

# Indemnity to Management



## Important Information for Members of Boards of Management

There have recently been considerable comments in the media regarding the possible exposure of individual members of Boards of Management to legal actions relating to criminal acts by employees of the School Board. To allay concerns of existing members of Boards of Management and prospective new members, we wish to confirm the following: -

The Indemnity to Management Section of the Allianz Custodian School Protection Policy provides cover in relation to legal liabilities arising, inter alia, from the performance of their duties by the Board of Management. The indemnity provided is in respect of legal costs and damages incurred in connection with a claim.

Naturally there are terms, exceptions and conditions attaching to the Policy, but it is important to state that there has never been a case where a Board of Management has been left without indemnity in relation to such claims. In effect a Board, or a member of a Board, who do not consciously set out to commit a criminal act are provided with cover in the dispensation of their duties.

Critically the cover provided under the Allianz policy includes legal liability which attaches to the Board of Management, collectively and individually, as a consequence of a criminal act by an employee or other person for whom the Board is responsible.

It is correct to state that the policy does not afford any protection to the perpetrator of any such criminal act, however this does not affect the indemnity provided to the Board of Management. In such a circumstance, Indemnity is provided not only to the Board of Management as a Corporate Body, but also to each individual member of the Board of Management.

If you have any queries or require any further clarification regarding the foregoing, please contact our Education Team at 01 613 3966, your local Allianz Representative or your Insurance Broker.