



ANFWDC INSURANCE SCHEME FROM 31st MAY 2017 ONWARDS NEWSLETTER No 2.

23rd MAY 2017

Hi All,

This is the second newsletter I have sent out for distribution.

To ensure a consistent message is received by all State and Territory Associations, 4WD Clubs and club members, I ask that it not be altered and that it be shared exactly as it is.

Since the first newsletter was distributed on 2nd April, the National Council, State/Territory Association delegates and State Insurance Officers (SIOs) have been bombarded with questions that this update should help address.

The process of reviewing our insurance scheme, seeking ideas for a new scheme, selecting a broker and finally a group of insurers has been going on for at least 18 months.

Just in case you didn't receive the first update in April, I'll repeat the critical information again, below:

1. AJ Gallagher, formerly OAMPS, and before that, TCIS (based in Adelaide SA) is no longer providing brokerage services for the public liability and associated management liability policies for clubs or the volunteer worker's compensation policy covering club working bees and similar events.
2. A new broker is now managing our insurance policies: it is AON, from their Parramatta office in NSW.
3. 'Single policies' have been negotiated whereby 4WD Australia insures itself (ANFWDC), the State and Territory Association officers, affiliated 4WD clubs, club members and **registered** visitors.
4. One invoice for each of the four policies shall be billed to and payable by the ANFWDC (4WDA) and this step alone **saves us all thousands of dollars!**
5. 4WDA will bill each State and Territory Association for their affiliation fees, as done in the past, but there will also be an 'insurance contribution' to cover the cost of the insurance policies.

6. State and Territory Associations will then bill their clubs, as they have done in the past, but they too will add an insurance contribution to their invoices.

NOTE: In future years, 4WDA will increase its 'affiliation fee' to automatically include the insurance contribution. We are aware Associations, just like the Council, usually set their annual fees in advance, so this year would be difficult to just increase fees out of nowhere.

7. Clubs will charge their club membership fees as before, **BUT they will not receive a separate invoice from the insurance broker** as they have in the past, they will simply pay their Association, who will in turn, pay the Council.

NOTE: Fees and membership numbers have always been based on the club's membership as of 30th June the previous year. This way there is no effort required and no excuse for not knowing how many people to pay fees for. This year (2017) in May, Associations will receive their affiliation invoice based on their total membership as of 30th June 2016. It doesn't matter whether Associations have had their AGM's etc., the figure is based on the last Financial Year.

8. Clubs and their club members will now be 'affiliated' and 'insured' at the same time **as soon as they pay their affiliation fees to their State/Territory Association. Yes, this means if you don't pay, you are no longer affiliated and not insured! You must pay on time and you must declare accurate and honest membership numbers. As the two things are now linked, YOU or YOUR CLUB would be legally liable for failing to honestly disclose information to the insurer! Neither your State or Territory Association nor the National Council will be liable if you do not provide information honestly!**
9. Several additional 'declared events' have been automatically included in the new policy wording, so there will be far less events and activities that we all participate in regularly, that will require an 'events declaration' to be filled in. This means, for example, if you set up a club display at a local school fair or you take a group of disadvantaged kids for a day trip, you won't need to declare these, notify your SIO and the broker, you'll automatically be covered. This will save a lot of the workload for the SIOs too.
10. Furthermore, we've negotiated a personal injury/accident policy into the scheme which will provide some modest benefit to club members who get injured at a club sanctioned activity. This policy is quite a breakthrough as it covers the volunteer worker's compensation policy of the past and provides limited protection to anyone who has a genuine accident at a club event. This policy has very strict parameters and was negotiated to ensure a person who injured themselves, after a week and after any other health insurance, sick leave, etc. was exhausted, could receive a modest amount of money to help pay the bills. It is strictly a 'back-up' policy to help out an injured member, it is **definitely not** meant as a substitute for your own medical insurance, life insurance, sick leave and the like. Again, a claim needs to be made, witnesses included and the event must be a sanctioned club event before the claim can be lodged. Additionally, all the normal insurance terms would apply.

Being drunk, driving recklessly, skylarking, breaking road rules, etc. are not covered **and neither should they be!**

11. Small clubs will certainly benefit because they will no longer pay a 'minimum fee' penalty, they'll just pay the same per-member amount as everyone else.
12. Finally, in return for all this increased benefits and far broader coverage, we all need to do one simple thing; **keep records of events!** Ensure you keep minutes of your meetings, including the names of everyone who attended; ensure your club executive, gives permission and records all club events; ensure you record **every person** who attends a club event as a member, family member or registered visitor.

The National Council is really pleased to be able to bring this scheme to you all; we have calculated an individual member's contribution amount and added a modest buffer amount to ensure the Council isn't left financially embarrassed. For a greater level of cover than we've all previously had, plus more policies even including cyber fraud and director fidelity cover as well as the addition of a personal accident cover, the cost to each member is now **just over half** what we've all paid in the past!!!!

Here is a list of **included** activities specified in the insurance policies:

Meetings and workshops at national, state and club levels; club day trips and outings, extended trips and tours; static promotional displays and swap meets; fund raising activities (barbecues, social activities, car boot sales and the like); volunteering activities, community assistance events and land manager volunteer working bees (Clean ups, track clearing and repairs, fence mending, signage installation, track classification work, weed removal); bushwalks and walking tours; 4WD vehicle operation and recovery technique demonstrations; nationally-recognised training (including driving, vehicle recovery, winching, chainsaw maintenance and use, first aid, etc – **delivered by unpaid volunteer trainers**); camping and campfire cooking, non-timed gymkhanas and navigation trials; the use of non-powered watercraft; in-club training (including driving, vehicle recovery techniques, camping, using tools and equipment, etc); and any other 4WD associated activities the insured may participate in from time to time.

The full policy documentation is being provided from the broker; they are also setting up a website link so you can access the Product Disclosure Statements directly from their website. Certificates of currency will be provided electronically by the National Council Treasurer as soon as we receive confirmation of club payment.

A third newsletter will be included with the Council's invoice for affiliation fees and your insurance contribution in the next week or so.

We are aware that a couple of clubs around the country have insurance elsewhere because of affiliation with other organisations; these clubs will need to provide their certificates of currency to us and they will not be billed for this new scheme.

Please remember: If you, as a club, have payed your affiliation fees and have provided your membership numbers honestly; you're automatically included in the scheme and you're covered. If your club is not affiliated with us, you're not insured! - If you're not insured (somewhere), you can't be affiliated with us!"

We have made a conscious decision to separate this scheme from the private motor vehicle insurance scheme offered as private insurance is a totally separate and individual choices matter, but please remember that 4WD Insurance with all the bells and whistles is expensive by nature, but you do tend to get what you pay for! AJ Gallagher still offers an excellent 4WD motor vehicle policy as well as coverage for camper trailers, camping gear, etc.; if you are insured with them, you should stay with them and if you are looking for a really good, 4WD tailored policy, they are still offering the same level of service as before. Your State Insurance Officer can direct you to their website or there is still a link from the 4WDA website to get a quote.

I'd again like to thank the SIOs for their contribution to this transition and make special mention of Tony Collins (4WD Qld SIO) and Lee Smith (Treasurer 4WDA) for working closely with me in making this great improvement in insurance happen for us all.

On the next few pages you'll find an abbreviated version of the new policies, their coverage details and the dollar amounts of cover provided for in each case.

Please distribute and disseminate this update to all clubs and club members without alteration.

Regards,

Brian Hevey
President
4WD Australia

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Mobile: 0418 121 373.

Australian National Four Wheel Drive Council



Insurance Program Overview **Provided by AON** for the period 31st May 2017 to 30th June 2018

Policies

Class	Description	
Public & Products Liability	Legal Liability to pay compensation to third parties for injury and/or damage to property arising out of the business activities or products.	✓
Protector/Association Liability: Combined Professional Indemnity and Management Liability	Legal remedies against non-profit associations and their directors and office bearers are little different from those available against a company and its directors.	✓
Personal Accident	Accidental injury or death, and the payment of weekly benefits, whilst engaged in various volunteer and member activities including travel associated therewith.	✓
Cyber Liability	Specially designed solution which addresses the liability of companies arising from data protections laws, the management of personal data and the consequence of losing corporate information.	✓

Policy details:

Public & Products Liability

Limits of Indemnity

Section 1 : Public Liability

\$20,000,000 (Australian currency) in respect of any one occurrence or series of occurrences arising out of one event

Section 2 : Products Liability

\$20,000,000 (Australian currency) in the aggregate during the period of this insurance.

What it Covers

Legal Liability to pay compensation to third parties for injury and/or damage to property arising out of the business activities or products.

Principally, four wheel driving and club related activities. Activities include meetings and workshops at national, state and club levels; club day trips and outings, extended trips and tours; static promotional displays and swap meets; fund raising activities (barbecues, social activities, car boot sales and the like); volunteering activities, community assistance events and land manager volunteer working bees (Clean ups, track clearing and repairs, fence mending, signage installation, track classification work, weed removal); bushwalks and walking tours; 4WD vehicle operation and recovery technique demonstrations; nationally-recognised training (including driving, vehicle recovery, winching, chainsaw maintenance and use, first aid, etc – delivered by unpaid volunteer trainers); camping and campfire cooking, non-timed gymkhanas and navigation trials; the use of non-powered watercraft; in-club training (including driving, vehicle recovery techniques, camping, using tools and equipment, etc); and any other 4WD associated activities the insured may participate in from time to time.

If your event falls outside of the above please email details of event to Sevag Jambazian – sevag.jambazian@aon.com

Protector/Association Liability: Combined Professional Indemnity and Management Liability

Limits of Indemnity

Section 1: Professional Liability
Section 2: Management Liability
Section 3: Association Liability
Section 4: Employment Practices Liability
Section 5: Employee Fraud or Dishonesty \$100,000 limit
Section 6: Superannuation Trustees Liability

\$5,000,000 any one claim and section 1, 2, 3, 4 and 6: **\$10,000,000** in the aggregate

What it Covers

A director, officer or bearer of your NFP in carrying out their normal duties, may receive an allegation of wrongdoing. So too, may paid staff or volunteers as part of the daily running of the organisation, for example, when giving advice via the phone, your website or marketing material. That's why our Association Liability will help cover the organisation and the individual.

Section 1 - Professional Liability

Covers your organisation for giving advice. I.e. counselling, respite/health care, education, advice on the installation of home modification and maintenance, defamation of visiting professional expert by committee on technical grounds, advice on regulatory regime being created.

Section 2 - Management Liability

Covers each Manager and Officer of the organisation from any Loss which arises from a Claim first made or commenced against that Manager/Officer. I.e. Negligent acts, misstatements, breach of duty, incompetent supervision, ineffective administration etc.

Section 3 - Association Liability

Covers all Loss which arises from a Claim made or commenced against the Association.

Section 4 - Employment Practices Liability (Association Cover)

Cover for any Loss arising from an Employment Claim. I.e. alleged wrongful/unfair dismissal, discrimination and harassment complaints.

Section 5 - Employee Fraud or Dishonesty

Cover for Direct Financial Loss sustained due to acts of fraud or dishonesty committed by an Employee. I.e. Theft of contributions or membership fees, dishonest allocation of government grants.

Section 6 - Superannuation Trustees Liability

Cover for any loss incurred where you are acting as a Superannuation Fund Trustee. I.e. Claim arising from an error or omission whilst acting as a Trustee for a Superannuation Fund.

Personal Accident – Volunteers, Members & Registered Visitors

Limits of Indemnity	Accidental Death/Disablement – Up to \$100,000
	Weekly Benefit - Loss of Income 85% of Salary up to \$500
	Excess – 7 Days
Age Limitation	Age 5 – 90
	Capital Benefits
	Insured persons aged 19-65 - \$100,000
	Insured persons aged 5-18 - \$ 10,000
	Insured persons aged 66-75 - \$100,000
	Insured Persons aged 76-90 - \$10,000
What it Covers	All club members and their registered visitors; along with all associated office bearers and officials of the Policyholder. Covers people carrying out activities on behalf & at the direction of the Insured including direct travel to & from the activity, for accidental injury or death.
	Additional Benefits included automatically in the Policy
	Rehabilitation Benefit \$ 25,000
	Return to work Benefit \$ 25,000
	Independent Financial Advice Benefit \$ 5,000
	Dependent Child Assistance Benefit \$ 45,000 Maximum
	Surviving Spouse Partner Benefit \$ 15,000
	Partner retraining Benefit \$ 25,000
	Unexpired Membership Benefit \$ 1,000
	Home &/or Vehicle Modification Benefit \$ 10,000
	Funeral Expenses Benefit \$10,000 Minimum
	Non-Medicare Medical Expenses 100% of costs
	- Maximum Sum Insured \$ 2,500
	- Excess \$ 100
Additional Exclusions	It is hereby declared and agreed that the following additional Exclusion applies to all parts of this policy:
	It is hereby declared & agreed that this insurance does not apply to, and we will not indemnify you for, any actual or alleged liability caused by or arising directly or indirectly out of or in connection with Personal injury;
	a) clock or time trial racing, pace making, reliability trial, speed test, hill climbing test or whilst being tested in preparation;
	b) any event organised, controlled or sanctioned by, or requiring the authorisation of, the Confederation of Australian Motor Sport (CAMS);
	c) Hazardous Activities – including but not limited to Rock Climbing, Abseiling, Snow Skiing and snow boarding

Cyber Cover

Limits of Indemnity

INSURING CLAUSE 1: CYBER & PRIVACY

SECTION A: CYBER LIABILITY

Aggregate limit of liability: AUD500,000 including costs & expenses

SECTION B: PRIVACY LIABILITY

Aggregate limit of liability: AUD500,000 including costs & expenses

SECTION C: SYSTEM DAMAGE

Limit of Liability: AUD500,000

SECTION D: SYSTEM BUSINESS INTERRUPTION

Limit of Liability: AUD500,000 sub-limited to AUD100,000 per day

SECTION E: CONSEQUENTIAL REPUTATIONAL HARM

Limit of Liability: AUD500,000 sub-limited to AUD100,000 per day

SECTION F: REGULATORY ACTIONS & INVESTIGATIONS

Aggregate limit of liability: AUD500,000 including costs & expenses

INSURING CLAUSE 2: PRIVACY BREACH NOTIFICATION COSTS

SECTION A: YOUR NOTIFICATION COSTS

Limit of Liability: AUD500,000 each & every loss

SECTION B: THIRD PARTY NOTIFICATION COSTS

Limit of Liability: AUD500,000 each & every loss

INSURING CLAUSE 3: CYBER CRIME

SECTION A: COMPUTER CRIME

Limit of Liability: AUD250,000 each & every loss

SECTION B: IDENTITY THEFT

Limit of Liability: AUD250,000 each & every loss

SECTION C: CYBER THREATS & EXTORTION

Limit of Liability: AUD500,000 each & every loss

SECTION D: TELEPHONE HACKING

Limit of Liability: AUD50,000 each & every loss

SECTION E: PHISHING SCAMS

Limit of Liability: AUD50,000 each & every loss

**INSURING CLAUSE 4: MULTIMEDIA LIABILITY &
ADVERTISING INJURY**

Limit of liability: AUD500,000 each & every claim, including costs & expenses

INSURING CLAUSE 5: TECHNOLOGY ERRORS & OMISSIONS
NO COVER GIVEN

INSURING CLAUSE 6: COURT ATTENDANCE COSTS

Limit of Liability: AUD100,000 sub-limited to AUD2,000 per day

INSURING CLAUSE 7: CRISIS COMMUNICATION COSTS

Aggregate limit of liability: AUD100,000

What it Covers

Specially designed solution which addresses the liability of companies arising from data protection laws, the management of personal data and the consequence of losing corporate information.

Aon Claims Information

- Any occurrence likely to give rise to a claim should be reported immediately.
- Our invoice and this report will provide you with brief details of the scope of the cover and deductible(s) (if any) applying to particular policies.
- A completed claim form is generally required and should be completed as soon as possible after the event.
- **Do not admit** liability to a Third Party for loss or damage or injury. Merely inform them that the matter is being investigated.
- Our office will advise you on correct procedures to follow for all types of claims.

Aon Claims Services

Our claims team act as your first point of contact following a loss, and will advise whether we need to involve specialist technical claims experts or directly connect you to your insurer.



What to do in the event of a claim...

- 1 Contact us and we'll ask you some questions.**
We'll take the time to explain what happens next and outline our approach.
- 2 We'll call your insurer to register your claim.**
We'll email your claims number and other relevant information.
- 3 Your insurer will assess your claim.**
The insurer will contact you if they need additional information, and we will provide specialist technical advice for highly complex claims.
- 4 Settlement will be made by the insurer.**
We're with you every step of the way, negotiating on your behalf to achieve the best possible settlement outcome.

Feedback

If you have any questions regarding your claim, contact our team directly. During the life of your claim, your Aon client manager will be kept fully informed of any issues that arise.

Within two months of claims notification, we'll also seek feedback on how satisfied you were with the service you received from your insurer, which allows us to continually improve our services.

By constantly monitoring insurer performance, you and your Aon client manager will be in a better position to make informed decisions at renewal time.

Call us today:

1800 795 019

Monday - Friday

or email

firstassist@aon.com