



Car Club Liability Insurance Package

Why buy this policy?

Under New Zealand legislation all organisations have legal responsibilities to their members and the public when things go wrong.

This exclusive policy has been tailored to address the very specialised needs of the car club fraternity and through the power of bulk buying as a group is much more affordable than buying as a stand alone cover.

Who can buy this policy?

Any car club which is a member of the NZ Federation of Motoring Clubs Inc.

One of the queries which arose initially with some car clubs was "but our individual members don't need this level cover". We wish to clarify that this is not intended for your individual members but for the club/organisation and its members as a community in the operation and **activity of the club** to cover its various liability exposures inherent in an incorporated society.

(Tip: If you want the cover but are not a member of the FOMC check out their website on <http://www.fomc.org.nz/join.html>. It is easy and cheap to join)

Who is the insurer?

Vero

In 2007 this cover was organised specifically for member clubs of the NZ Federation of Motoring Clubs Inc and provides a tailored package which is comprehensive and very competitively priced.

Page 2 includes a summary which includes optional extras so that you can tailor the coverage specifically for the needs of your Club.

Policy Summary

Association Liability

Under this particular policy, these are automatic extensions at no additional premium and they are:

- **Fidelity Guarantee**– this will indemnify the entity in the event that an officer or director or executive member steals money from club funds.
- **Accidental Death Benefit** – this covers the death of any officer.
- **Publicity** – this will cover the costs associated with Media coverage as a PR exercise.
- **Registration Decision** – if the Federation of Motoring decides to de-register a member and the club needs to have legal representation to defend its registration.
- **Loss of Documentation** – sometimes documents within the club can be of some value such as memorabilia, etc and it will cover the costs associated with the loss of those documents caused by the officers of the club. Please note that this is not only physical loss but also the associated costs of that loss.
- **Forest & Rural Fires Act** – if you have a club BBQ and the BBQ flame spreads into a dry paddock and fire ensues then the entity can be fined.
- **Punitive & Exemplary Damages** – Should the club or entity be grossly negligent and the court awards damages over and above the liability claim then there is an additional cover available.
- **Crisis Loss** – In the event that there is a major issue due to the negligence of the club then it will pay an additional \$25,000 to cover the financial loss associated with that issue. Please note that **neither the Broadform Liability nor a Domestic liability policy will cover you for financial losses.**
- **Broadform Liability insurance** – as mentioned earlier, the Broadform Liability policy will cover the financial costs should there be accidental damage to some other party's property. There are extensions to a Broadform Liability policy and they are Product Liability, Bailees Liability, Defective Design Liability, Forest & Rural Fires Act, Landlord's Liability, Motor Repair and Storage Liability, Product Withdrawal Costs, Pollution Liability, Tenant's Liability, Welding Gas Cutting & Burning Off Liability. There are other extensions to the liability policy which are given automatically but we have not detailed them here as they have no real relevance to the car club's operation. However, I do wish to point out two areas which I believe could be relevant to your needs:
 - a) **Motor repair and storage liability** – if a club member does work on another person's vehicle and as a result of that repair there is damage to somebody else's property then the policy will pay for that damage. The actual damage to the member's car is not covered, but damage to other parties' vehicles/property as a consequence will be covered.

- b) **Damage to vehicles left in control of the club** officials at various shows etc. There may be no insurance if the vehicle is moved under its own power by the club members.
- c) **Product Liability** – this will cover you for damage caused to third party property in connection with the products that you sell. Thus if you sell motor vehicle spare parts, it is most important when organising Public Liability insurance that there is a declaration to the effect that you are selling spare parts for motor vehicles. Otherwise the insurer could have every right of declining right of liability on the basis that you did not disclose the fact that you are selling spare parts.

Optional Extras:

- Increased Limits can be purchased for a reasonable additional premium. As an example several clubs have elected increased limits for Public Liability of \$2 million and \$5 million in keeping with the requirements of certain venues. The increased limit option also extends to the Fire Service Liability cover.
- Club Insurance for Non-Registered Vehicles

To purchase these covers as a stand alone club the price is naturally more expensive. Due to the bulk buying power of the NZ Federation of Motoring Clubs Inc we have negotiated a premium which is exceptional value and provides a high level of protection to your club and its officers.

In the event that you wish to purchase the cover or to know more please about it, phone us to discuss.

Phone 09 827 7266

insure@barley.co.nz

PO Box 1412, Shortland Street, Auckland 1140
1/5 Willerton Avenue, New Lynn, Auckland 0612