

29<sup>th</sup> June 2024

Telephone: +44 (0) 7801 966 299

Switchboard: +46 844 686 479

Email: [matthew\\_southgate@AJG.com](mailto:matthew_southgate@AJG.com)**Private and Confidential**Ms Susan A Mills  
Arnsbrae Lodge  
Alloa road  
Cambus  
Alloa  
FK10 2NT

Dear Susan

**Renewal of NB0015324 Museum Insurance**

The insurance we arrange for the museum falls due for renewal on 25<sup>th</sup> July 2024.

Our understanding of your requirements for the renewal of your existing cover is based upon the information that you have previously provided to us. Where disclosed, we have taken into account any relevant existing insurance arrangements that you may have.

We have established that your need is to protect physical loss and/or physical damage to the Museum's collection, whether owned by you or on consignment to you for any purpose. Coverage is required whilst at the Museum's premises and/or whilst in transit or exhibition world-wide. You may also need to protect Buildings and General Contents, Shop Stock, Business Interruption, and your Liabilities to Employees and members of the public arising from the conduct of your business or any property that you currently own or is in your possession.

The current Sums Insured are as follows:

	<u>Sum Insured</u>	
• Buildings ( <i>index linked at 10%</i> )	GBP	856,266
• Collection	GBP	35,000
• Incoming exhibitions – anywhere in the UK	GBP	30,000
• Office/general contents ( <i>index linked at 7%</i> )	GBP	56,972
• Laptops, digital cameras, etc ( <i>index linked at 7%</i> )	GBP	6,607
• Shop stock	GBP	1,032
• Money – anywhere in the UK	GBP	10,000
• Loss of income (12 month indemnity period)	GBP	3,000
• Extra costs of working (12 month indemnity period)	GBP	2,000
• Employers' Liability	GBP	10,000,000
• Public Liability	GBP	2,000,000
• Trustees Liability	GBP	100,000*
• Professional and legal liability	GBP	100,000*
• Employment practices liability	GBP	100,000*

\*included subject to the policyholder having 19 or fewer full-time equivalent employees, and with the limit applying to any one claim and in the aggregate for any one policy period.

Your insurers have requested a summary of events to be hosted by *the Dollar Museum* during the forthcoming year, in addition to regular museum opening activities, in order to ensure that appropriate cover is in place. Please could you



forthcoming year, such that next year's renewal offering on this topic may change again. With this in mind it may be prudent to explore your options for buying these covers via a stand-alone policy, separate to this one.

A reminder that where cover for Trustee Liability, Professional and legal liability and Employment practises liability is purchased, the insurers have amended the policy to state that the sum insured for each is apply to any one claim *and in the aggregate for any one policy period*.

Please note that your insurers have agreed the trustee, professional and legal and employment practises elements of this quotation on the understanding that you have *fewer than 20 full-time equivalent employees*. We would be grateful if you could confirm whether this is the case, and let us know the current number of *full-time equivalent* employees for our records.

Hiscox have confirmed their agreement to offer renewal subject to the same Policy Wording ("Museum BG3") as per the current insurance.

As an aide memoire, however, please be reminded of the following points which were highlighted at a previous renewal (and which remain unchanged) but which we feel are nonetheless still noteworthy:

- In 2020 The insurers amended the wording in the light of the effects of the Covid-19 outbreak, which constituted a material development. The policy covers Business Interruption, but no longer for loss of income or additional expenses resulting from an interruption to your business arising from an '*occurrence of any human infectious or human contagious disease, an outbreak of which must be notified to the local authority*'. Given the effect of Covid-19 this is becoming a market wide exclusion.
- Where transit cover is included, the definition of professional packers and competent professional transporters is extended to include your own employees and volunteers.
- Where cover is given away from your premises, losses from unattended vehicles are now covered up to a limit of GBP10,000.
- This insurance provides cover for differences in conditions between this insurance and the Government Indemnity Scheme, or the failure of the Government Indemnity Scheme to respond to a claim, up to GBP50,000.
- Please note the limit for cover for Money is now capped at GBP 10,000.
- Please note that it is a condition of the policy that all items in any basement or cellar are placed on shelves or pallets at least 30 cm above the floor.

## Cyber

As the risk of cyber has evolved over the last few years, the insurance market has been compelled to refine the terms of cover so as to make it clear that systemic cyber events cannot be covered. The underwriters we deal with are having to impose one of a limited number of market-approved cyber clauses to manage their exposure to cyber risks, with previous iterations of the cyber clause phased out.

The clause applying to your current policy, being the "Limited Cyber Coverage Clause (Targeted Cyber Attack Write-Back) JS2019-006", remains available and renewal is offered with this clause applying. Other market-approved variations of the cyber clause are sometimes available and if you would like to discuss these, and why the insurers have settled on the JS2019-006 version within their offering, please let us know.

With deference to the precise text of the JS2019-006 cyber clause itself - which would be referred to in the adjustment of any claim – we think the main points to take note of and consider are:

- the cyber clause (JS2019-006) provides cover where you, the insured, are the sole target of a malicious cyber-attack (for example if thieves hacked your security systems in order to gain access to your property), and additionally provides cover for a cyber-event that is not intended to inflict harm; and
- The clause (JS2019-006) provides consequential cover for physical damage, as well as for theft, in both scenarios described above.

The intention, in the market moving away from some of the older clauses, appears to be to avoid insurers facing the possibility of a systemic cyber loss (a single cause affecting huge numbers of policyholders). The version of the cyber clause that is proposed with your renewal quotation seems to us to be one of the better options available to secure

some coverage from your insurer for this risk without incurring a specific premium in doing so, and without needing to approach the cyber insurance market for a stand-alone product. We understand that cyber products are being developed offering wider cover but at an additional cost. There may be some policyholders for whom the proposed coverage is not broad enough, and who would wish to buy additional cover via a separate product, and if you are one such client and would like to discuss this with us please let us know.

**Excess**

Please note that the policy carries an excess of GBP250 for each and every claim, increased to GBP1,000 in respect of all claims arising from flood, increased to GBP5,000 in respect of claims for trustees' liability. If you would like an alternative quote based on a different excess applying please let us know.

**Areas of coverage we could not obtain:**

- Please refer to the standard exclusions on your current policy.
- The amount of the excess.

**Terrorism**

Cover for Terrorism can be included whilst works of art are in transit outside the United Kingdom, as per the JC056 Clause. All other claims for Terrorism are excluded. It is, sometimes possible to include full Terrorism cover. If you would like a quotation to include full Terrorism, please let us know.

<b>Leading Insurer:</b>	Hiscox Syndicate (Syndicate 33) at Lloyd's
<b>Company Name:</b>	Hiscox Syndicates Limited
• <b>Home State:</b>	UK
• <b>Branch:</b>	22 Bishopsgate, London, EC2N 4BQ
• <b>Head Office Address:</b>	-----“-----

**Next Step**

We look forward to hearing from you at which stage, in the event you ask us to renew the insurance, we will send your renewal certificate and invoice.

If you require any further information, have any questions about the quote, or want a quote prepared on any other basis, please do not hesitate to contact us.

Yours sincerely,

**Matthew Southgate**  
**For and on behalf of Gallagher**

## FURTHER INFORMATION REGARDING YOUR RENEWAL QUOTATION

Please find enclosed the **Statement of Demands and Needs (SoDaN)**, our **updated Terms of Business agreement (TOBA)**. These documents summarise your requirements and confirms how the insurance quoted meets these.

### **Cancellation**

You are entitled to a period of 14 days to consider the cover provided by this insurance and may cancel the policy during that period should you no longer wish to continue with this insurance. This period commences on the day of the conclusion of this contract or the day upon which you receive the contractual terms and conditions whichever is the later. Where the premium has been paid insurers will refund this in full subject to no claim having been made.

You may cancel your insurance at any time after this initial period by writing to us. The underwriters will be entitled to the pro rata proportion plus 15% of the premium. Underwriters may also cancel the insurance by giving 30 days notice in writing. The underwriters will then be entitled to the pro rata proportion of the premium. Notice will be deemed to have been given if sent by post properly addressed to your last known address.

### **Policy Documentation**

You have the right to request a new policy document. If you require one please advise your account executive.

### **Notification of Claims**

Unless specified independently within the above quotation or within the Policy Summary your first point of contact for the notification of a claim should be care of your account handler:

Gallagher Claims Division  
Arthur J Gallagher Nordic AB (UK Branch)  
The Walbrook Building  
25 Walbrook  
London  
EC4N 8AW  
Email: [gallagherclaimsuk@ajg.com](mailto:gallagherclaimsuk@ajg.com)

Arthur J Gallagher Nordic AB Claims Division will act as your agent and represent your best interests in the handling of any claim. Under the terms of the Binding Authority, as issued to Arthur J Gallagher Nordic AB, we may be granted authority to settle certain claims, this will be dealt with by a separate area of Arthur J Gallagher Nordic AB acting as agent of the Insurers, not the Claims Division. In the event of a dispute on a claim, Arthur J Gallagher Nordic AB Claims Division will continue their negotiations directly with Insurers.

### **Complaints Procedure**

We value our relationship with you and we welcome feedback on the service you receive from us. Please tell us if you are dissatisfied with part of our service so that we can improve our products or services. Our aim is that you should benefit from a high quality service using our experience and breadth of insurance broking expertise. We always try to provide a high standard of service but if you ever have cause to complain, please do so by contacting your usual Nordic representative by whatever means is convenient to you.

If you wish to deal with someone wholly independent of the branch or division that has been servicing your business, please contact:

EEA Desk Complaints Manager  
E-mail: [Gallagher.complaints@ajg.com](mailto:Gallagher.complaints@ajg.com)  
Tel: +46 (0) 8 44 686 479

Address in Sweden: Mölndalsvägen, 22  
412 63 Göteborg  
Sweden

Address in UK: Spectrum Building, 55 Blythswood Street, Glasgow, G2 7AT

Gallagher is a trading name of Nordic Försäkring & Riskhantering AB which is authorised by the Swedish Financial Supervisory Authority. Incorporated in Sweden under company number 556418-5014 with registered address at Mölndalsvägen 22, 412 63 Göteborg, Sweden.

Deemed authorised and regulated by the UK Financial Conduct Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website. UK branch registered in England and Wales under branch number BR021003, with registered address at The Walbrook Building, 25 Walbrook, London EC4N 8AW.

**Received complaint**

Once we have received your complaint, we undertake to try to acknowledge and resolve it within 14 days and provide a written answer to confirm if we have done so. In the case that we have not been able to resolve your complaint within that period of time, we will write to you providing an explanation for the delay and an estimate on when we expect to be able to respond fully to your concern or complaint. We will acknowledge written complaints promptly.

If you feel that we have not been able to resolve the matter to your satisfaction, after this process you may have the right (subject to eligibility) to complain to the UK Financial Ombudsman Service. Their details are:

The Financial Ombudsman Service, Exchange Tower, London E14 9SR

Telephone: + 44 (0) 800 0234 567 (from landline)

Telephone: + 44 (0) 300 123 9 123 (from mobile)

You may also have the right (subject to eligibility) to complain to the Swedish National Board for Consumer Complaints (Allmänna reklamationsnämnden). Their details are:

Allmänna reklamationsnämnden (ARN)

Box 174

101 23 Stockholm

Sweden

[www.arn.se](http://www.arn.se)

E-mail: [arn@arn.se](mailto:arn@arn.se)

Tel: +46 (0)8 508 860 00

Whether or not you make a complaint to us and/or refer your complaint to the UK Financial Ombudsman Service or Swedish National Board for Consumer Complaints, your statutory right to take legal action will not be affected. The competent court is the Swedish general courts.

**Lloyd's of London**

If we are unable to resolve a complaint which relates to the performance of your policy or the insurer, and your policy is underwritten at Lloyd's, you may refer your complaint to Lloyd's for review. Contact details for Lloyd's of London are below, and further information on the referral process can be found on the Lloyd's website.

Lloyd's

Fidentia House

Walter Burke Way

Chatham Maritime

Chatham

Kent ME4 4RN

Telephone: +44 (0)20 7327 5693

Fax No: +44 (0)20 7327 5225

Email: [complaints@Lloyds.com](mailto:complaints@Lloyds.com)

Website: [www.lloyds.com/complaints](http://www.lloyds.com/complaints)

The Financial Conduct Authority allows Arthur J Gallagher up to eight weeks to look into your complaint, although we will always try to respond to you as quickly as possible. Once the investigation is complete, you will receive a final response letter. This will detail our findings and, if appropriate, how we propose to put things right. If we are not able to complete our investigation within eight weeks, we will write to you explaining why.

If the complaint has not been resolved to your satisfaction, or if we have failed to issue our final response letter within eight weeks, you may be entitled to refer the matter to the Financial Ombudsman Service.

More information on the Service can be found on its website:

[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

The Financial Ombudsman Service can consider complaints brought on behalf of consumers and small businesses (that is, a business with an annual turnover of *up to* two million euros and *fewer than* ten employees). The Financial Ombudsman Service will be able to confirm if your business is entitled to use its service.

**Financial Services Compensation Scheme**

Lloyd's insurers are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if a Lloyd's insurer is unable to meet its obligations to you under this contract. If you were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract. Further information about the Scheme is available from the Financial Services Compensation Scheme (10<sup>th</sup> Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU) and on their website ([www.fscs.org.uk](http://www.fscs.org.uk)).