



Insurance Update

Bronia Henty-Smith | 18/03/2023



Gallagher

Insurance | Risk Management | Consulting

The Gallagher Way of doing business

Times change, ethics don't

As proud as we are of our growth, we're more proud that we've been able to maintain Gallagher's unique culture as we move into new markets and new lines. It's a culture of ethics and service. One of collaboration in a common interest – the best interest of every client, everywhere. And it's summed up in the 25 shared values we call The Gallagher Way.



We don't just pay lip service to this, either. Gallagher is proud to have been recognised as one of the World's Most Ethical Companies by the Ethisphere® Institute for ten consecutive years from 2012-22.

THE GALLAGHER WAY

Shared Values at Gallagher are the rock foundation of the Company and our Culture. **What is a Shared Value?** These are concepts that the vast majority of the movers and shakers in the Company passionately adhere to. **What are some of Gallagher's Shared Values?**

1. We are a sales and marketing company dedicated to providing excellence in risk management services to our clients.
 2. We support one another. We believe in one another. We acknowledge and respect the ability of one another.
 3. We push for professional excellence.
 4. We can all improve and learn from one another.
 5. There are no second-class citizens—everyone is important and everyone's job is important.
 6. We're an open society.
 7. Empathy for the other person is not a weakness.
 8. Suspicion breeds more suspicion. To trust and be trusted is vital.
 9. Leaders need followers. How leaders treat followers has a direct impact on the effectiveness of the leader.
 10. Interpersonal business relationships should be built.
 11. We all need one another. We are all cogs in a wheel.
 12. No department or person is an island.
 13. Professional courtesy is expected.
 14. Never ask someone to do something you wouldn't do yourself.
 15. I consider myself support for our sales and marketing. We can't make things happen without each other. We are a team.
 16. Loyalty and respect are earned—not dictated.
 17. Fear is a turnoff.
 18. People skills are very important at Arthur J. Gallagher & Co.
 19. We're a very competitive and aggressive company.
 20. We run to problems—not away from them.
 21. We adhere to the highest standards of moral and ethical behavior.
 22. People work harder and are more effective when they're turned on—not turned off.
 23. We are a warm, close company. This is a strength—not a weakness.
 24. We must continue building a professional company—together—as a team.
 25. Shared values can be altered with circumstances—but carefully and with tact and consideration for one another's needs.
- When accepted Shared Values are changed or challenged, the emotional impact and negative feelings can damage the Company.

ROBERT E. GALLAGHER
MAY 1984



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Why Gallagher?

- Over 15 years' experience managing the insurance needs of country agricultural show societies
- Currently managing show society schemes in SA, TAS and VIC
- Regional presence across all States and Territories
- Understand unique regional dynamics





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Weather related exposures & insurance concerns



Flooding

197,000 Claims - \$ 3.35b (NSW & QLD 22)
86.4% Property, Motor 13%, Other .6%



Bushfires

2019 + 2020 - \$8.9b



Storm/Hail

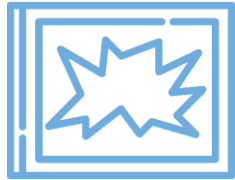
2020 – 2021 - \$3.1b



Remote Locations



Weather related exposures & insurance concerns



General working losses



Reduced insurer capacity and appetite



Escalating claims costs



Island risks



Underinsurance

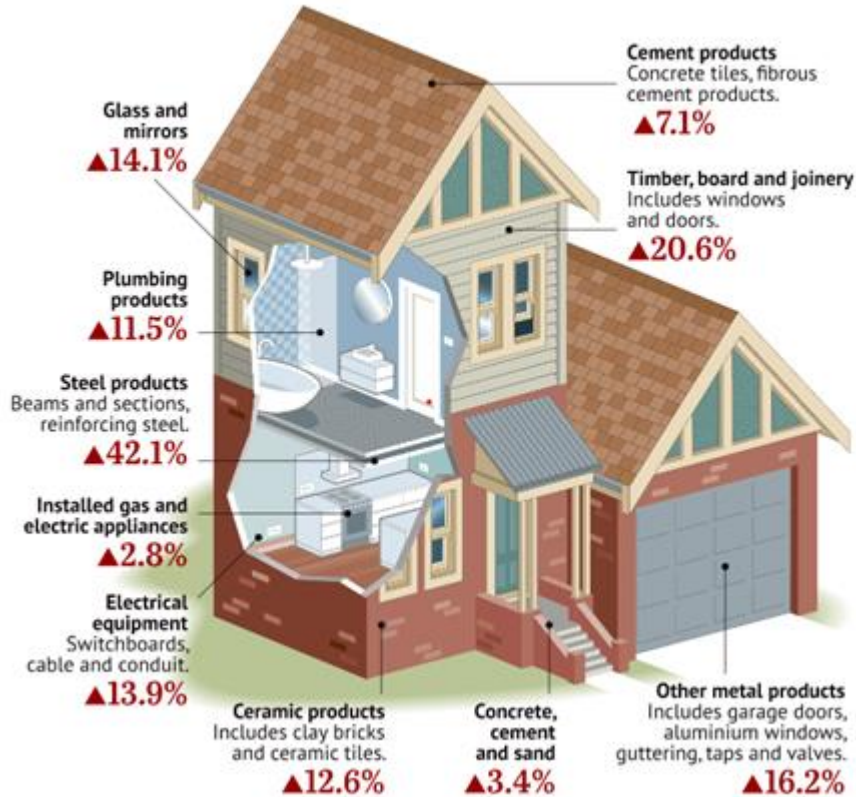
QLD Ag Shows Insurance Scheme

- Bulk Buying Capability is only as strong as the participation
- Limited Insurers interested in quoting
- Large Claims equates to bigger excesses to reduce insurer losses
- Claims paid in the past 4 years in excess of \$800,000
- Majority of claims are storm or flood related
- Excess increased to \$100,000 on Storm and Flood cover removed
e.g. one storm front knocks out a few towns, the Excess is **shared**
- Standard Excess increased to \$10,000 for all other claims

- Unfortunately there isn't an EVERYTHING Policy

Under Insurance Issues

How inflation is blowing out your building cost



- Have you thought about your sums insured
- Did you previously have materials/contents donated?
- Would you rebuild if disaster struck? Or clap and cheer?
- Are you insuring everything?
- Do you have asbestos in your buildings?
- Are your buildings well maintained?

Hospitality, Leisure, Adventure.....
.....all under pressure



Recent High Profile Claims

- Tasmania Jumping Castle Tragedy – 6 children killed and 3 injured
- Tapp v Australian Bushmen's Campdraft & Rodeo Association
- \$6.75m

Claim Trends

- Mental Anguish, Worker to Worker, No Win/No Fee Litigation Costs

Rodeo/Campdraft

Cover is in place for Campdrafts but all RODEO events must be placed through one of the relevant associations. i.e ABCRA, NRA, APRA etc. to cover inside the arena. This exclusion also includes bull rides and mechanical bulls





Motorsport Events

- As claims continue to escalate for these activities it is becoming more difficult for Insurers to agree to cover the participation risk associated with these events
- Demolition Derbies and Lawn Mower Racing can now be covered with the new insurer however must be run under the approved Gallagher/SLE rules and regulations
- There are several motorsport sanctioning bodies that can provide cover/permits for all other motorsport events (AASA, RACERS, National Association of Speedway Racing)





Jumping Castles/Inflatables

The public liability insurer will not cover the liability associated with jumping castles or any other inflatables. These must be insured separately if owned by the society or covered by the third party contractor





Participation

- Previously the Public Liability policy did NOT cover the risks associated with participation. Following the change in insurer this year we now have participation cover included and a full list of activities which confirm which activities do and don't cover the participant
- Prohibited activities for all shows are:
 - Calf riding
 - Calf Scruffing or Chute Dogging
 - Goat Racing
 - Greasy Pig
 - Mutton Busting
- The full participation listing was provided at renewal along with a new Risk Management Manual for societies to use as a reference guide when creating their own Manuals

Activity	PARTICIPATION LISTING			Comments
	Participation Included	Participation Excluded	No cover	
Ag Ext Programs	1			Will need to exclude abuse if any interaction with animals
Apaloo	1			
Apaloo Young Judges	1			
Animal Nursery	1			
Announcers	1			unless otherwise insured
Aquaculture Beekeeping	1			
Art/Crafts	1			
Bahama Competition Or Exhibit	1			
Barista Competition	1			
Blacksmith Competition Or Exhibit	1			
Bulldoz Or Competes		1		Various liability
Caged Birds Or Poultry	1			
Calf Riding			1	Prohibited
Calf Scruffing Or Chute Dogging			1	Prohibited
Canoe/Kayak	1	1		
Camping	1			
Canine incl Dog Trials And Jumping	1			
Cats	1			
Cattle beef	1			
Chainsaw	1			
Circus		1		Various liability
Citizens	1			Various liability
Cookery	1			Various liability
Cook Kits Or Food Demonstrations	1			
Cow Milking	1			
Curling Competitions	1			
Dairy cattle	1			
Dairy Cattle Young Judges	1			
Dairy Cattle Young Paradees	1			
Dance Groups	1			
Dark Risk Fruit Cake	1			
Demolition Derby	1			subject to approved rules and regs
Dog Jumping	1			
Electronics	1			
Equestrian hack ridden led novelty	1			Various liability only
Equestrian show jumping	1			





Waivers and Contracts

- Waiver Protection
- Contractual Obligations
- Security Contracts
- Interested Party requirements
- Contractors – insurance
- Waivers are not required to be completed for Pavilion events such as photography, cooking, horticulture etc.
- Waiver is located in the Risk Management Manual





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Hall Hire

This cover is designed for those societies that own their grounds and hire out the facilities to third parties for private events such as birthdays, weddings, reunions etc.

Events excluded: paid events, fundraisers, commercial hires, 18th and 21st birthdays, B & S Balls, Bucks and Doe Shows

Premium is charged on an adhoc basis to the society. However if you conduct regular private hires we can obtain an annual additional premium rather than contact us prior to each hire. Premium per hire is \$90.09



Cyber Security Threats

“Tailem Bend Netball Club the target of a false billing cyberscam”

“Our insurance company told us it was social engineered theft and they believed parties who intercepted the funds tracked our upgrade process through social media .. It’s quite scary”



“We received a grant for a new building and when we paid the contractor it went to a hacker as the bank account details had been changed – we didn’t verify these before paying”

Employee/Volunteer Training

- Policies and Procedures
- Download education
- Device management - encryption
- Social engineering (human error)
- Passwords
- Reporting breaches
- Separation of Duties



And now for something completely different

Making insurance fun

Prize Indemnity Insurance

Ever wondered how businesses could afford to offer chances to win cars or holidays etc.?

You can insure it!!

What a perfect way to get more patrons through your gates



It has to be a game of chance and not a guaranteed win





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Thank you!

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