


Pension Trustees' Liability

Policy document



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Data protection statement

Zurich takes the privacy and security of your personal information seriously. We collect, use and share your personal information so that we can provide policies and services that meet your insurance needs, in accordance with applicable data protection laws.

The type of personal information we will collect includes: basic personal information (i.e. name, address and date of birth), occupation and financial details, health and family information, claims and convictions information and where you have requested other individuals be included in the arrangement, personal information about those individuals.

We and our selected third parties will only collect and use personal information (i) where the processing is necessary in connection with providing a quotation and/or contract of insurance; (ii) to meet our legal or regulatory obligations; (iii) where you have provided the appropriate consent; (iv) for our 'legitimate interests'.

It is in our legitimate interests to collect personal information as it provides us with the information that we need to provide our services more effectively including providing information about our products and services. We will always ensure that we keep the amount of information collected and the extent of any processing to the absolute minimum to meet this legitimate interest.

A full copy of our data protection statement can be viewed via www.zurich.co.uk/dataprotection

How you can contact us

If you have any questions or queries about how we use your data, or require a paper copy of the statement, you can contact us via gbz.general.data.protection@uk.zurich.com or alternatively contact our Data Protection Officer at Zurich Insurance, Unity Place, 1 Carfax Close, Swindon, SN1 1AP.

Important notes

Fraud prevention and detection

In order to prevent and detect fraud we may at any time:

- check your personal data against counter fraud systems
- use your information to search against various publicly available and third party resources
- use industry fraud tools including undertaking credit searches and to review your claims history
- share information about you with other organisations including but not limited to the police, the Insurance Fraud Bureau (IFB), other insurers and other interested parties.

If you provide false or inaccurate information and fraud is identified, the matter will be investigated and appropriate action taken. This may result in your case being referred to the Insurance Fraud Enforcement Department (IFED) or other police forces and fraud prevention agencies. You may face fines or criminal prosecution. In addition, Zurich may register your name on the Insurance Fraud Register, an industry-wide fraud database.

Claims history

We may pass information relating to claims or potential claims to any relevant database.

We and other insurers may search these databases when you apply for insurance, when claims or potential claims are notified to us or at time of renewal to validate your claims history or that of any other person or property likely to be involved in the policy or claim.

This helps to check information provided and prevent fraudulent claims.

Our complaints procedure

Our commitment to customer service

We are committed to providing a high level of customer service. If you feel we have not delivered this, we would welcome the opportunity to put things right for you.

Who to contact in the first instance

Many concerns can be resolved straight away. Therefore in the first instance, please get in touch with your usual contact at Zurich or your broker or insurance intermediary, as they will generally be able to provide you with a prompt response to your satisfaction.

Contact details will be provided on correspondence that we or our representatives have sent you.

Many complaints can be resolved within a few days of receipt

If we can resolve your complaint to your satisfaction within the first few days of receipt, we will do so. Otherwise, we will keep you updated with progress and will provide you with our decision as quickly as possible.

Next steps if you are still unhappy

If you are not happy with the outcome of your complaint, you may be able to ask the Financial Ombudsman Service to review your case.

We will let you know if we believe the ombudsman service can consider your complaint when we provide you with our decision. The service they provide is free and impartial, but you would need to contact them within 6 months of the date of our decision.

More information about the ombudsman and the type of complaints they can review is available via their website www.financial-ombudsman.org.uk.

You can also contact them as follows:

Post: Financial Ombudsman Service, Exchange Tower, London, E14 9SR

Telephone: 08000 234567 (free on mobile phones and landlines)

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

If the Financial Ombudsman Service is unable to consider your complaint, you may wish to obtain advice from the Citizens Advice Bureau or seek legal advice.

The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS) which means that you may be entitled to compensation if we are unable to meet our obligations to you. Further information is available on www.fscs.org.uk or by contacting the FSCS directly on 0800 678 1100.

Your Pension Trustees' Liability policy

This policy is a contract between **you** and **us**.

This policy and any schedule and endorsement should be read as if they are one document.

We will only pay if a **claim** is made:

- during any **period of insurance** for which **we** have accepted **your** premium; and
- within the territorial limits unless otherwise stated.

Please note that **defence costs** incurred under this policy are included within the **limit of liability** and **we** will not be liable in any circumstances to pay more than the amount of the limit shown in the schedule or stated elsewhere.

Any reference to the singular will include the plural and vice versa.

Any reference to any statute or statutory instrument will include any amendments thereto or re-enactment thereof.

Any heading in this policy is for ease of reference only and does not affect its interpretation.

Law applicable to this contract

In the UK the law allows both **you** and **us** to choose the law applicable to this contract. This contract will be subject to the relevant law of England and Wales, Scotland, Northern Ireland, the Isle of Man or the Channel Islands depending upon **your** address stated in the schedule. If there is any dispute as to which law applies it will be English law. The parties agree to submit to the exclusive jurisdiction of the English courts.

This is a legal document and should be kept in a safe place.

Please read this policy and any schedule and endorsement carefully and if they do not meet **your** needs contact **us** or **your** broker or insurance intermediary.

Definitions

Certain words in this policy have special meanings. These meanings are given below or defined at the appropriate place in the policy. To help **you** identify these words in the policy **we** have printed them in bold throughout.

Action

Any actual or alleged or attempted breach of duty, breach of trust, breach of statutory provisions, breach of warranty of authority, neglect, error, loss, damage or destruction of documents or records for which the **insured** is responsible, maladministration, misstatement, misleading statement or any other wrongful act or omission committed or attempted by or allegedly committed or attempted by any **insured** in performing or attempting to perform their respective duties and responsibilities in relation to the **pension scheme**.

Application

Any information and/or statements or materials supplied to **us** by **you**.

Bodily injury

Bodily injury, sickness, disease or death of any person including any consequential loss directly resulting there from.

Claim

- a) Receipt by any **insured** of a written demand for monetary damages
- b) a civil proceeding commenced by the service of a complaint or similar pleading
- c) receipt of a formal notice of a criminal proceeding
- d) a formal administrative or regulatory proceeding commenced by the service on any **insured** of a notice of charges, formal investigative order or similar document, against any **insured** for an **action**, including any appeal there from.

Deductible

The amount stated in the schedule which shall be the responsibility of each **insured** person or the **sponsoring employer**, as applicable, in respect of each **claim** under the policy for **financial loss**.

Defence costs

Fees, costs, charges and expenses, other than remuneration payable to any **trustee(s)** or employees of the **sponsoring employer**, incurred with the written consent of the Insurer (such consent not to be unreasonably withheld):

- a) in the investigation, defence, adjustment, settlement or appeal of any **claim** or criminal prosecution against any **insured**
- b) in the representation of any **insured** at any official examination, enquiry, investigation into the affairs of the **pension scheme** or at other proceedings ordered or commissioned at the behest of a legally empowered body in relation to the affairs of the **pension scheme** (including but not limited to the defence of any **action** brought by **The Pensions Regulator** and the Financial Ombudsman Service) to investigate the activities of any **insured**.

Financial loss

Damages, judgments or settlements and **defence costs** incurred in the respect of **actions** that any **insured** person becomes legally liable to pay monetary awards made by the Financial Ombudsman Service and/or **The Pensions Regulator** as stated in this policy.

Insured

- a) Any **trustee** of the **pension scheme**
- b) the **sponsoring employer**.

Limit of liability

Our maximum liability in the aggregate payable under this policy for all **financial loss** arising from all **claims** made under this policy. The **limit of liability** applies over and above any **deductible**.

The Pensions Regulator

The Pensions Regulator and/or any successor body to it.

Pension scheme

The employer sponsored scheme(s), plan(s) or arrangement(s) stated in the schedule.

Period of insurance

The period shown in the schedule including any extension in the period agreed by **us** and any extended reporting period provided by the policy.

Pollution

The actual, alleged or threatened generation, transportation, discharge, emission, dispersal, release, escape, treatment, storage or disposal of **pollutants**.

Any governmental regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **pollutants**. Any **action** taken in contemplation or anticipation of any such regulation, order, direction or request or any voluntary decision to do so.

Pollutants

Any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste (including materials which are intended to be or have been recycled, reconditioned or reclaimed) and any other similar substance of any kind or nature whatsoever including electromagnetic fields, asbestos, asbestos products and noise.

Property damage

Shall mean any damage to or destruction of any tangible property including loss of use thereof and any consequential loss directly resulting there from.

Sponsoring employer

The company stated in the schedule and shall include any employee of the **sponsoring employer** acting with the authorisation of the **trustees** to perform duties directly related to the **pension scheme**.

Trustee

Any past, present or future person, individual or corporate (including any employee or any director or officer of the **sponsoring employer**) duly appointed as a **trustee** of the **pension scheme** in accordance with the provisions of the **pension scheme** or by Court Order, or any constructive **trustee**.

We, us, our

Zurich Insurance Company Ltd or pertaining to Zurich Insurance Company Ltd.

You, your

The legal entity designated in the schedule or pertaining to the legal entity designated in the schedule.

The cover

Trustee cover

We will pay on behalf of any **trustee** such **financial loss** as arises from or in consequence of any **claim** first made against him or her or it either jointly or severally during the **period of insurance** by reason of any **action**.

Trustee reimbursement cover

We will pay on behalf of the **sponsoring employer** any indemnity payable to any individual and/or corporate **trustee** which the **sponsoring employer** is legally entitled or obliged to make for such **financial loss** as arises from or is a consequence of any **claim** first made against such **trustee** during the **period of insurance** by reason of any **action**.

Sponsoring employer cover

We will pay on behalf of the **sponsoring employer** such **financial loss** as arises from or in consequence of any **claim** first made against it during the **period of insurance** by reason of any **action**.

We will make payments of **defence costs** as and when they fall due.

Defence costs, settlements and allocations

It shall be the duty of any **insured** against whom a **claim** is made to take all reasonable steps to defend such **claim** and not to do anything to prejudice the position of **us**.

We shall have no duty to defend any **claim** made against any **insured** but, with respect to any such **claim** as may potentially be covered by this policy, shall have the right to be provided with all such information concerning such **claim** as **we** shall reasonably require and shall be kept fully informed as to all matters relating to or concerning the investigation, defence and settlement of any such **claim** and shall have the right to receive copies of all relevant documentation relating thereto.

In the event of any dispute regarding whether or not to contest any legal proceedings which may be brought against any **insured**, the arbitration procedure detailed in this policy shall apply. If legal proceedings are contested then the **insured** shall provide all such information and assistance as is reasonably required to those persons representing them.

We will make payments of **defence costs** as and when such **defence costs** fall due. Any payments of **defence costs** which have been made by **us** shall be repaid to **us** by the person and/or the entity on whose behalf such payments have been made in the event and to the extent that it is established that such person and/or such entity had no entitlement to indemnity in respect of **financial loss** under the terms and conditions of this policy.

However, no **defence costs** shall be incurred and no legal representative shall be retained to defend any **insured** or to take any steps in connection with any legal proceedings as may potentially be covered by this policy and no settlement of any **claim** shall be made without **our** consent, such consent not to be unreasonably withheld.

In the event that a **claim** is made against both the **insured** and any defendant not insured under this policy and includes both **financial loss** which is covered under this policy and **financial loss** which is not covered, **we**, the **trustees** and the **sponsoring employer** shall use all reasonable endeavours to determine a fair allocation between **financial loss** which is covered under this policy and **financial loss** and **defence costs** which are not covered and between the **trustees**, the **sponsoring employer** and any defendant not insured under this policy.

If the **sponsoring employer** fails to indemnify the **trustees** to the fullest extent permitted or required by law for reasons other than its insolvency **we** will pay such **financial loss** on behalf of the **trustees**. **We** shall be entitled to obtain reimbursement from the **sponsoring employer** for all payments made by **us** that would not have been made had the indemnity been provided.

Additional pension scheme

In the event that the **sponsoring employer** assumes responsibility for any other **pension scheme** than the one(s) stated in the schedule then **we** shall be notified in writing as soon as reasonably practicable. **We** will grant automatic inclusion of such additional **pension scheme** under this policy as a **pension scheme** for 90 days from the effective date of assumption of responsibility by the **sponsoring employer**. After this period of 90 days, cover for the additional **pension scheme** must be specifically agreed by **us** and **we** reserve the right to vary the terms of this policy in relation to such additional **pension scheme**.

Winding up

In the event of the winding up of the **pension scheme** and/or the **sponsoring employer** this policy shall continue in force but only during the 365 days from the effective date of such winding up in respect of any **action** committed prior to such winding up.

In respect of the **pension scheme**, the effective date of winding up shall be deemed to have occurred on the date of the final asset distribution made from a **pension scheme** which has terminated.

In respect of the **sponsoring employer**, the effective date of winding up shall be deemed to have occurred on the date of the appointment of a receiver, administrator or liquidator or administrative receiver or any other similar official.

Change of ownership

If during the **period of insurance** a change of ownership occurs with the result that any person, entity or group:

- a) acquires more than 50% of the **sponsoring employer's** share capital
- b) acquires the majority of the voting rights in the **sponsoring employer**
- c) assumes the right to appoint or remove a majority of the board of directors of the **sponsoring employer**
- d) assumes control pursuant to written agreement with other shareholders or members over the majority of the voting rights in the **sponsoring employer**
- e) merges with the **sponsoring employer**

then the cover provided by this policy shall only apply in respect of **actions** occurring prior to the effective date of such change of ownership.

The **sponsoring employer** shall give written notice of such change of ownership to **us** as soon as reasonably practicable.

Exclusions

This policy does not cover **financial loss** in respect of any **claim** arising from or in consequence of:

1 Profit or advantage

any **insured** having gained in fact profit or advantage to which he or she or it had no legal entitlement, or any intentionally dishonest or fraudulent act or omission or any wilful violation of any statute, provision or law by any **insured** if a judgment or other final decision establishes such an intentionally dishonest or fraudulent act or omission or wilful violation

2 Prior official enquiry

any official examination, enquiry, investigation or other proceedings ordered or commissioned at the behest of a legally empowered body initiated prior to or pending at the inception date of this policy

3 Prior litigation

any litigation initiated prior to or pending at the inception date of this policy or alleging or deriving from the same or essentially the same facts as alleged in such prior or pending litigation

4 Professional services

the rendering of or the failure to render professional services

5 Failure to fund or collect

the failure to fund the **pension scheme** in compliance with the **pension scheme** trust document or other similar provisions and/or the failure to collect contributions (including participants' contributions) from the **sponsoring employer** owed to the **pension scheme** unless the failure is due to negligence of a **trustee**

6 Territorial limit

where the **claim** is instituted or pursued in the courts of countries outside the United Kingdom or for the enforcement anywhere of a judgment or finding of such a court or where it is contended that the laws of such a country should apply or where the **claim** arises from, is based upon, attributable to or as a consequence of any activities of the **insured** in any countries outside the United Kingdom

7 Injury and damage

for **bodily injury** and/or **property damage**. However, this exclusion shall not apply to loss, damage or destruction of documents or records as stated under definition of **action** of this policy

8 Taxes, fines, penalties

taxes fines or penalties imposed by law other than monetary awards made by the Financial Ombudsman Services and/or **The Pensions Regulator** as stated in the extension to cover for Financial Ombudsman Services and awards made by **The Pensions Regulator**

9 Punitive or exemplary damages

punitive or exemplary damages other than exemplary damages awarded in an **action** for libel or slander

10 Pollution

pollution

11 Prior circumstance

circumstances existing prior to the **period of insurance** and which have been reported to any previous insurer.

Conditions

1 Change in circumstances

You must notify **us** as soon as possible during the **period of insurance** if there is any change in circumstances which materially increases the risk of accident, injury, loss, damage or liability.

Upon notification of any such change **we** will be entitled to vary the premium and terms for the rest of the **period of insurance**. If the changes make the risk unacceptable to **us** then **we** may no longer be able to provide **you** with cover.

If **you** do not notify **us** of any such change this policy may be affected in one or more of the following ways depending on what **we** would have done had **we** known about the change in circumstances:

- a) if **we** would not have continued to provide **you** with any cover **we** may treat this policy as if it did not exist from the date of the change in circumstances; or
- b) if **we** would have applied different terms to the cover **we** may treat this policy as if those different terms applied from the date of the change in circumstances; and/or
- c) if **we** would have charged **you** a higher premium for providing the cover **we** will charge **you** the additional premium which **you** must pay in full.

2 Claims series

Where more than one **claim** arises from one **action** or a series of **actions** each of which are connected causally with another or which are by any means inter-related or inter-connected they shall be deemed to be a single **claim** and such **claim** shall be attributed to the **period of insurance** during which the first **claim** was first notified.

3 Contractual right of renewal (Tacit)

If **you** pay the premium to **us** using **our** Direct Debit instalment scheme **we** will have the right (which **we** may choose not to exercise) to renew this policy each year and continue to collect premiums using this method. **We** may vary the terms of this policy (including the premium) at renewal. If **you** decide that **you** do not want **us** to renew this policy provided **you** tell **us** or **your** broker or insurance intermediary before the next renewal date **we** will not renew it.

4 Dual insurance

If any **claim** under this policy would but for the existence of this policy be insured by any other valid and collectable policy **we** shall only be liable for any amount in excess of that collectable under the other policy.

5 Fair presentation of the risk

- a) At inception and renewal of this policy and also whenever changes are made to it at **your** request **you** must:
 - i) disclose to **us** all material facts in a clear and accessible manner; and
 - ii) not misrepresent any material facts.
- b) If **you** do not comply with clause a) of this condition and the non-disclosure or misrepresentation by **you** is proven by **us** to be deliberate or reckless **we** may from the relevant date specified in clause d):
 - i) treat this policy as if it had not existed; and
 - ii) not return the premium paid by **you**.
- c) If **you** do not comply with clause a) of this condition and the non-disclosure or misrepresentation is not deliberate or reckless the cover, meaning this policy or the changes made to it, may be affected from the relevant date in clause d) in one or more of the following ways depending on what **we** would have done if **we** had known about the facts which **you** failed to disclose or misrepresented:
 - i) if **we** would not have provided **you** with the cover **we** will have the option to treat the cover as if it had not existed and repay the premium paid for such cover; or
 - ii) if **we** would have applied different terms to the cover **we** will have the option to treat this policy as if those different terms apply; and/or
 - iii) if **we** would have charged **you** a higher premium for providing the cover **we** will charge **you** the additional premium which **you** must pay in full.
- d) Clauses b) and c) apply with effect from inception, renewal or the date of the changes, depending on when the non-compliance occurred. **We** may also recover any claims payments which have already been made to the extent that the cover under which such payments were made is being treated as if it did not exist or as if it had been subject to different terms under which the claim would not have been payable.

6 Fraudulent claims

If **you** or anyone acting on **your** behalf:

- a) makes a fraudulent or exaggerated **claim** under this policy; or
- b) uses fraudulent means or devices including the submission of false or forged documents in support of a **claim** whether or not the **claim** is itself genuine; or
- c) makes a false statement in support of a **claim** whether or not the **claim** is itself genuine; or
- d) submits a **claim** under this policy for loss or damage which **you** or anyone acting on **your** behalf or in connivance with **you** deliberately caused; or
- e) realises after submitting what **you** reasonably believed was a genuine **claim** under this policy and then fails to tell **us** that **you** have not suffered any loss or damage; or
- f) suppresses information which **you** know would otherwise enable us to refuse to pay a **claim** under this policy

we will be entitled to refuse to pay the whole of the **claim** and recover any sums that **we** have already paid in respect of the **claim**.

We may also notify **you** that **we** will be treating this policy as having terminated with effect from the date of any of the acts or omissions set out in clauses a) to f) of this condition.

If **we** terminate this policy under this condition **you** will have no cover under this policy from the date of termination and not be entitled to any refund of premium.

If any fraud is perpetrated by or on behalf of an **insured** and not on behalf of **you** this condition should be read as if it applies only to that **insured's claim** and references to this policy should be read as if they were references to the cover effected for that person alone and not to the policy as a whole.

7 Notification

You as a condition precedent to cover under this policy shall provide written notice to **us** as soon as is reasonably practicable, but in no event later than 45 days after expiration of this policy, or not later than 45 days after expiration of the Extended Reporting Period as provided in this policy, if applicable, of:

- a) any **claim** made against any **insured**
- b) notice from any person or entity of an intention to make such a **claim**.

Written notice shall include but not be limited to a description of the **claim** or circumstances, the nature of the alleged or potential damage, the names of the actual or potential claimants and the date and manner in which the **sponsoring employer** or any **trustee**, as the case may be, first became aware of the **claim** or circumstances.

Should **you** become aware of any circumstances which could reasonably be expected to give rise at a later date to a **claim**, then written notice to **us** of such circumstances will be accepted as the date of notification of a **claim** under the policy. Written notice of such circumstances shall make reference to the **action** which may give rise to a **claim** and the material facts which give rise to the belief that a **claim** may be made.

8 Payment by instalments

Reference to the payment of premium includes payment by monthly instalments. If **you** pay by this method this policy remains an annual contract.

9 Sanctions

Notwithstanding any other terms of this policy **we** will be deemed not to provide cover nor will **we** make any payment or provide any service or benefit to **you** or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of **yours** would violate any applicable trade or economic sanctions law or regulation.

10 Severability

The **application** shall be construed as a separate **application** for each **insured**. No statement in the **application** or knowledge possessed by **you** will be imputed to any other **insured** for the purpose of determining if coverage is available. The declarations, representations and warranties in the **application** and knowledge possessed by any past, present or future **insured** actually signing the proposal form will be imputed to the **sponsoring company** for determining if coverage is available with respect to **claims** against such party under this policy.

11 Subrogation

Upon payment of any **claim**, **we** shall assume all rights of recovery available to any **trustee** or the **sponsoring employer** and all reasonable assistance shall be rendered to **us** in the prosecution of such rights by such **trustee** or the **sponsoring employer**.

Arbitration clause

All disputes and differences arising under or in connection with this contract shall be referred to arbitration under ARIAS Arbitration Rules.

The Arbitration Tribunal shall consist of three arbitrators, one to be appointed by the claimant, one to be appointed by the respondent and the third to be appointed by the two appointed arbitrators.

The third member of the Tribunal shall be appointed as soon as practicable (and no later than 28 days) after the appointment of the two party-appointed arbitrators. The Tribunal shall be constituted upon the appointment of the third arbitrator.

The arbitrators shall be persons (including those who have retired) with not less than ten years' experience of insurance or reinsurance within the industry or as lawyers or other professional advisers serving the industry.

Where a party fails to appoint an arbitrator within 14 days of being called upon to do so or where the two party-appointed arbitrators fail to appoint a third within 28 days of their appointment, then upon **application** ARIAS (UK) will appoint an arbitrator to fill the vacancy. At any time prior to their appointment by ARIAS (UK) the party or arbitrators in default may make such appointment.

The Tribunal may in its sole discretion make such orders and directions as it considers necessary for the final determination of the matters in dispute. The Tribunal shall have the widest discretion permitted under the law governing the arbitral procedure when making such orders or directions.

Extensions to cover

Subject to all the terms and conditions of this policy, cover is extended as follows:

1 Extended reporting period

In the event of non-renewal of this policy or if a change of ownership occurs **you** shall have the right upon payment of 50% of the premium stated in the schedule to an extension of the **period of insurance** in respect of any **claim** made against any **insured** during the 12 months after the effective date of non-renewal or change of ownership but only in respect of any **action** occurring prior to the effective date of such non-renewal or change of ownership.

The rights contained in this extension shall terminate unless written notice of **your** intention to purchase such extended reporting period is given to **us** within ten days of the effective date of the non-renewal of this policy or of the change of ownership. The additional premium shall be paid promptly.

2 Retired persons

In the event that **you** do not renew this policy and only in respect of **trustees** who retire prior to the date of non-renewal, this policy shall continue in force for a period of 12 months from the date of non-renewal (the run-off period).

Provided that:

- a) the policy shall only apply to **claims** arising from **actions** prior to the date of retirement of the **trustee**; and
- b) the run-off period shall run concurrently with any extended reporting period; and
- c) no similar insurance is effected elsewhere; and
- d) the maximum liability available under this extension is £100,000 in the aggregate. This limit shall form part of and not be in addition to the **limit of liability**.

3 Estates – heirs – legal representatives

This policy will cover **financial loss** as it arises from or is a consequence of any **claim** made during the **period of insurance** against the estates, heirs or legal representatives of any **trustee** with respect to **actions** by **trustees** committed prior to the death, incapacity, insolvency or bankruptcy of the **trustees** provided that such estates, heirs or legal representatives shall observe and be subject to the terms and conditions of this policy in so far as they can apply.

4 Marital estates

This policy will cover **financial loss** as it arises from or is a consequence of any **claim** made during the **period of insurance** against the lawful spouse of any **trustee** during the **period of insurance** arising solely out of his or her capacity as the spouse of any **trustee**. The cover provided by this extension is limited to **financial loss** arising from **actions** or proceedings for the enforcement of judgments or damages against a **trustee** which relate to the ownership of property (including marital community property) jointly held by the **trustee** and his or her spouse. This extension will not cover any **claim** arising out of any act or omission of the spouse.

5 Financial Ombudsman Service and awards made by The Pensions Regulator

As part of **financial loss** we will pay on behalf of the **trustees** and/or the **sponsoring employer** any monetary award made against them or any of them, either by the Financial Ombudsman Service appointed by the Secretary of State for Work and Pensions or its equivalent and/or by **The Pensions Regulator** arising from any **claim** or complaint first made against or any **application** first made in respect of an **insured** during the **period of insurance**, provided that:

- a) the premium for this extension shall be paid separately by the **trustees** or the **sponsoring employer** without recourse to or reimbursement from the **pension scheme** or any of its assets
- b) the **deductible** applicable to any payment by the insurer shall be that stated for Section 1.2 of Cover in the schedule of this policy
- c) any payment under this extension shall be part of and not in addition to the **limit of liability** as stated in the schedule of this policy
- d) **we** shall not make any payment for fines, penalties or punitive damages imposed in connection with any criminal act for which an **insured** has been or is to be prosecuted.

6 Pollution cover

Notwithstanding the **pollution** exclusion this policy will extend to cover **defence costs** incurred by any **trustee** as a result of any **claim** made during the **period of insurance** against such **trustee** arising from **pollution** up to a maximum limit of £100,000 which limit shall form part of and not be in addition to the **limit of liability**.

Provided that this extension shall not apply to any **claim** arising from any **action** occurring prior to the inception date of the policy.

Zurich Insurance Company Ltd

A public limited company incorporated in Switzerland. Registered in the Canton of Zurich, No. CHE-105.833.114, registered offices at Mythenquai 2, 8002 Zurich. UK Branch registered in England and Wales no BR000105. UK Branch Head Office: The Zurich Centre, 3000 Parkway, Whiteley, Fareham, Hampshire PO15 7JZ.

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