



KARTING AUSTRALIA NATIONAL INSURANCE PROGRAM

31st March 2017- 31st March 2018

HANDBOOK



Arthur J. Gallagher
BUSINESS WITHOUT BARRIERS™



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INTRODUCTION

Welcome to the Karting Australia National Insurance Program. We are delighted to provide the following information to assist you with your karting operations and management of karting activities throughout the year.

What is the National Insurance Program

The Karting Australia National Insurance Program (the Program) is made up of two (2) key insurance policies:

- - **Public and Products Liability (including Professional Indemnity) Insurance**
- - **Personal Accident/Injury Insurance**

What does our insurance handbook and web site provide

Arthur J. Gallagher believes access to information is important when it comes to insurance and risk protection. We are pleased to provide all KA members to important information via our Karting-specific web site and handbook.

The web site is updated throughout the year to ensure you have access to the latest information, articles and policy details. The handbook can be downloaded as a single file so you can distribute it to your members or discuss it at committee meetings.

Alternatively, we have created individual summary documents for certain sections of the Program, so you can easily locate and distribute the information as you need.

Additional services provided by AJG to KA members

In addition to the National Insurance Program and associated information and resources, Arthur J. Gallagher will be supporting Karting Australia through the development and implementation of certain Risk Management Initiatives. More information will be communicated via our web site and handbook updates throughout each year.

Additional insurance options for KA members

Whilst we provide Karting Australia members with a National Insurance Program including Public Liability, Professional Indemnity and Personal Accident Insurance, we also offer a broad range of additional insurance options for KA members to access upon request.

Additional insurance available* for clubs and individuals may include:

- Directors and Officers Insurance
- - Kart and Trailer cover
- - Club/Track property insurance
- - Liability insurance for Non-Karting activities
- - Life and Trauma Insurance

** Please note, the above products are not exhaustive and are not included as part of the National Insurance Program. Karting members should carefully review their individual circumstances and seek advice regarding risk protection and insurance options.*



Who is Arthur J Gallagher?

Arthur J. Gallagher is one of the world's leading providers of insurance and risk protection. We have a long history supporting motor sport and related activities. We been working closely with the Australian sports industry for over thirty years developing insurance and risk protection programs that identify and address risks associated with sport.

We are a proud partner of Karting Australia and it with great pleasure we provide this Program designed to improve all aspects of a karting member's physical, legal and financial safety.

Strength/Benefits

Our success is based on delivering the professional advice and service our clients need to ensure their financial continuity.

We are committed to understanding your business and earning your trust. We aim to position you to financially survive any insurable event through proactive advice and solutions. Although we are a global company with multinational capabilities, our focus remains committed to local service supported by incomparable resources.

Our brokers enjoy an international standard of professional development and product knowledge. In other words, we provide better specialised resources directed to a better local delivery for you. Our strengthened relationships with insurance companies in Australia, New Zealand and globally also helps us to negotiate better deals and more coverage options; ultimately delivering even better value for money to you.

Ethical company

Arthur J. Gallagher named one of World's Most Ethical Companies for the fifth year in a row!

The World's Most Ethical Companies® designation recognises companies that truly go beyond making statements about doing business "ethically" and translate those words into action. Honorees not only promote ethical business standards and practices internally, they exceed legal compliance minimums and shape future industry standards by introducing best practices today.

Arthur J. Gallagher & Co. is the only Insurance Brokerage to be named one of the world most ethical companies.





Sport @ Arthur J. Gallagher

Arthur J. Gallagher is unique in its ability to draw on in-house technical expertise and specialty advisors to meet the broadest range of insurance and risk management.

We are not an insurance company. We don't try to sell insurance. We are risk specialists and we source risk protection options to suit your needs. Most importantly – we specialise in sport – from injuries and liability to events and property.

Our sport team is made up of experts from different industries including sport, insurance, risk management and business. Our ability to meet and exceed expectations is due to our capability to listen to your needs and understand your risks.

Motor sport

Arthur J. Gallagher has a long and proud history with motor sport in Australia. We are extremely proud of our ongoing partnership with Karting Australia. We believe it is exciting when two organisations, Arthur J. Gallagher and Karting Australia, can come together to develop a new range of benefits for members of the sport.

Contact information

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ONLINE:	
Karting insurance site: www.ajg.com.au/ka	
Sport insurance site: www.ajg.com.au/sport	

GENERAL ADVICE:

The information provided by Arthur J. Gallagher is considered general advice only and does not take into account your personal or financial situation. This information must be read in conjunction with the Insurance Program documentation including the Policy Wording. For a copy of the policy wording, please contact your broker.



SUMMARY OF COVER

Arthur J. Gallagher is one of the world's leading providers of insurance and risk protection. We have a long history supporting motor sport and related activities. We been working closely with the Australian sports industry for over thirty years developing insurance and risk protection programs that identify and address risks associated with sport.

We are a proud partner of Karting Australia and it with great pleasure we provide this Program designed to improve all aspects of a karting member's physical, legal and financial safety..

The Program is reviewed and renewed annually to ensure it remains relevant and appropriate to the Karting Australia membership.

WHAT IS COVERED?

The KA National Insurance Program provides two key areas of cover:

1. **Personal Accident cover**
2. **Public Liability cover including Professional Indemnity cover**

In general, all karting activities are covered, including activities such as official races, official practice sessions, committee meetings, etc.

For complete coverage details, please refer to the Policy Documents via our web site.

WHAT DOES PERSONAL ACCIDENT INSURANCE COVER?

The Personal Accident Policy provides financial assistance to insured individuals who sustain an injury during sanctioned karting activities.

Please note: The Health Insurance Act 1973 (Cth) prohibits general insurers from covering any item listed within the Medicare Benefits Schedule (MBS). For further information, please refer to our web site or visit www.medicare.gov.au

WHAT DOES PUBLIC LIABILITY AND PROFESSIONAL INDEMNITY COVER?

Public Liability provides protection for insured organisations and/or individuals against legal and associated costs that may arise if accused of negligence.

Professional Indemnity is a sub-section of the Public Liability Policy. Professional Indemnity insurance provides protection for insured individuals against legal and associated costs that may arise if accused of negligent acts, errors or omissions.



WHAT INSURANCE IS PROVIDED?

	PERSONAL ACCIDENT	PUBLIC LIABILITY
WHO IS COVERED	<p>Category 1</p> <p>(a) Drivers (including Guest Overseas Drivers), Pit Crew aged 16 or over in paid occupation.</p> <p>(b) Drivers (including Guest Overseas Drivers), Pit Crew aged 16 or over not in paid occupation.</p> <p>(c) Junior Drivers (including Guest Overseas Drivers), Pit Crew aged 5 to 16 years.</p> <p>Category 2</p> <p>(a) Authorised Officials and Marshals</p> <p>(b) Voluntary Workers</p>	<p>Entities:</p> <ul style="list-style-type: none"> • Australian Karting Association Ltd. • Karting (New South Wales) Inc • Karting (WA) Inc. • Victorian Karting Association Inc. • Australian Karting Association (SA) Inc. • Karting Tas Inc. • Australian Karting Association (NT) Inc. • Australia Karting Association Queensland t/as Karting Queensland <p>Including:</p> <p>All affiliated and associated clubs, their committees, sub-committees, members, trustees, license holders, officials, volunteers, employees, the CEO, employees and the Board of AKA Ltd.</p>
LIMITS AND EXCESS	<p>CAPITAL BENEFITS:</p> <ul style="list-style-type: none"> • \$75,000 <p>NON-MEDICARE BENEFITS</p> <ul style="list-style-type: none"> • 85% reimbursement (\$100 excess) • Maximum \$5,000 per claim <p>LOSS OF INCOME:</p> <ul style="list-style-type: none"> • 85% compensation to maximum \$500 per week (whichever is lesser) • 7 day excess period 	<p>PUBLIC LIABILITY:</p> <ul style="list-style-type: none"> • \$50,000,000 • \$15,000 excess <p>PRODUCTS LIABILITY:</p> <ul style="list-style-type: none"> • \$50,000,000 • \$15,000 excess <p>PROFESSIONAL INDEMNITY:</p> <ul style="list-style-type: none"> • \$5,000,000 • \$15,000 excess

For complete coverage details, please refer to the Policy Documents via our web site.



PUBLIC LIABILITY INSURANCE

The following information provides summary of the policy details of the Karting Australia Public Liability Insurance coverage including Professional Indemnity.

What is Public Liability?

Public Liability insurance provides protection for insured organisations and/or individuals against legal and associated costs that may arise if accused of negligence resulting in an injury or property damage. For example: an injured person accuses your club of being responsible for their injury.

What is Professional Indemnity?

Professional Indemnity insurance provides protection for insured individuals against legal and associated costs that may arise if accused of negligent acts, errors or omissions resulting in an injury or property damage. Professional Indemnity is a sub-section of the Public Liability Policy.

Who is covered?

Insured:

- Australian Karting Association Ltd.
- Karting (New South Wales) Inc
- Karting (WA) Inc.
- Victorian Karting Association Inc.
- Australian Karting Association (SA) Inc.
- Karting Tas Inc.
- Australian Karting Association (NT) Inc.
- Australia Karting Association Queensland t/as Karting Queensland

Including:

All affiliated and associated clubs, their committees, sub-committees, members, trustees, license holders, officials, volunteers, employees, the CEO, employees and the Board of AKA Ltd.

Insured activities:

Principally the administration, organisation, preparation and conducting of karting events, official practice sessions, education programs, come and try days, declared working bees, declared fundraising events, static displays, property owners, lessors and lessees, activities including tuition and instructional training.



Policy Limits

Public Liability

\$50,000,000 Any one occurrence

Products Liability

\$50,000,000 Any one occurrence and in the aggregate

Care, Custody and Control

\$100,000 In respect of any one occurrence and in the annual aggregate during the period of insurance

Professional Indemnity

\$5,000,000 Each claim and the in the annual aggregate during the period of insurance, inclusive of supplementary payments.

Excess

Public Liability, Products Liability, Care/Custody/Control

\$15,000 Each occurrence, inclusive of Supplementary Payments

Professional Indemnity

\$15,000 Each claim, inclusive of Supplementary Payments

Scope of Cover

Public Liability insurance covers liability that may result from loss of or damage to property, loss of or use of property and death or injury due to negligence. Professional Liability insurance indemnifies against claims for compensation for breach of professional duty by reason of any negligence by way of act, error, omission or advice.

PERSONAL ACCIDENT INSURANCE

The following information provides the policy details of the Karting Australia Personal Accident Insurance coverage.

What is Personal Accident Insurance?

The Personal Accident Policy provides financial assistance to insured individuals who sustain an injury during sanctioned karting activities. Please note, the Personal Accident Policy is a general insurance product only. It does not provide comprehensive benefits nor does it compare to Health Insurance or Life/Trauma Insurance. Please consult your personal insurance professional to review your circumstances and ensure you are adequately covered to the limits you believe necessary.

Who is covered?

CATEGORY 1	CATEGORY 2
a) Drivers (including Guest Overseas Drivers), Pit Crew aged 16 or over in paid occupation. b) Drivers (including Guest Overseas Drivers), Pit Crew aged 16 or over not in paid occupation c) Junior Drivers (including Guest Overseas Drivers), Pit Crew aged 5 to 16 years AGE LIMIT: 5 to 70 years of age. Any person over 70 years must comply with Karting Australia's licensing rules (please refer to the KA Rules Manual). Reduced limits and cover will apply to members over 70 years	a) Authorised Officials and Marshals b) Voluntary Workers AGE LIMIT: 5 to 80 years of age

Scope of cover:

Personal Accident Insurance provides financial assistance to insured individuals who sustain an injury during an insured activity. Personal Accident insurance is only available to insured individuals during organized/sanctioned karting activities including :

- Official race and/or practice
- Travelling to and from an official karting activities
- Participation in official karting activities
- Pits, crew and volunteers during official karting activities



Personal Accident Insurance Benefits and Limits

Non-Medicare Medical Benefits

As the name suggests, Non-Medicare Medical benefits provide reimbursement for medical items that are **not listed** on the Medicare Benefits Schedule. This benefit can only be claimed by an insured individual who sustains an injury during an insured activity. The table below outlines some examples of these benefits.

NON-MEDICARE MEDICAL	LIMIT/EXCESS
85% of Non-Medicare Medical Expenses <i>(such as physio, dental and any other items not listed on the Medicare Benefits Schedule).</i>	\$5,000 maximum limit \$0 Excess with Private Health Insurance \$100 Excess without Private Health Insurance
Unexpired membership benefit	\$1,000 limit
Home and/or vehicle modification benefit	\$1,000 limit
Funeral expenses benefit	\$3,000 limit

MEDICARE: The Health Insurance Act 1973 (Cth) prohibits general insurers from covering any item listed within the Medicare Benefits Schedule (MBS). For further information, please see below or visit www.medicare.gov.au

Capital Benefits

Provides lump sum payment for permanent injuries or death sustained by an insured individual.

COVERAGE	LIMIT/EXCESS
Accidental Death	\$75,000
Lump Sum Benefits (Events 2-26)	\$75,000
Fractured bones	Not covered
Loss of teeth or associated procedures	Not covered

Loss of Income Benefits

Loss of Income benefits provide partial compensation for income lost due to an injury sustained during an insured activity by an insured individual. Limitations apply to weekly payments, waiting periods and benefit periods.

COVERAGE	LIMIT/EXCESS
Temporary total disablement/injury (Event 36)	Category 1 & 2 = \$500 per week Maximum percentage of salary = 85% Maximum benefit period = 104 weeks Excess period = 7 Days
Temporary partial disablement/injury (Event 37)	Category 1 = \$200 per week Category 2 = Not covered Maximum percentage of salary = 40% Maximum benefit period = 52 weeks Excess period = 0 Days



medicare

Medicare vs Personal Accident Insurance

Medicare provides access to medical and hospital services for all Australian residents and certain categories of visitors to Australia.

Medicare offers free or subsidised treatment by health professionals such as doctors, specialists, optometrists – and in specific circumstances – dentists, and other allied health practitioners.

Other Medicare provisions may include free treatment and accommodation for public Medicare patients in a public hospital. Additional cover includes 75% of the Medicare Schedule fee for services and procedures if you are a private patient in a public or private hospital – this does not include hospital accommodation and items such as theatre fees and medicines

The Medicare Benefits Schedule (MBS) is a Australian Government resource that lists all services that are free or subsidised by the Australian Government under Medicare. Check if a service is listed under Medicare on the Department of Health MBS Online website.

The Health Insurance Act 1973 (Cth) strictly prohibits general insurers from covering **any item** that is listed on the Medicare Benefits Schedule (MBS).

This means, if you have received an invoice from a medical practitioner and it contains a "Medicare Item Number", the Karting Australia Personal Accident Insurer cannot provide any reimbursement for this item (including any gap).

Any receipts you receive containing items **not listed** on the MBS (i.e. do not contain a Medicare Item Number) should be sent to AJG attached to your claim form or your claim number.



ADDITIONAL INSURANCE OPTIONS

The following types (or classes) of insurance are available to all members of Karting Australia. The following insurance policies **ARE NOT** included automatically within the KA National Insurance Program. These covers must be purchased separately via AJG Sport. Although this list is not exhaustive and does not include all types of insurance classes offered to KA Members by AJG Sport, these are common insurance policies within motor sport and the broader sporting community.

Some insurances may not be relevant to your operations or activities, or for various reasons the cost may make them prohibitive. However, each risk should still be considered and you should make your own decisions on how to manage that risk.

Should any changes occur to your business and/or operations please ensure we are notified so that we have the opportunity to assess the impact of the changes on your insurance and inform your insurer where necessary. Unless we hear from you we shall assume you do not require any further review or information regarding these risks at this time.

OPTIONAL INSURANCE POLICIES FOR KA MEMBERS

Optional Cover:	Description:
Association Liability (D&O):	Protection for clubs/associations including Directors & Officers Liability, Employment Practices Liability, Employee Theft, etc.
Race vehicles and trailer (Static & Transit):	Tailored protection against damage and/or theft for race vehicles, trailers, tools/equipment and uniforms (garaged, in pits and in transit).
Travel:	Personal insurance protection whilst travelling interstate or internationally for motorsport activities.
Club property:	Tailored protection against damage and/or theft for buildings, property and equipment owned by clubs/associations.
Public Liability for Non-KA races/activities:	Protection against allegations of negligence whilst conducting activities that are not covered by the KA National Insurance Program.
Life/Trauma insurance:	Tailored personal protection for death and permanent/temporary disability whilst participating in Motorsport.
On-track cover	Tailored protection against damage for race vehicles whilst on track in competition, practice and/or testing.
Cyber insurance	Protection against claims made arising from use of the internet, email, intranet, extranet or website for issues such as breach of privacy; transmission of a virus; Third Party Liability for mistakenly infringing someone's copyright or publishing a defamatory statement on your website

For further information, coverage enquiries and/or quotes for any of the above policies please contact AJG Sport directly.



COME 'N' TRY DAYS

Come and Try Days or Come and Try activities (“Come and Try Activities”) are designed to introduce potential new participants (“New Drivers”) to the sport of karting under controlled conditions.

In general, most Come and Try activities conducted by KA affiliated clubs are covered by the KA National Insurance Program. However, please check with KA and/or AJG Sport prior to any activity if you are in doubt.

Procedures for Come and Try Days

If a stand-alone Come and Try Activity is intended to be conducted, or if it is intended to be conducted as part of a Club social day, the organising body must complete and have approved, Supplementary Regulations detailing all matters surrounding the activity including the names and responsibilities of the KA Licenced Officials who will be in attendance to organise and run the activity.

If a Come and Try Activity is intended to be conducted as part of a Race Meeting the details of the Come and Try Activity must be included in the **Supplementary Regulations** for the Race Meeting and approved by KA or the State Karting Association.

Supervision

Karting Australia Licenced Officials must directly supervise all Come and Try Activities and must be present at the Race Track Area at all times when a Come and try Activity is in progress.

Permitted Karts

Please refer to the Karting Australia Manual (Class Rules) for any age restrictions within each Karting Category and/or Class.

Please note: New Drivers over the age of 15 years (‘Senior’) are not permitted to drive a kart with an engine that is more powerful than 125cc - Restricted or an Endurance kart as designated in the Karting Australia Manual.

Karts on the Track

The number of karts permitted to drive on the Race Track at the same time is limited to a maximum of 25% of the Track Density.

Drivers must stay approximately 50 metres from the kart in front of them unless they slow significantly or stop in which case they may be overtaken.

When leaving the out-grid drivers must leave in a controlled manner under the direction of an official.

Weaving across the track and sudden changes of direction are not permitted.

When exiting the track or if the driver is slowing and has an issue on the track they should raise their hand so that the driver behind can clearly see that they are not continuing as normal.



If a driver spins out or stops on the race track and cannot restart the kart they must get out of your kart when safe to do so and move to a place of safety. They must keep all safety apparel (including the helmet) on until they return to the pits.

Senior and Junior/Cadet (9 and 12) aged New Drivers are not permitted to be on the Race Track at the same time

Cadet (9 and 12) aged New Drivers are permitted to be on the Race Track at the same time.

Karting Australia licensed drivers are not permitted to be on the Race Track at the same time as New Drivers.

Preparations

New Drivers must be given a briefing on kart driving and circuit safety (including Flag Signals as detailed in the Karting Australia Manual) immediately prior to the start of the Come and Try Activity.

Apparel

Drivers must at all times when on the Race Track be wearing racing apparel that complies with Karting Australia rules.

This means:

- Full face Helmet with visor,
- One piece driving suit with long sleeves and trousers;
- Gloves that resist abrasion and provide full finger protection
- Closed shoes.

Hair

Long hair must be securely retained either with a hair net, hood, balaclava or driving suit at all times.

If required, New Drivers must read and have explained to them the wording of the Indemnity form provided. New Drivers must acknowledge the terms and conditions of the indemnity must sign the indemnity form before being permitted to drive a kart.

If a New Driver is under 18 years of age, the New Driver and his or her guardian must both sign the indemnity form before the New Driver is permitted to drive a kart.

Personal Accident Insurance

Karting Australia Personal Accident Insurance only provides cover to participants who hold a current Karting Australia License. Non-Licensed participants in come and try days are not eligible for personal accident insurance.



DEALER TRADE LICENCES

The Dealer Trade License ('DTL') is designed to assist with introducing potential new participants ('New Drivers') to the sport of karting under controlled conditions.

Dealer Trade License Activities may **only** be organised by the holder of a current DTL as a stand-alone activity at a Karting Australia licensed Race Track.

Only those with registered business names associated with karting and current operational businesses within the karting industry are eligible to apply.

Holders of a Dealer Trade License are required to hold and maintain their own current Public Liability insurance cover with a minimum policy limit of \$10,000,000 and supply a Certificate of Currency with their DTL application form to Karting Australia.

The holder of a Dealer Trade License must have proof of their license available at all times while conducting a Dealer Trade License Activity.

Procedures for Dealer Trade License

Recording of New Drivers

The holder of the Dealer Trade License must complete a Karting Australia sign-on sheet containing the details and number of laps completed by a New Driver throughout the day. This sheet, along with the indemnity forms must be forwarded to Karting Australia National Office within Seven (7) days of the activity

Supervision

A Dealer Trade License holder must directly supervise all Dealer Trade License Activities and must be present at the Race Track Area at all times when a Dealer Trade License Activity is in progress

Permitted Karts

Please refer to the Karting Australia Manual (Class Rules) for any age restrictions within each Karting Category and/or Class.

Please note: New Drivers over the age of 15 years ('Senior') are not permitted to drive a kart with an engine that is more powerful than 125cc - Restricted or an Endurance kart as designated in the Karting Australia Manual.

Preparations

New Drivers must be given a briefing on kart driving and circuit safety (including Flag Signals as detailed in the Karting Australia Manual) immediately prior to the start of the Come and Try Activity.

New Drivers must be given a briefing on kart driving and circuit safety (including Flag Signals as detailed in the Karting Australia Manual) immediately prior to the start of the Come and Try Activity.



Apparel

Drivers must at all times when on the Race Track be wearing racing apparel that complies with Karting Australia rules. This means:

- Full face Helmet with visor,
- One piece driving suit with long sleeves and trousers;
- Gloves that resist abrasion and provide full finger protection
- Closed shoes.

Hair

Long hair must be securely retained either with a hair net, hood, balaclava or driving suit at all times.

If required, New Drivers must read and have explained to them the wording of the Indemnity form provided. New Drivers must acknowledge the terms and conditions of the indemnity must sign the indemnity form before being permitted to drive a kart.

If a New Driver is under 18 years of age, the New Driver and his or her guardian must both sign the indemnity form before the New Driver is permitted to drive a kart.

Karts on the Track

The number of karts permitted to drive on the Race Track at the same time is limited to a maximum of 25% of the Track Density.

Drivers must stay approximately 50 metres from the kart in front of them unless they slow significantly or stop in which case they may be overtaken.

When leaving the out-grid drivers must leave in a controlled manner under the direction of an official.

Weaving across the track and sudden changes of direction are not permitted.

When exiting the track or if the driver is slowing and has an issue on the track they should raise their hand so that the driver behind can clearly see that they are not continuing as normal.

If a driver spins out or stops on the race track and cannot restart the kart they must get out of your kart when safe to do so and move to a place of safety. They must keep all safety apparel (including the helmet) on until they return to the pits.

Senior and Junior/Cadet (9 and 12) aged New Drivers are not permitted to be on the Race Track at the same time. Cadet (9 and 12) aged New Drivers are permitted to be on the Race Track at the same time.

Karting Australia licensed drivers are not permitted to be on the Race Track at the same time as New Drivers.

Personal Accident Insurance for Dealer Trade License Activities

Karting Australia Personal Accident Insurance only provides cover to participants who hold a current Karting Australia License. Non-Licensed participants in dealer trade license activities are not eligible for personal accident insurance.



IMPORTANT INFORMATION

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 or reinstate a contract of general insurance.

Your duty, however, does not require disclosure of a matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that your insurer knows 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 statement

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce his 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.

Please note: The disclosure is especially important in matters relating to the physical risk, past claims, cancellations of insurance covers, the imposition of increased premiums etc. and any matters that might affect the acceptance of the risk (such as insolvency or criminal convictions).

Your duty of disclosure must be taken seriously as it may affect your right to claim. Disclosure is not limited to matters applying to the insured named in the policy but includes other past businesses or private insurances.

Average Clause

Under insurance

Many policies contain a co-insurance (or average) provision whereby you may be required to bear a ratable proportion of the loss in the event that the sum insured is less than the value of the insured property at the commencement of the insurance. Sums insured should be such as to ensure you are not penalised by this provision.



Hold Harmless Agreements

You will prejudice your rights of a claim if, without prior agreement from your insurer, you make any agreement that may prevent the insurer from recovering the loss from a third party.

These 'hold harmless' clauses are often found in leases, in maintenance or supply contracts (e.g. from burglar alarm or fire protection installers), building or repair contracts and sales agreements. If you are in doubt consult us.

This notification requirement applies to all Property insurances and also to Public Liability insurance. It has a special connotation in Products Liability where you must not without the insurer's agreement, indemnify or hold a supplier harmless.

Interested Parties

If you require the interest of any additional parties to be covered you **MUST** request this. Most policy conditions will exclude indemnity to other parties (e.g. mortgagees, lessors, principals etc.) unless their interest is properly noted on the policy. Please contact your nearest Arthur J Gallagher office if you require a Certificate of Insurance with an interested party noted.

Utmost good faith

Insurance contracts are subject to the doctrine of Utmost Good Faith and this is part of the law. Both parties must strictly adhere to Utmost Good Faith and if you fail to do so, you may prejudice any claim.

Change of Risk/Circumstances

It is our duty as brokers to give you sound professional advice, but that advice can only be sound and valid if we are kept properly informed of changes and developments to your business or circumstances.

It is imperative you advise us of location changes, of new business activities, radical departure from your normal form of business or change in products as such have a tremendous bearing on the adequacy of your insurance program. Your insurers have assessed and accepted your risks on the basis of information given - any variation of those details could lead to an uninsured loss if they are not disclosed.

For example, an insurer may well accept an engineering risk but no longer give cover if a woodworking activity is entered into. In liability insurance, underwriters must be informed if the nature of your business changes and, specifically in Products Liability, if your product range changes or you are involved in products not previously made known to underwriters. In Personal Accident insurance, a change in occupation could prejudice your cover.

In order to ensure proper protection, please consult with us if you are in doubt as to whether an insurer should or should not be told of certain changes. We would rather give you the extra service by answering those queries, than allow you to take the risk of losing your proper protection under your insurance policies.



Privacy Statement

Who does this Privacy Statement apply to?

This Privacy Statement applies to the following entities: Arthur J. Gallagher & Co (Aus) Limited, Arthur J. Gallagher (Aus) Pty Ltd, Arthur J. Gallagher (Life Solutions) Limited and Specialised Broking Associates Pty Ltd, collectively referred to as Arthur J. Gallagher in this document.

In this document the words 'we', 'our' and 'us' are used to refer to Arthur J. Gallagher. 'You' and 'your' refer to you as the person whose personal information Arthur J. Gallagher may collect and maintain.

Why is it important?

We recognise the importance of your privacy and will protect your personal information. In some circumstances external organisations may also hold information about you on our behalf so that they can provide services to Arthur J. Gallagher. The Australian Privacy Principles (APPs) govern the way we collect, use, handle, disclose and secure information about you. All companies within Arthur J. Gallagher are subject to the APPs as set out in the Privacy Amendment (Enhancing Privacy Protection) Act 2012 (Cth).

What does it cover?

Access to your information

The APPs permit you access to the information we hold about you in order to correct or update it.

How and why we collect your personal information

We collect 'personal information' specific to, and required for, the services and products that we provide to our clients. The personal information we collect and maintain may comprise of your:

- name
- address
- contact details
- information relating to your business, and/or
- information about other parties that you may or intend to conduct business with

For some products and services we may also collect and maintain 'sensitive information'. This may include:

- health information
- genetic information
- biometric information
- religious beliefs or affiliations
- membership of a professional or trade association
- membership of a trade union, and/or
- any criminal convictions

We will obtain your consent prior to collecting and maintaining any 'sensitive information' about you, unless the collection of this information is required or authorised under Australian law (i.e. it is required by a court/tribunal order).



Arthur J. Gallagher collects information either directly from you or indirectly from third parties. For example, we may obtain personal information from third parties such as:

- past insurers
- premium funders
- other service providers, and/or
- publically available sources

The information collected allows us to:

- analyse risks
- properly administer your claims or claims brought against you
- provide insurance, financial and investment advice
- arrange and place insurance cover
- facilitate the payment of funds owing to insurers, and/or
- initiate and maintain your and/or your employee's membership of relevant organisations (such as superannuation funds or industry associations)

We collect information from the www.ajg.com.au site using server logs and Google Analytics. When you visit the site to read, browse or download information, the system will record/log your IP address (the address which identifies your computer on the internet and which is automatically recognised by our web server), date and time of your visit to the site, the pages viewed and any information downloaded. This information will only be used for the purpose of site analysis and to help us offer you improved online service. We may automatically collect non-personal information about you such as the type of internet browsers you use or the site from which you linked to our websites. You cannot be identified from this information and it is only used to assist us in providing an effective service on our websites.

What happens if you do not provide Arthur J. Gallagher with access to your personal information?

If the information required is not provided, Arthur J. Gallagher or any third party suppliers may not be able to provide the services you require.

How we may disclose your personal information

Disclosure of your personal information to third parties in Australia

We may seek the services of relevant third party suppliers (e.g. insurers, agents, loss adjusters, risk managers, investment managers, external administrators, mail-houses etc.) to carry out specialised activities. Some of these third parties are appointed by Arthur J. Gallagher to perform specific tasks on a case-by-case basis; others provide insurance and financial services to you as recommended by us.

Where your personal information is provided to these third parties to enable them to perform their agreed activities, they are required to abide by the APPs and use the personal information provided for the sole purpose of supplying their specific services.



Disclosure of your personal information to third parties overseas

On some occasions we may also need to disclose your personal information to overseas third parties, including some insurers, underwriting agencies and insurance brokers. In particular this may include related parties such as subsidiaries of our ultimate parent company, Arthur J. Gallagher & Co., in the United States of America, United Kingdom, New Zealand, Singapore or India to assist in providing our services to you.

Prior to disclosing your personal information to other overseas recipients we will confirm the location of the overseas third party to you and seek your specific consent. We will also take reasonable steps to ensure the overseas third party uses the personal information for the purpose intended and does not breach the APPs.

Disclosure of your personal information required by law

We may also be required by law to disclose your personal information, such as when we are required to comply with a subpoena, warrant or other legal process.

Security of your personal information

Arthur J. Gallagher will take steps as are reasonable in the circumstances to protect any personal information that we hold from misuse, interference and loss, and to protect it from unauthorised access, modification and disclosure.

Arthur J. Gallagher's premises throughout Australia maintain physical security over paper files, electronic data stores and other records. We also maintain computer and network security, such as user identifiers and passwords to control access to computer systems where personal information is stored.

Your rights regarding your personal information

Contacting us about access and correction of your personal information

We will take reasonable steps to ensure the accuracy and completeness of your personal information and to ensure that it is up to date whenever we collect, use or disclose it.

Please contact your local Arthur J. Gallagher office if you:

- would like to access or revise your personal information
- believe that the information we currently have on record is incorrect or incomplete.

Direct marketing and your privacy

We regularly distribute to our clients general information and newsletters regarding Arthur J. Gallagher's products and services. If we believe it may be of interest to you we may, from time to time, supply you with specific information regarding some of our products and services.

We will always provide a simple 'opt-out' option with this kind of correspondence. Alternatively, you may update your preferences by contacting your local Arthur J. Gallagher office.



Privacy Complaints

If you believe that we have not protected your personal information as required under the APPs, and you wish to make a formal complaint about a possible breach, you are able to contact our Risk and Compliance Department on 1800 068 000. You may also email full details of your complaint to privacy@ajg.com.au. Your complaint will be managed via Arthur J. Gallagher's Internal Privacy Complaint Procedure. This Procedure assures you of a timely and accurate response to your complaint.

Any unresolved complaints should be referred to the Privacy Commissioner. For further information on Privacy please visit the Australian Government Office of the Australian Information Commissioner Website at <http://www.oaic.gov.au>.

Changes to our Privacy Statement

We may change our Privacy Statement from time to time. The current version is available on our website located at www.ajg.com.au or you may request that Arthur J. Gallagher provide you with a copy by post, email or other form. We do not charge for this service.