



CONNECT

FINANCIAL INDEMNITY INSURANCE

Comprehensive Trustees Indemnity
Insurance with a range of additional covers





Financial Indemnity Insurance is a package especially designed to protect recognised charities, including Trustees, from financial loss

With around a million charity trustees in the UK, there is a clear need for financial protection against inadvertent actions that may expose them to financial loss.

The Financial Indemnity package offers Trustees Indemnity, Legal Expenses and Loss of Reputation, with optional extensions for Professional Indemnity and Fidelity Guarantee cover for a charity and its UK based subsidiary companies.

The policy cover summary outlines the main features and exclusions of Ansvar's Financial Indemnity package. Please note - it does not provide all the terms, conditions and exclusions that are contained in the policy wording (a copy of which is available on request). A significant exclusion is something that may affect your decision as to whether the policy is suitable for you or is unusual compared to other policies for charities that are available. We have also included additional information that may be of help to you.

The Financial Indemnity package is underwritten by Ansvar Insurance Company Limited. The Legal Expenses section of the policy is administered by DAS Legal Expenses Insurance Company Limited.

When you take out cover with us, we will issue a policy schedule detailing the cover provided and the property insured. The policy wording should be read in conjunction with the policy schedule.

Wider cover as listed below is available under the Charity Connect Policy:

- All Risks
- Book Debts
- Buildings
- Business Interruption
- Computer Breakdown
- Contents
- Employers Liability
- Fidelity Guarantee
- Goods in Transit
- Legal Expenses
- Loss of Licence
- Money (including Personal Accident Assault)

- Motor Policy Compensation
- Personal Accident
- Property Owners Liability
- Public and Products Liability
- Refrigerated Contents
- Trustees Indemnity
- Terrorism cover – extension available for property damage and business interruption only (not available in Northern Ireland).

Why Ansvar

Ansvar is a general insurance company specialising in insuring not-for-profit organisations and connected individuals. Our ethical investment and trading policy precludes dealing with organisations predominantly involved in alcohol, tobacco, gaming and armaments. In addition, we commit a portion of our profits to helping charities involved in alcohol and drug education and rehabilitation.

Ansvar has been trading in the UK for over 50 years and is renowned for offering an excellent personal service and providing a fast and sympathetic response to claims.

Why choose the Financial Indemnity Package?

Ansvar has developed the Financial Indemnity package utilising our knowledge of the charity market. With Ansvar's experience we can offer a tailored solution to meet most of the concerns commonly raised by trustees in respect of their insurance needs.

Trustees Indemnity

Trustees have a number of duties under both charity and company legislation, as well as in common law. Should they fail in these duties, even though innocent of recklessness or ill-intent, all trustees may face joint and several liability for losses incurred by the charity, or others as a result of their actions.

Any inadvertent breach of trust or authority, neglect, omission, misstatement, misleading statement, libel, slander or any other wrongful act can result in an unlimited personal liability. The risk to the trustees is further increased by vicarious liability also imposing responsibility upon them for the actions of their employees or volunteers.

Whilst a claim against the charity may be spurious or insubstantial, or even if the defendants are found innocent, there will still be costs for a legal defence against the allegations.

The cover, subject to the terms of the policy, provides protection to the trustees, directors, officers, committees of management or any other employees who are acting in the role of trustee or in any other position of management. The policy also extends to cover the charity itself where they may be targeted specifically, or where they have offered an indemnity to the trustees.

Legal Expenses

The charity, trustees and other employees may also face litigation in other legal matters. In the current market place, allegations of breach of employment regulations are common, high profile and can potentially reach considerable settlement figures.

The cover, subject to the terms of the policy, provides protection and assistance for legal expenses and damages relating to many common claims such as employment disputes and tax enquiries.

Loss of Reputation

Charities are vulnerable not only in their need to protect their tangible assets but also to protect their good name and standing. In this time where competition for sponsorship and donations is fierce, a charity's reputation can be of paramount importance and a major change, scandal or criminal action may result in a lack of faith in the charity's ability to perform.

Loss of Reputation cover assists the charity in protecting its own reputation after adverse publicity may have negatively influenced

others. The cover, subject to the terms of the policy, provides protection to a charity required to mount a publicity campaign to manage and control harmful media comment.

Fidelity Guarantee

Whilst those who work for charities are often honest volunteers who genuinely wish to assist, there are some who see charities as an easy target. Trustees can also never be sure about the personal circumstances of a trustee or an employee. There have been a number of high profile cases where employees have misused charity funds for their own personal means.

The cover, subject to the terms of the policy, will protect the assets of the charity by providing an indemnity for any loss attributed to the dishonesty of any trustee or employee which cannot be reasonably recovered.

Professional Indemnity

A charity is often involved in a number of activities which may include the provision of advice or other services to the public or other organisations. Where such advice is erroneous or insufficient there may be allegations that the charity has failed to provide a professional service. Even if the service was provided free of charge, the recipient may still suffer a loss, which may result in a claim against the charity. Charities also have obligations to their clients to act in a proper manner at all times, and a failure to act with a duty of care may also result in a civil liability.

The cover, subject to the terms of the policy, will provide an indemnity for loss relating to the charity's failure to provide professional services or failure to provide a duty of care.

Tax

Insurance Premium Tax (IPT) is added to your premium at a rate set by H.M. Government.

Instalments

The premium can be paid in monthly instalments by Direct Debit, subject to our current minimum acceptable level of premium for this facility.

A Direct Debit form and Credit Agreement will need to be completed and we will make the necessary arrangements with your bank or building society. We will issue you with an agreement regulated by the Consumer Credit Act.

Discounts

- One year No Claims Discount
- Three or five years Long Term Undertaking.

24 Hour Helplines

Available 24 hours a day, 365 days a year to assist at times of need or emergency:

- Counselling
- Eurolaw Commercial Legal Advice
- Tax Advice

Declarations

About 4 months prior to each renewal a form will be issued for policies subject to an annual declaration. You will be requested to provide up to date information on income, volunteer numbers and wage roll. The information provided will be used in calculating the premium for the forthcoming renewal of the policy.

Other amendments to cover or sums insured will be subject to our normal terms.

Calculating Sums Insured

- Advice on sums insured and indemnity limits should be sought from your insurance advisor.
- The selection of adequate sums insured remains the responsibility of the policyholder and these should be regularly reviewed.
- If the sums insured are not sufficient then claim payments may be reduced.

Claims Settlement

- Where you are responsible for the first amount of any claim (known as an excess) the claim settlement will be reduced accordingly.
- The sum insured or the indemnity limit (as appropriate) will be the most we will pay unless otherwise stated.

Special Requirements

Special requirements are aimed at reducing the risk of loss, damage or liability. A claim will not be covered (unless otherwise stated) if you fail to comply with a special requirement. Full details of the special requirements are in the policy wording.

Fidelity Guarantee

Best practice requirements for:

- references required for all new employees
- monthly reconciliation of cash book(s)
- monthly statement of accounts
- transactions over £5,000
- fund transfer instructions
- auditing accounts
- paying all money into your bank account(s)
- stocktaking
- authorisation process for ordering goods or services

Loss of Reputation

- Reporting notification time limits

Policy Cover Summary

Refer to the policy wording for full details of cover, exclusions, and the General Conditions and General Exclusions.
Cover under the policy normally applies within the UK only unless otherwise stated.
Cover is limited to sums insured selected by you. Higher indemnity limits are available.

COVER	LIMITS	SIGNIFICANT EXCLUSIONS
Trustees Indemnity		
Trustees of the charity, and the charity itself, are indemnified for claims made in any one period of insurance in respect of costs and damages for which they are legally liable resulting from any 'wrongful act' committed by a trustee in that capacity, such as breach of duty or breach of trust Where the charity is obliged to indemnify a trustee or a director, the charity can also obtain reimbursement for amounts paid	Indemnity limit of £250,000 (including costs and expenses) in any one period of insurance	£250 excess Bodily injury or damage to property Breach of professional duty Contractual liability Criminal or fraudulent acts Employment disputes Failure to maintain insurance Inter-trustee claims Medical malpractice Products liability Reckless or willful acts Overseas claims
Trustee Indemnity Extension		
Reasonable representation costs incurred following proceedings instigated by the Charity Commission or other regulatory body	£100,000 in any one period of insurance	
Legal Expenses		
Legal costs or expenses in respect of the following insured incidents:	Indemnity limit of £100,000 unless otherwise stated	Legal action without our agreement Compensation (apart from employment disputes) or damages
Employment disputes		Personal injury or damage to property
Employment compensation awards	£1,000,000 in any one period of insurance	
Service occupancy (recovery of premises)		
Legal defence - defending you and your employees legal rights in specified circumstances		
Property protection		Any motor vehicle owned or used by you including family members
Bodily injury		
Tax protection - for full or aspect enquiries; tax intervention enquiries; Employers' compliance; VAT disputes	£2,000 for aspect or tax intervention enquiries	£200 excess for aspect or tax intervention enquiries
Contract disputes - negotiating your legal rights in a contractual dispute for the purchase or hire or sale or provision of goods or services		£500 excess if amount of dispute exceeds £5,000 Amount in dispute under £250

Policy Cover Summary		
COVER	LIMITS	SIGNIFICANT EXCLUSIONS
Statutory licence protection - appealing to the relevant statutory or regulatory authority following a decision to suspend, refuse to renew or alter the terms or cancel your licence or mandatory registration		
<p>NOTES: You must let DAS know of any problems straight away or cover may not be given if you have tried to deal with matters on your own. Cover is subject to a reasonable prospects of success clause, so that in any legal action it is more likely than not you would recover damages or obtain a legal remedy DAS have agreed to or make a successful defence. Reasonable prospects would be considered as a 51% or better chance of success and would be assessed by DAS or referral to an outside firm of solicitors who have the appropriate expertise in the relevant area of law.</p>		
Loss of Reputation		
The charity is reimbursed for costs incurred to defend itself against adverse publicity arising from the death, disgrace or criminal activity of a trustee, employee or related third party	£10,000 in any one period of insurance	£250 excess Campaign withdrawal costs Consequential loss Publicity on the charity's own forums or web-sites Publicity originating from or approved by the charity Publicity relating to products
Corporate Manslaughter		
Liability for legal costs and expenses incurred in defending criminal proceedings for an offence under Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007	£1,000,000 in any period of insurance and in total for all policies issued by us to you where the claim relates to the same prosecution under the Corporate Manslaughter and Corporate Homicide Act 2007	Costs of any remedial or publicity orders Proceedings consequent upon any deliberate act or omission Costs and expenses covered under the Legal Expenses section of this policy Costs and expenses where indemnity is provided by any other policy, insurer or from any other source

Optional Extensions of Cover		
The following cover is also available for an extra premium:		
COVER	LIMITS	SIGNIFICANT EXCLUSIONS
Fidelity Guarantee		
The charity is indemnified for claims made in any one period of insurance in respect of loss of money or property arising from the dishonest or fraudulent conduct of a trustee or employee which is not reasonably recoverable from the person responsible	Indemnity limit of £25,000 in any one period of insurance reduced to £5,000 where you fail to comply with best practice special requirements and such failure was material in the circumstances to the loss	£250 excess Consequential loss Fraud committed under duress Loss occurring prior to inception Loss where another part of the Insured benefits from the loss Theft of intangible property
Professional Indemnity		
The charity and all employees are indemnified for claims made in any one period of insurance in respect of their legal liability for costs and damages arising from any actual or alleged: a) failure in the performance of specified professional services or b) breach of professional duty	Indemnity limit of £100,000 (including costs and expenses) in any one period of insurance	£250 excess Bodily injury except as a result of negligent advice, design, formula or specification Contractual liability Medical malpractice Overseas claims Products liability Trading losses or liabilities

Answers To Some Questions About The Policy

How long does the policy provide cover for?

The policy normally runs for a period of 12 months from the inception date shown in the policy schedule.

Approximately 4 weeks before the expiry date, we will send a renewal notice advising our terms for the next 12 months.

Trustees Indemnity, Professional Indemnity and Fidelity Guarantee are written on a 'claims made' basis and cover is provided only against a claim which is discovered and notified to us during the policy period.

What if you want to cancel the policy?

You may cancel the policy by giving us written instructions. Provided:

- i) no claim has been made during the current period of insurance, and
- ii) there is no Long Term Undertaking in force,

you will be entitled to a pro rata refund of premium for the remainder of the period of insurance, suitably adjusted if the premium is paid by instalments. No refund of less than £25.00 will be made.

If you have made a claim in the current period of insurance then the full annual premium is due and no refund will be made.

Trustees Indemnity, Professional Indemnity and Fidelity Guarantee are written on a 'claims made' basis of cover. Please note that by cancelling the policy you will no longer have any protection for actions taken prior to cancellation. Written agreement should ideally be sought from all parties who will lose their protection under the policy before cancellation.

Our right to cancel

Ansvar also have the right to cancel the policy by giving 14 days notice in writing. If we cancel the policy, we will refund the premium for the unexpired period of insurance

What if you need to make a claim?

To report a new claim or make an enquiry about an existing claim, write, phone, fax, or email Ansvar (office hours 9am to 5pm, Monday to Friday). You can also notify a claim on-line via Ansvar's website.

Governing Law and Language

Our policies are governed by English Law unless your legally registered address is located in Scotland, in which case Scottish Law will apply. We will communicate with you in English at all times.

What if you have a complaint?

If you have any reason to complain you can make your complaint in writing or verbally to any manager at:

Ansvar Insurance Company Limited

Ansvar House, St. Leonards Road, Eastbourne, East Sussex, BN21 3UR
Tel: 0845 60 20 999 or 01323 737541
Fax: 01323 644082
Email: ansvar.insurance@ansvar.co.uk

We will acknowledge all complaints within five working days.

If you are not satisfied with our response, or we have not completed our investigation after eight weeks, we will inform you of your right to take your complaint to:

Financial Ombudsman Service

South Quay Plaza, 183 Marsh Wall
London, E14 9SR
Tel: 0845 0801800
Fax: 020 79641001
Email: complaint.info@financial-ombudsman.org.uk

This complaints procedure does not affect your right to take legal proceedings.

The Financial Services Compensation Scheme (FSCS)

This scheme was set up under the terms of the Financial Services and Markets Act 2000.

Its aim is to protect private and small business/charity customers should an insurer go out of business and be unable to meet its liabilities or pay claims. You may be entitled to compensation depending upon your income and the number of people you employ.

If so, FSCS may arrange to transfer your policy to another insurer, provide a new policy or, if these actions are not possible, provide compensation. The maximum level of compensation you can receive from the scheme for a claim against an insurance firm depends on the type of insurance policy.

For further information on the scheme you can visit the website at: www.fscs.org.uk

or write to:

Financial Services Compensation Scheme

7th Floor, Lloyds Chambers,
Portsoken Street, London E1 8BN
Tel: 020 7892 7300
Email: enquiries@fscs.org.uk

Ansvar Website

Ansvar has built up considerable expertise regarding identifying and managing the many and varied risks that charities, churches and not-for-profit organisations encounter in the course of their daily activities. Ansvar policyholders have free access to risk management information regarding:

- Responsibilities to Employees
- Health and Safety
- Trustees and Directors/Officers Liability
- Risk Control and Assessment
- How to Manage a Claim
- Special Events
- Minibuses
- Child Care Policy
- Reducing Risk

Details can be found on our website: www.ansvar.co.uk

Further topics and updates will become available as we develop this information resource.



The Ansvar Range

Lifestyle Connect Policies

Designed for those individuals who are closely linked to the not-for-profit sector through either church membership and/or charity involvement such as voluntary work or regular tax-efficient giving.

Ansvar believes adherence to a certain lifestyle represents a better risk, and that should be rewarded!

- Home
- Private Car
- Travel

Connect Policies

The Connect range offers broad and flexible cover for charities, voluntary groups, churches and care homes.

- Care Home
- Charity Connect
- Charity Shop
- Christian Bookshop
- Church Connect
- Church Fellowship
- Community Groups
- Minibuses
- Residential Combined
- Special Events
- Starter Connect

Other Ansvar Policies

- Business
- Commercial Vehicles
- Office
- Shop

Please ask your insurance advisor for further details.



Insurance Advisor



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Fax: 01323 644082
Email: ansvar.insurance@ansvar.co.uk
www.ansvar.co.uk

Registered Office: Beaufort House,
Brunswick Road, Gloucester, GL1 1JZ
Registered No. 661060 England

Member of:
Association of British Insurers (ABI)
Financial Ombudsman Service

Ansvar is authorised and regulated by
the Financial Services Authority (FSA).
Our FSA Register number is 202019.
Our permitted business is general insurance.

To check these details on the FSA's Register:
www.fsa.gov.uk/register
Tel: 0845 606 1234

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INVESTOR IN PEOPLE

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