

# Breaking News for AMSA Members "Insurance"

Insurance has to be certainly one of the largest single expense items for shed's and reducing this expense is a major development in AMSA assisting sheds in becoming self-sustaining.

The most common inquiry AMSA receives is on insurance related issues and as most of you know we have been working on obtaining blanket cover for sheds for some time now to minimise the cost to sheds.

Working with Local Community Insurance Services (a division of Jardine Lloyd Thompson Australia) and with the support of QBE Insurance (Australia) Limited we now have the opportunity to assist with insurance cover to members with very significant savings to Sheds.

Our records show that sheds currently pay on average \$1800 plus per year for public liability. Now sheds who elect to join the AMSA as a fully paid member will be included under a blanket Public/Products Liability and Association Liability policy arranged by ASMA for nominated Sheds, this cover will be provided as part of their annual AMSA membership fee.

For sheds who are members of AMSA and do not require this coverage they shall not incur any membership fee, (ie sheds that wish to arrange their own coverage)

The policy will be available from 1st March 2010. For those sheds who want to join the scheme after 1st March, we offer a short term reduced membership for the first year.

One of the major issues in obtaining this cover has been risk management. QBE have recognised the risk management section in Lane Cove Shed's "How to Set up a Shed" manual (by Ruth and Ted) as the interim standard until we finalise an AMSA risk management program for sheds. Therefore all sheds taking out a policy under the AMSA scheme will need to have a copy of this manual. If you do not have a copy already, but you want to join the scheme, we will ensure you receive one with your new policy.

Importantly, our policy now incorporates the much needed option of "Product Liability" an area where most sheds are currently uninsured and are vulnerable due to the nature of the work we do.

The new pricing schedule is as follows, based on shed membership:

<b>0-20 Members = \$18 per member</b>	<b>maximum \$360</b>
<b>20-50 Members = \$16 per member</b>	<b>maximum \$800</b>
<b>50-100 Members = \$14 per member</b>	<b>maximum \$1400</b>
<b>100 plus Members = \$12 per member</b>	

To subscribe for this coverage as an AMSA Member please call AMSA on 1300 550 009.

LCIS also offer a range of other insurance policies including Building and Contents, Fire and Theft, Machinery Breakdown, Glass Breakage as well as Personal Accident and Volunteers Insurance at reduced rates for AMSA Members. For these policies all you have to do is call LCIS on 1300 853 800 and quote your AMSA membership number.

The standard AMSA policy for AMSA members who choose to be part of this scheme includes

## **1. Public & Products Liability**

This is a policy usually requested by all landlord from their tenants and also by any other parties where you are conducting an activity on their premises

It covers bodily injury and or property damage which arises from a occurrence in connection with the business. In this case the business is Men's Shed(s) and related activities.



**LOCAL COMMUNITY  
INSURANCE SERVICES**

## **2. Associations Liability**

Not all legal liabilities arise from bodily injury or property damage. As examples: liabilities arise from discrimination or sexual harassment where there is no physical damage but there is a loss of standing, humiliation, embarrassment suffered by the offended party. This type of loss and other 'management exposures' fall under an Associations Liability insurance policy

### **Cover limits**

#### 1. Public/Products Liability

\$10,000,000 any one event for Public Liability

\$10,000,000 any one event and in the aggregate Products Liability during the policy period

Excess \$100 property damage claims only

#### 2. Association Liability

\$2,000,000 any one event and in the aggregate during the policy period

Excess \$Nil

### **Other options available for AMSA Members from LCIS (at special premiums) are.**

**PROPERTY INSURANCE** This is optional insurance we can work with the various sheds on

#### **1. Fire and Specified events** with an accidental damage component included within the cover

This insurance policy will provide **reinstatement and replacement** cover for buildings, fixtures, fittings, contents and other property of the Club following loss and/or damage resulting from any of the following perils, please note we have included flood cover within this section:

#### **Insured events:**

Fire,  
Lightning,  
Storm, Rainwater, Wind,  
Water discharging or leaking from pipes or apparatus  
(including \$5,000 to locate the source of the damage),  
Sprinkler Leakage,  
Impact by vehicles, animals (except those kept on premises) and falling trees  
(but not following felling or lopping),  
Explosion (excluding to Boilers),  
Earthquake (excess - \$20,000 or 1% of the total sum insured  
whichever is less),  
Impact by Aircraft or other aerial devices,  
Riots and Strikes,  
Vandalism (\$100 excess),  
Flood

#### **Additional Policy benefits:**

Accidental Damage (Limits up to : Buildings \$50,000;Contents 25,000);  
Property Temporarily Removed from the Premises  
(Limit: 10% of sum insured);  
Architects, Surveyors and Legal Fees;  
Rewriting of Records  
(Limit: 10% of the sum insured on Contents or \$50,000 whichever is less);  
Loss of Land Value  
(Limit: \$100,000 and not more than 10% of the Building sum insured);  
Fire Extinguishment Costs (Limit \$25,000)  
Removal of Debris, Temporary Repairs and Temporary Protection  
(Limit \$5,000 unless specifically nominated sum insured is shown);  
Landscaping (Limit \$1,000).

Premium is calculated based on sum insured value and this amount needs to reflect the full replacement value of the assets.

**Burglary**

This insurance policy will provide **Replacement** Cover for Contents of every description following "theft" of such property belonging to the shed at the location of the shed.

**Definitions:**

**"Contents"**: includes furniture, fixtures, tools of trade, movable plant (excluding stock and motor vehicles), machinery and equipment.

**"Stock"**: is all Stock and similar materials but excluding Tobacco, Cigarettes and Cigars unless specifically mentioned.

**"Theft"** : theft or attempted theft following actual forcible entry into the building; theft or attempted theft by a person concealed in the building and exiting after business hours; assault or violence, violent intimidation to your employees where property is taken  
as a consequence;

**Additional Policy benefits:**

Theft without forcible entry covered for electronic equipment to \$2,000

Replacement of Locks (Limit \$2,000)

Employees' Tools, Equipment, Personal Effects and Clothing (Limit \$2,000)

Loss of Negotiable Securities (Limit \$100)

Temporary Protection (Limit \$2,000)

**Major exclusions to cover**

Theft from an open space whether fenced or unfenced which is outside the walls of a building; Money; Premium is calculated based on sum insured. The value insured does not need to reflect the full value of all assets it is a 'first loss' cover the policy will pay up to the limit insured

**Machinery Breakdown**

Loss limit \$5,000

Covers sudden and unforeseen breakdown, does not cover wear and tear.

Excess \$100

One 'flat' premium charge up to 10 machines

**Plate Glass**

Glass forming part of window and doors

Replacement Value of Glass

**PERSONAL ACCIDENT - VOLUNTEERS INSURANCE**

This insurance protects the most important asset of an organisation, the volunteer workers.

The policy will provide Volunteer Workers, Committee Persons, Board Members and all other elected officials with financial compensation should they sustain personal injury whilst working for and on behalf of the Shed. It is important to understand they have to be volunteers working for the organisation and there is a distinction between shed members who simply use the shed to make their own projects and members who work as volunteers.

The policy allows specific payments for death, loss or limbs and permanent and partial disablement and incorporates out of pocket expense

Capital benefit \$50,000

Weekly benefit \$500

Coverage shall be on an annual membership renewal basis, it is important when you subscribe that you are accurate with your shed member numbers, however you do not have to notify us of any new shed members until the end of the membership year as they will be covered under the existing policy. I strongly suggest that you allow for 10 per cent extra.

I am sure you all would agree this is of major benefit to sheds that will dramatically reduce a major component of any sheds operational expense. Thank you all for being so patient with us as we have worked our way through this minefield and thanks to Greg Naulty from LCIS who has assisted us through the process.

NOTE: The above is a summary of the provisions of the policies offered and does not replace the policy wording. Any Shed applying for this insurance must carefully read the wording of the actual policy offered.