INSURANCE
ONE SIZE DOES NOT FIT ALL!
THIS PRESENTATION

• Give you a greater understanding of insurance
• Back to basics
• Prove existence of risk
• Prove the necessity of insurance
• Give some information of a new product available
IT WILL NOT HAPPEN
INSURANCE

• All seen the commercials.
• Drive cardboard cars.
• Live in cardboard houses.
• Better get cover when I see someone else have a claim.
• The price is right!! Compare the lowest.
• Pride on being completely online, no people.
• All these are acting in the company’s best interest and not yours.
ONE SIZE DOES NOT FIT ALL
RISK!

• Risk is all around us!

• Three ways to handle risk:

  1. Retain
  2. Avoid
  3. Transfer
WHAT IS INSURANCE REALLY? AND WHY DO I NEED IT?

• Spread of risk for like entities to protect against a loss.

• Financial security.

• Designed to put a person or company back to same financial position as before a loss.
HOW INSURANCE STARTED
ISN’T INSURANCE JUST GLORIFIED GAMBLING

• There are some similarities to bookies
• Look at the odds of a loss occurring
• Lay off some risk

Insurance –

• Likelihood or not likely of loss
• Claims history
• Person/people in control of property/business
• Risk Management or improvement activities
BOOKIES AT THE RACES
UNDER INSURANCE

• Policies contain a clause called average Co-Insurance.
• Values declared to rebuild/ not what building is worth.
• Building to rebuild cost $2,000,000. Insured for $1,000,000. Claim/loss & $500,000.
  Insured for half rebuild cost.
  Only get $250,000
DISCLOSURE

- Never had a loss/ speeding ticket, licence suspension.
- Insurance never cancelled for non-payment.
- Wrong description of property.
- Change in risk during policy period.
- Always notify broker/ insurer so policy is not cancelled/ claim amounts are not reduced/ claim denied and not paid.
FINE PRINT

• Exclusions – “what we will not pay for”
• Basis of settlement – how we will pay.
• Must use insurer repairer or contractor.
• 60% of most policy wording relate to these.
• Last year Financial Services Ombudsman received over 8000 complaints against insurers – (Brokers 200)
THERE'S NO ACCOUNTING FOR STUPIDITY
YOU GET WHAT YOU PAY FOR
INSURANCE

• Insure for what you can’t afford to lose.
• Look for extensions/ additional covers.
• Insure for real value.
• Disclose, if in doubt ask or tell insurer.
• Does best price = Best cover?
• Take photos of insured items or when an accident occurs - can’t argue with a photo.
THE GOOD

• Marina efforts to save boats
• Saved Insurers $$$
• Industry and Insurers to explore future assistance
THE BAD

• Some marinas under prepared
• Significant claims costs to insurers $$$
• Industry and Insurers to explore future assistance including training
THE UGLY

• Damage caused by boats coming off swing moorings
• Inconsistent service approach to ensure safety
• Industry and Insurers to continue to work with Government Authorities to find solution
<table>
<thead>
<tr>
<th>Construction Site Risks</th>
<th>Marina Site Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Multiple Tradesman</td>
<td>• Storage of Boats</td>
</tr>
<tr>
<td>• Work at heights</td>
<td>• Members of the Public</td>
</tr>
<tr>
<td>• Heavy Machinery</td>
<td></td>
</tr>
<tr>
<td>• Storage and use of chemicals</td>
<td></td>
</tr>
<tr>
<td>• Hazardous activities</td>
<td></td>
</tr>
</tbody>
</table>
MANAGING RISK

**Boats stored in your care**
- Marina Berthing Agreements
- Security / Fire protection
- Clear passage for vessel exit and entry
- Secure Lines

- Your Public Liability insurance
MANAGING RISK

Boats that you move
• Marina Berthing Agreements
• Clear passage for vessel exit and entry
• Capable skippers

• Your Public Liability insurance
Visitors to the marina

- Restricted areas of access
- Signage
- Evacuation procedures

- Your Public Liability Insurance
MANAGING RISK

**Tradesman**
- Site induction (rules and procedures)
- Their Public Liability Insurance
- Their Workers Compensation Insurance
- Their Personal Accident Insurance (when not covered by Workers Compensation)

- Your Public Liability Insurance
Marine Industry Personal Accident Insurance

- Designed for sole trader contractors who cannot buy Workers Compensation Insurance
- Cost from $455 including all charges
- Obtain Supply of Fliers from IC Frith Stand
The End

Questions?