

## Healthy Kids Association Insurance Case Study

### Profile of our Parents Association:

- From a school based in Sydney
- We have 250 students at our school
- We operate a canteen and a uniform store
- We have a fete each year as well as various bbq's and trivia nights to raise funds
- We conduct before and after school activities
- We operate our own OOSH
- We have up to 5 tutors come to the school for both reading and music
- Annually we can have at sometimes up to \$125,000 in our bank account

### Review of Our Insurance Needs *(N.B Summary only you need to refer to the policy documents for all of the terms and conditions of each)*

	Health Kids / Community Underwriting P & C Insurance Package	P & C Federation
<p><b>Public and Products Liability Insurance</b></p> <p>The Association or its members and volunteers may be held liable if a third party takes an action against us for personal injury or damage to their property</p>	<ul style="list-style-type: none"> <li>• Included as part of the P &amp; C Essentials Package through Healthy Kids Association</li> <li>• \$50,000,000 limit</li> <li>• Total package premium = \$700</li> <li>• Reduced premium if we take liability insurance through the Federation facility = \$458</li> <li>• Fete's, bbq's cake stalls are automatically included without any requirement for notification</li> <li>• OOSH, before and after care activities and vacation care can all be included for a flat additional premium of \$140</li> <li>• Tutors are automatically included for \$50m</li> <li>• Excess Nil</li> <li>• Sublimit for property of others in your care custody or control \$250,000</li> <li>• Molestation cover \$1m</li> </ul>	<ul style="list-style-type: none"> <li>• Included as part of the annual membership with the Federation</li> <li>• \$50,000,000 limit</li> <li>• Membership fee of \$347</li> <li>• Membership fee does not reduce if we elect to take liability insurance elsewhere</li> <li>• Fete's bbq's, cake stalls included but requirement to submit an event form 14 days prior to any P &amp; C Association event</li> <li>• Include OOSH \$267</li> <li>• Include before and after care activities \$160</li> <li>• Include vacation care \$0.85c per child per day</li> <li>• Tutors can be included for \$30m cover - \$213</li> <li>• Excess Nil</li> <li>• Sublimit for property of others in your care custody and control \$500,000</li> <li>• Molestation cover \$1m</li> </ul>

<p><b>Property Insurance</b></p> <p>We have canteen stock, uniforms and some general equipment owned by the P &amp; C that we want to protect against fire, storm damage or a break in at the school – estimated replacement cost is \$30,000.</p> <p>At the beginning of school terms and at various fund raising events for a short time we have higher amounts of stock and/or contents than normal.</p> <p>We sometimes have the personal effects of P &amp; C Members taken to P &amp; C activities or on loan such as tools for working bees / tables and cupboards for fetes etc.</p>	<ul style="list-style-type: none"> <li>• Included as part of the P &amp; C Essentials Package</li> <li>• \$5,000 cover for damage to property included in Total Package Premium</li> <li>• Additional premium \$279 to increase cover to \$30,000</li> <li>• \$100 excess each and every claim (\$250 for property in the open air)</li> <li>• Sum insured for stock and contents is automatically increased by 50% for a period of 60 days commencing 30 days prior to the start of summer and winter school terms and/or any fete, art and craft show or fund raising event</li> <li>• Option to pay additional premium to increase</li> <li>• Includes cover for members and volunteers to a maximum of \$5,000 any one person and \$20,000 in all</li> </ul>	<ul style="list-style-type: none"> <li>• Purchase the Federation Standard Package in addition to membership fee</li> <li>• \$5,000 cover combined limit for property and /or cash included for \$380 annual premium</li> <li>• Additional premium \$420 to increase cover to \$30,000</li> <li>• \$100 excess but increasing to \$250 for a second claim and 3+ claims increase to \$400 (Sums insured in excess of \$1,000 have a \$450 excess)</li> <li>• Sums insured for stock increase by 50% 60 days before Christmas, 42 days before Good Friday or 42 days before any event where you can demonstrate that stock levels abnormally increase by 20%</li> <li>• Option to pay additional premium for temporary increases</li> <li>• Includes cover for members up to a maximum of \$500 (excluding cash)</li> </ul>
<p><b>Business Interruption</b></p> <p>We may incur some unplanned costs if the canteen or uniform shop was damaged by a fire or a storm. We might have to hire temporary buildings, pay overtime or pay to express freight new stock to restart operations</p>	<ul style="list-style-type: none"> <li>• Included as part of the P &amp; C Essentials Package</li> <li>• Included in Total Package Premium</li> <li>• \$5,000 cover for extra costs necessary following a property insurance loss or damage to the School</li> </ul>	<ul style="list-style-type: none"> <li>• No mention of coverage in the Cash &amp; Property Placing Schedule</li> </ul>

<p><b>Cash, Funds and Investments</b></p> <p>We raise money through membership fees, our canteen and uniform shop as well as general fund raising and our annual event.</p> <p>At the beginning of school terms and at various fund raising events for a short time we have higher amounts of cash than normal.</p> <p>Whilst we have strong controls in place we can have up to \$125,000 or more in the bank / in investments that potentially is accessible by office bearers, employees and volunteers</p>	<ul style="list-style-type: none"> <li>• Money cover included as part of the P &amp; C Essentials Package</li> <li>• Included in Total Package Premium</li> <li>• \$2,000 cover</li> <li>• \$100 excess each and every claim</li>   <li>• Sum insured automatically increased to \$20,000 any one loss for school fetes / events provided money is banked within 48 hours</li> <li>• Option to pay additional premium to increase</li>   <li>• Fraudulent Acts of Insured Persons included as part of the P &amp; C Essentials Package</li> <li>• No additional premium automatically included in Total Package Premium</li> <li>• \$50,000 cover</li> <li>• \$250 excess</li> </ul>	<ul style="list-style-type: none"> <li>• Money cover included as part of the Standard Package</li> <li>• Included in Package Premium</li> <li>• \$4,000 cover combined limit with property</li> <li>• \$100 excess but increasing to \$250 for a second claim and 3+ claims increase to \$400</li>   <li>• Sums insured for stock increase by 50% 60 days before Christmas, 42 days before Good Friday or 42 days before any event where you can demonstrate that stock levels abnormally increase by 20%</li> <li>• Option to pay additional premium for temporary increases</li>   <li>• No cover under the Standard Package</li> <li>• Fraud and dishonesty of an employee, member or volunteer available as an additional cover</li> <li>• \$20,000 cover = \$500 additional premium</li> <li>• \$50 excess</li> </ul>
<p><b>Voluntary Workers Personal Accident</b></p> <p>We have volunteers that assist in a broad range of P &amp; C activities that might be permanently injured and/or temporarily unable to work in their normal occupation.</p>	<ul style="list-style-type: none"> <li>• Voluntary workers cover included as part of the P &amp; C Essentials Package</li> <li>• Included in Total Package Premium</li> <li>• Death and capital benefits <ul style="list-style-type: none"> <li>▪ 0 – 10 years \$25,000</li> <li>▪ 10 – 18 years \$25,000</li> <li>▪ 18 – 75 years \$100,000</li> <li>▪ 75 – 85 years \$40,000</li> <li>▪ 85 plus years \$40,000</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Voluntary workers cover included as part of the Standard Package</li> <li>• Included in Package Premium</li> <li>• Death and capital benefits <ul style="list-style-type: none"> <li>▪ 0 – 10 years 0</li> <li>▪ 10 – 18 years \$10,000</li> <li>▪ 18 – 75 years \$60,000</li> <li>▪ 75 – 85 years \$60,000</li> <li>▪ 85 plus years 0</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Loss of earnings 85% up to \$500 per week</li> <li>• Non Medicare Expenses 100% up to \$10,000</li> <li>• Domestic Help costs \$500 up to 52 weeks</li> <li>• Student tutorial costs \$500 up to 52 weeks</li> <li>• Additional benefits including exposure, disappearance, home modification, transportation, funeral expenses, return to work / rehabilitation</li> </ul>	<ul style="list-style-type: none"> <li>• Loss of earnings 85% up to \$500 per week</li> <li>• Non Medicare expenses 85% up to \$2,000</li> <li>• Domestic Help costs \$500 up to 26 weeks</li> <li>• Student tutorial costs \$500 up to 26 weeks</li> <li>• Additional benefits including exposure, disappearance</li> </ul>																																
<p><b>Office Bearers / Directors Liability</b></p> <p>Our office bearers and members may be legally liable for any error, negligence breach of duty, misleading statement or act including actions by an employee or former employee</p>	<ul style="list-style-type: none"> <li>• Full Association liability cover included as part of the P &amp; C Essentials Package</li> <li>• Included in Total Package Premium</li> <li>• Annual financial statement not required to be submitted</li> <li>• \$1,000,000 limit and one automatic reinstatement</li> <li>• Includes employment practices liability</li> <li>• Includes statutory fines and penalties, crisis consultancy expenses, tax audit, professional indemnity</li> </ul>	<ul style="list-style-type: none"> <li>• Directors &amp; Officers liability cover included as part of the Standard Package</li> <li>• Included in Package Premium</li> <li>• Requires submission of annual financial statement</li> <li>• \$1,000,000 limit and one automatic reinstatement</li> <li>• Includes employment practices liability</li> <li>• Can purchase separate association liability coverage to include statutory fines and penalties, tax audit, professional indemnity</li> </ul>																																
<p><b>Premium Summary</b></p>	<p><b><i>Include all covers from P &amp; C Essentials Package:</i></b></p> <table> <tr> <td>Federation Membership Fee</td> <td>\$347</td> </tr> <tr> <td>P &amp; C Essentials Package</td> <td>\$700</td> </tr> <tr> <td>Increase property to \$30,000</td> <td><u>\$279</u></td> </tr> <tr> <td></td> <td>\$1,326</td> </tr> </table> <p><b><i>Exclude Public and Products Liability from P &amp; C Essentials Package:</i></b></p> <table> <tr> <td>Federation Membership Fee</td> <td>\$347</td> </tr> <tr> <td>P &amp; C Essentials Package</td> <td>\$458</td> </tr> <tr> <td>Increase property to \$30,000</td> <td><u>\$279</u></td> </tr> <tr> <td></td> <td>\$1,084</td> </tr> </table>	Federation Membership Fee	\$347	P & C Essentials Package	\$700	Increase property to \$30,000	<u>\$279</u>		\$1,326	Federation Membership Fee	\$347	P & C Essentials Package	\$458	Increase property to \$30,000	<u>\$279</u>		\$1,084	<table> <tr> <td>Federation Membership Fee</td> <td>\$347</td> </tr> <tr> <td>Standard Package</td> <td>\$380</td> </tr> <tr> <td>Increase property to \$30,000</td> <td>\$420</td> </tr> <tr> <td>Include OOSH</td> <td>\$267</td> </tr> <tr> <td>Include before / after school care</td> <td>\$160</td> </tr> <tr> <td>Include 6 tutors</td> <td>\$213</td> </tr> <tr> <td>Include fraud and dishonesty</td> <td><u>\$500</u></td> </tr> <tr> <td></td> <td>\$2,287</td> </tr> </table>	Federation Membership Fee	\$347	Standard Package	\$380	Increase property to \$30,000	\$420	Include OOSH	\$267	Include before / after school care	\$160	Include 6 tutors	\$213	Include fraud and dishonesty	<u>\$500</u>		\$2,287
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