

# GOVERNANCE POLICY

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## 1. Purpose

The purpose of this policy is to describe the Museum's policy regarding insurance.

## 2. Definitions

Limit the maximum amount of any loss covered by insurance.  
Deductible the amount up to which the Museum bears the loss.

## 3. Policy

- 3.1 The collection shall be insured to cover current market value (or restoration where there is partial loss) for individual items up to the Limit, in the case of accidental physical loss or damage. The Board will endeavour to maintain appropriate insurance to cover what is deemed a reasonable risk of loss from a single event. It notes the improbability of being able to obtain a reliable estimate for the current market value of the full collection.
- 3.2 Buildings and equipment shall be insured to cover the reinstatement of the property if lost, damaged or destroyed.
- 3.3 Revenue and additional costs shall be insured in the event of business interruption.
- 3.4 Motor vehicles and marine hulls shall be insured for repair cost or market value in the event of a total loss. Third party liability is also insured.
- 3.5 Certain liabilities, determined annually by the Board shall be insured on an indemnity basis, to cover the event of action being taken against the Museum.
- 3.6 Other risks may also be insured.
- 3.7 It is recognised that insurance policies have Limits and Deductibles which are factored into the premia. The Limits and Deductibles shall be recommended by the Head Finance and Facilities to the Finance Committee, following discussion with the insurance broker.
- 3.8 Premia shall be allocated to the appropriate activity centres.
- 3.9 The Board shall arrange for its members and senior employees to be insured in respect of:
  1. any actual or alleged non-criminal liabilities arising in connection with their Conduct of the activities or business of the Board;

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2. costs incurred by such members or senior employees in defending or settling claims or proceedings relating to such liabilities; or
3. costs incurred by such members or senior employees in defending any criminal proceedings in which they are acquitted (provided the facts and circumstances of the proceeding are considered wrongful acts under the Board's insurance policy).

The Board will indemnify such members and senior employees in respect of each category of such costs (except where the member or senior employee has been reckless, wilfully negligent or failed to carry out the lawful instructions of the Board).