



## 4WD Club Liability Renewal

**31<sup>st</sup> May 2016 to 31<sup>st</sup> May 2017**



**Arthur J. Gallagher**  
BUSINESS WITHOUT BARRIERS™

## Overview

Arthur J. Gallagher (formerly TCIS and OAMPS Insurance Brokers) was founded in the United States in 1927 and have a great deal of Australian heritage dating back to 1976 through the acquisition of the OAMPS business.

Over the past four years the liability program has been placed as a combined Public Liability and Management Liability with Calliden Insurance via Sports Underwriting Australia. There has been no significant changes to this program, therefore as we have been able to renew the policy with the same policy extensions and benefits to the club and its members.

Property owner's cover is again very important to use as a tool for access. It has been retained in the policies we are providing for the coming year.

## Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty under the Insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance. Your duty however does not require disclosure of matters:

- that diminishes the risk to be undertaken by the insurer
- that is of common knowledge
- that your insurer knows of, or in the ordinary course of his business, ought to know
- as to which compliance with your duty is waived by the insurer

### Non-disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

## Renewal Negotiations

After a full review of options the Council has accepted a recommendation from the Insurance subcommittee which taking into account cost, scope of cover and ease of renewal.

I am pleased to advise the insurance support remains unchanged with Sports Underwriting Australia "SUA" as the agent and Great Lakes Australia as the underwriter. They have combined Public Liability, Professional Indemnity and Management Liability for the upcoming year and also included additional covers at no extra cost being Fidelity (eg: employee/officer fraud or dishonesty) & Cyber (eg: breach of privacy, defamation as a result of website or media publication, website hacker damage).

You will find attached an application form which needs to be completed and sent back to our office along with payment.

### **Please note:**

**Insurance is NOT automatic, only clubs returning applications and payment will be insured in the coming year.**

## Premium

We are pleased to confirm the cost of this program has been reduced this year as follows;

<b><u>Clubs which are affiliated with a State Association</u></b>	<b>\$ 7.50</b> per member
With a minimum premium applicable of	<b>\$125.00</b>

<b><u>Clubs which are NOT affiliated with a State Association</u></b>	<b>\$ 20.00</b> per member
With a minimum premium applicable of	<b>\$130.00</b>

NOTE: This will be cross-checked with State Insurance Officers – it is a requirement for you to advise us if at any stage you become unaffiliated.

## Details of Cover

SUM INSURED :	1. Public Liability	\$ 20,000,000
	2. Products Liability	\$ 20,000,000
	3. Management Liability	\$ 5,000,000
	4. Prof. Indemnity (Errors & Omissions)	\$ 5,000,000
	5. Fidelity Cover	\$ 5,000
	6. Cyber Cover	\$ 50,000

INCLUSIONS:	Goods in physical & legal control	\$ 250,000
	Libel & slander	
	Liability to and of property owners	
	Member to member liability	
	Non paid driver training	
	Fidelity Cover	
	Pollution Defence Costs	

EXCLUSIONS:	Use of unregistered vehicles
	Any event organised, controlled or sanctioned by CAMS
	Import, sales, service or repair.
	Clock or Time Trial, Racing, Pacemaking, Reliability trial, speed or hill climbing test or whilst being tested in preparation.

WARRANTIES:	Timed motor events and/or events where the public is charged for access to be declared prior to cover being granted.
	Additional premiums may be required

EXCESS :	\$ Nil	General & Products Liability
	\$ Nil	Professional Indemnity
	\$ Nil	Management Liability
	\$1,000	Fidelity
	\$2,500	All other claims

INSURERS :	Great Lakes Australia via Sports Underwriting Australia
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## Scope of cover

Of importance is the definition of "four wheel driving" activities. This policy is designed to cover activities normally associated with four wheel driving, ie. camping, bushwalking, non timed gymkhanas etc. Cover extends to activities involving the use of non powered watercraft, ie. raft regattas. It is NOT intended to cover higher risk activities such as abseiling, caving, water slides, and powered children's amusements. Timed events and events where the public are charged for admission may be covered subject to declaration. Clubs should check with us PRIOR to planning such activities to ensure cover can be granted and at what, if any cost. Where you contract the supply of items such as mechanical amusements please ensure the contractor has adequate insurance cover naming your club for its legal interests. The policy does cover NON PAID driving instruction and permits reimbursement of trainers costs. Paid driver training is **NOT** included.

**\*You must return Declaration Form with your payment \***

## Renewal procedures

Only one declaration document is required for both existing participants wishing to renew and new clubs wishing to join. Please note, there is no automatic renewal facility for your club. We **MUST** receive your completed declarations and payment prior to the 31st of May or cover will **CEASE**

Lapse notices will be issued to any clubs not paid up by 31<sup>st</sup> May. Late declarations will be automatically reinstated from date of payment; however, no cover will exist from 31<sup>st</sup> May to payment date.

## Certificates of Insurance / Tax Invoices

The Insurance Certificates issued by Arthur J. Gallagher on receipt of payment will double as a tax invoice for those clubs registered for GST and claiming a tax input credit.

## Policy Wording

Policy documents are available from the Arthur J. Gallagher. If you require a copy, please contact us.

## Frequently Asked Questions

### Visitors

Are they covered? Visitors are covered if they are injured or suffer a loss caused by negligence of the club, its officers or members in the same way as property owners or members of the general public are covered. ie the fact they are a visitor is irrelevant.

On the other hand, if they are the party causing the injury or loss to another they will only be covered if they were acting under control or guidance of the club or its officers (trip leader etc.). Under circumstances where visitors are not protected by our insurance they would rely on the personal liability forming part of their domestic insurance cover.

In summary, clubs have no exposure to risk by having visitors on trips, the visitor is no worse off than if they went on a private trip, they may in fact be better off. This being the case clubs should not have any insurance concerns when considering whether to allow visitors to participate in club activities.

One word of caution, most reports of incidents which have arisen seem to involve visitors, they are at risk as they may be in unfamiliar territory in the bush. They are a potential concern to us, please supervise their activities when on trips.

There is no requirement from your insurer for visitors / members to sign into the club. However they and we as your broker recommend and advise that it is good practice for the club to implement such procedure to assist with any claims that may occur down the track i.e. having record that the particular individual was at the club on that particular day.

### Property Owners Indemnity

Can we hold events on private land and will the property owner be covered?

Yes. Our coverage extends to include the third party property owner as an "Interested Party". If you are holding an event on private land the property owner can be noted and indemnity will extend to cover them.

### Definition of a "Member"

When completing our application form, how do I calculate the club member numbers?

Base your calculation on your clubs constitution as to what is defined as a member (eg: some clubs define one family as one membership, others one vehicle as one membership, others are per person membership)

## Events Requiring Declaration

I am pleased to report we were able to offer cover for all events declared to us this year. I believe self-regulation by clubs and positive interaction with Arthur J. Gallagher in the planning stages of events has led to the easing of insurers' concerns in regard to public interaction and minor competition. Renewal has been offered without any change to our scope of cover. Of course we are always subject to scrutiny and I still strongly recommend you show constraint in the area of competitive events.

We must declare **ALL** timed events and or any events where the public is charged a fee for entry. As has been the case in previous years, additional premiums may be charged for such events. Further, any unusual activities should be declared early in the planning stage. If in doubt, send us a fax or email. Events not declared may not be covered!

## Claims

Good records of club events, who attends and any incidents arising should be maintained with club minutes registers. Ensure you keep records, such as trip sheets, after trips are completed. All potential claims should be reported to **Arthur J. Gallagher** immediately you become aware an incident has occurred. Early advice will assist greatly in gathering facts we may need to defend you. Injured parties have years in which to lodge claims, don't assume it will 'just go away'.

By way of interest, yes claims do get paid. One of our clubs was recently involved in a claim for injury with an agreed settlement of several hundred thousand dollars; they were fully protected by the liability insurance we arranged.

## 4WD Australia affiliation requirements

4WD Australia requires all affiliated clubs hold a public liability cover. Additionally you are encouraged to participate in the Association facility thereby ensuring competitive premiums are maintained by group buying power. Importantly the 4WD Australia's facility offers a policy tailored to the needs of four wheel drive clubs and covers the vast majority of activities undertaken.

**\*You must return Declaration Form with your payment\***