

## Club General Insurance Program – All Racing Codes

### Introduction

The Tasracing insurance program provides the benefits of consolidation and pooling to clubs in that it allows for economies of scale and therefore lower premiums. It also allows for the scale to be utilised to enhance the policies and provide broader coverage than that which would be available to clubs on a standalone basis.

The following discussion is focussed upon the General Insurance program as Workers Compensation Insurance is covered in detail elsewhere, in a dedicated section on this website.

### Policy Coverage

Tasracing has insurance coverage for the racing industry across the following policy areas:

- Industrial Special Risks\*\*
- Public & Products Liability\*\*
- Personal Accident
- Directors & Officers Liability\*\*
- Motor Vehicle & Mobile Plant
- Corporate Travel
- Cyber Insurance

\*\* Denotes that a portion of these policies are on-charged to clubs based upon a range of financial measurements. Additionally, as harness clubs are already covered by the HRA public liability policy they will not receive a charge for this public liability policy that covers the remainder of the industry.

### Insurance Invoices – Annual Reimbursement Process

The insurance year for general insurance coverage ends on 31 October so the commencement of activity related to determining a club's share of these insurances for the current year will not commence until early in that month and the process is outlined as follows:

- Tasracing to write to all clubs requesting financial statements for the financial or racing year just completed (audited where required)
- Club share of the relevant policies is determined based upon the key revenue and asset figures contained within the annual reports
- Letters issued to clubs with invoices seeking reimbursement of the determined amount – the timing will usually be around December each year.

It should be noted that each club invoice will stipulate the amount of each component of the insurance broken down by policy type as follows:

- Industrial Special Risks
- Management, Directors & Officers Liability
- Public & Products Liability
- Club Insurance Excess Contribution



## **Claims Process**

Should you have a claim or become aware of any circumstances which may give rise to a claim, please contact Tasracing and Gow-Gates immediately. Any required claim documentation would then be forwarded as necessary for completion.

## **Current Insurance Market Climate**

Tasracing has experienced significant premium increases in recent years and this is unfortunately expected to continue in the short term. Three factors have contributed significantly to this increase. Firstly, the property insurance market has suffered significant losses in recent years. Global catastrophic events have caused significant claims, running into the billions of dollars. Australia and in fact Tasmania have not been immune from such major claim events. This has led to property insurance premiums increasing across the board. Secondly and in combination with the above, Tasracing's property insurance policy has experienced its own claims in recent years which have impacted on the premiums. Finally, when interest rates are low, insurers cannot rely on investments to offset unprofitable underwriting results. As a result, it means that Insurers have to look to underwriting profitability which means higher premiums, stricter underwriting, and being more selective with the risks they choose to accept.

## **Club Insurance Excess Contribution**

Tasracing advised in April 2019 of the introduction of a club insurance excess policy. Under this scheme Tasracing will reimburse a club all but \$2,000 of any insurance excess that becomes payable because of a claim. However, it was considered reasonable that all clubs should contribute \$100 per year under this arrangement and this is included as a line item on the annual insurance invoice.

## **Certificates of Currency**

At present if you need a certificate of currency you should contact Robbie Lehman on 6212 9326 or via email: [r.lehman@tasracing.com.au](mailto:r.lehman@tasracing.com.au) We are currently working with the broker on providing the functionality to make these available on a secure website so they can be accessed as required by all clubs.

