedure

OUR COMMITMENT TO CUSTOMER SERVICE

At RSA we are committed to going the extra mile for our customers. If you believe that we have not delivered the service you expected, we want to hear from you so that we can try to put things right. We take all complaints seriously and following the steps below will help us understand your concerns and give you a fair response.

Step 1

If your complaint relates to your policy then please contact the sales and service number shown in your schedule. If your complaint relates to a claim then please call the claims helpline number shown in your policy booklet.

We aim to resolve your concerns by close of the next business day. Experience tells us that most difficulties can be sorted out within this time.

Step 2

In the unlikely event that your concerns have not been resolved within this time, your complaint will be referred to our Customer Relations Team who will arrange for an investigation on behalf of our Chief Executive. Their contact details are as follows:

Post:

RSA Customer Relations Team
P O Box 2075
Livingston
EH54 0EP

Email: crt.halifax@uk.rsagroup.com

Our promise to you

We will:

Acknowledge all complaints promptly

Investigate quickly and thoroughly

Keep you informed of progress

Do everything possible to resolve your complaint

Use the information from your complaint to proactively improve our service in the future.

Once we have reviewed your complaint we will issue our final decision in writing within 8 weeks of the date we received your complaint.

If you are still not happy

If you are still unhappy after our review, or you have not received a written offer of resolution within 8 weeks of the date we received your complaint, you may be eligible to refer your case to the Financial Ombudsman Service (FOS). The FOS is an independent body that arbitrates on complaints. They can be contacted at:

Post:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR

Telephone:

0800 0234567 (for landline users)

0300 1239123 (for mobile users)

Email: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

You have six months from the date of our final response to refer your complaints to the FOS. This does not affect your right to take legal action, however, the FOS will not adjudicate on any case where litigation has commenced.

Thank you for your feedback

We value your feedback and at the heart of our brand we remain dedicated to treating our customers as individuals and giving them the best possible service at all times. If we have fallen short of this promise, we apologise and aim to do everything possible to put things right.

Royal & Sun Alliance Insurance plc (No. 93792).
Registered in England and Wales at St Mark's Court,
Chart Way, Horsham, West Sussex, RH12 1XL.
Authorised by the Prudential Regulation Authority and regulated by the
Financial Conduct Authority and the Prudential Regulation Authority.