

Accredited Professional Member (APM) and Associate Member (AM) Insurance Information

Craft ACT: Craft and Design Centre provides an insurance package for our APMs and AM's through Local Community Insurance Services. The package is part of the annual membership fee, providing APMs and AM's with professional insurance cover at a heavily reduced rate, which would rarely be available to individuals through usual insurance channels.

This policy is intended to cover the activities of the craft, design and visual art practitioner as an individual, primarily as an occupier of a studio or workshop, as an exhibitor at galleries and other locations, or where commissioned to produce and install a work of art, including public art.

Please ensure to check the insurance package covers all of your needs before cancelling any existing insurance you may have.

Public and Products Liability Insurance Limit - \$20,000,000

The Public Liability aspect of this policy will protect you from any person who makes a claim against you for bodily injury or property damage caused by a negligent action on your part while the Products Liability aspect covers you for bodily injury or property damage caused by a fault in the products you have made.

Professional Indemnity Limit - \$5,000,000

This will protect you from any person who makes a claim against you for bodily injury or property damage from the provision, production or tendering of art works.

Tenants Liability Limit - \$20,000,000

This will protect you from claims made against you for any damage that you negligently cause to any property that you are renting for example shopping centres, studios or galleries.

Goods in Care, Custody or Control Limit - \$100,000

This will protect you from claims arising from other people's goods which are in your control which you negligently lose or damage. Note: this extension does not cover you for the loss or damage of your own goods.

Personal Accident Insurance –

This product will cover you for loss of earnings up to a maximum \$1000 per week based on your average weekly earnings, for 52 weeks for people under 70 years of age and 26 weeks for people over 70 years of age.

The insurance policy will also cover any legal costs authorised by the insurer in defending claims brought against you in the areas covered above, and this is probably the most important part of the policy. Whilst you may be perfectly innocent of a claim brought against you, you will incur legal fees in defending the case, and without a liability to protect you, this could amount to many thousands of dollars.

Craft ACT: Craft and Design Centre
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www.craftact.org.au

Member of ACDC, Australia Craft Design Centres

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Insurance Enquiries and Certificate of Currency

If you would like general information about your insurance cover, including the insurance policy visit:

www.localcommunityinsurance.com.au/coverage_pl.aspx and view Broadform Liability Insurance Policy.

If you require a Certificate of Currency as proof of your insurance, please contact Local Community Insurance Services on 1300 853 800 or (08) 8235 6480.

The following insurance extensions are automatically available to APMs and AMs:

Cover for APMs and AM's as sub-contractors

The APMs policy automatically provides indemnity to Principals in respect to work carried out by the APM for the Principal.

Cover for APMs and AMs who use sub-contractors

- This insurance policy extension applies to the individual practitioner who is required to work away from the studio, and while the Public Liability insurance cover is for an individual practitioner, the policy will extend to include other individuals (paid or unpaid) who work with the artist in commissioning a work. These working arrangements may apply to the commissioning and installation of artworks, including public artworks. This cover is limited to jobs involving not more than three people.
- If using a sub-contractor the APM should ensure they cite a Certificate of Currency of recent date for a Liability Insurance Policy with an indemnity limit of at least \$10,000,000 before a sub-contractor is utilised.
- If this certificate cannot be provided in the event of a claim, no cover will be afforded the APM for the actions of the sub-contractor.
- APMs who utilise sub-contractors in respect to part of their activities and require the sub-contractor to be covered under the Craft ACT: Craft and Design Centre Accredited Professional Members insurance policy will have to provide Local Community Insurance Services with the following information:
 - a) Class of sub-contractors and the type of work they will carry out.
 - b) Estimated annual payment to each type of sub-contractor.

** Definition: A sub-contractor is a person called in by a principal to carry out work that is within the expertise of the principal and would normally be carried out by him/her.

Teaching

The insurance policy automatically provides cover in respect to the artist teaching their craft or passing on their professional skills. However, this policy is not intended as a cover for regular classes but rather for occasional sessions, where not more than six (6) classes are conducted per annum, where up to ten (10) persons are taught in any one class.*

*Artists may also be contracted to undertake an Artist in Residence program at either state or private schools for a period of a school term or so. This may involve attending school activities in order to pass on their professional skills. This activity is seen as a separate job to the teaching of classes by the artists in their own name and is not restricted to the twelve (12) classes per annum limitation.

Please Note

Craft ACT: Craft and Design Centre APMs and AMs do not need to apply separately for the extensions listed above, however if the APM wishes to apply for further policy extensions, or they wish to exceed the limits of the policy, for example: teach more than twelve classes per annum, it is necessary for the individual APM or AM to make contact with Greg Naulty at Local Community Insurance Services for further information on 1300 853 800.

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There may be additional charges for extensions to the standard insurance cover.

Craft ACT: Craft and Design Centre acknowledges the support and intellectual property of Craftsouth: Centre for Contemporary Craft and Design in the preparation of this package.

Craft ACT: Craft and Design Centre Accredited Professional Member and Associate Member Insurance Package: The Fine Print

The insurance scheme arranged by Local Community Insurance Services on behalf of Craft ACT: Craft and Design Centre is designed to give you protection against allegations of common law legal liability, in other words, persons issuing legal proceedings against you in the event of your negligence. The policy which has been affected covers Accredited Professional and Associate Members of Craft ACT: Craft and Design Centre only, not all members. It is intended to cover Accredited Professional and Associate Members as sole practitioners, but will allow cover where members employ others provided that there are no more than three persons involved in the business. The reason for allowing up to three people is in recognition of one off projects such as installing public art works. The insurer is QBE Insurance (Australia) Pty Ltd. It is a Broadform Public and Products Liability Insurance Policy with extension to provide Professional Indemnity cover.

The policy will only cover you for the activities of the craft or crafts detailed on your Craft ACT: Craft and Design Centre membership application form.

The Public Liability section of the policy will protect you against any “Act of Negligence” on your part causing injury to the public or damage to their property. For instance, you may leave an item of equipment lying on the floor of your workshop in a gangway and not put it away because you are going to use it shortly. If a visitor then trips over that piece of equipment, you could possibly be held liable in a court of law. If you are held liable, the policy will pay for both the damages awarded and the costs involved in the case.

The Products Liability section of the policy will cover you against an “Act of Negligence” on your part caused by the manufacture or sale of your merchandise. For instance, a nail may come loose on an item you have made, or you may have failed to knock it in properly. If someone tears their clothes on that nail then you could be held liable to replace the item of clothing. Again the policy would answer to the claim in the same manner as in the previous paragraph.

Technically, to be negligent you must either have done something that a reasonable person would not do, or conversely, you must have failed to do something that a reasonable person would have done. A third party will not be able to claim against you merely because they were injured on your premises; it will be necessary for them to prove that their injury was caused by your negligence. The law in respect of manufactured products is different. In this case it is only necessary for the injured party to show that the injury was caused by your product or a product that you have sold to them. It is then your responsibility to prove that the injury was not caused by your negligence.

Perhaps the most important aspect of a liability policy is the cost of fighting a false claim made against you – provided these costs are approved by the insurance company prior to their being incurred. Many people think that they do not need a liability policy because they are very careful in everything that they do, and forget that people may try to claim against them even when they have not been negligent. This is one of the reasons that there are courts to decide these cases and lawyers to help you prove that you have not been negligent. The decision whether or not you have been negligent, and an injured party should be paid, rests with the insurance company and the court.

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You should never admit liability in any way, as it may prejudice your claim.

The scheme which Craft ACT: Craft and Design Centre has arranged is not intended to be “all embracing”. The policy will cover you against legal action taken against you, as described above, and against professional acts of negligence which result in bodily injury or property damage. This could include: advice that you may give to anyone on a professional basis, or any fault in the actual design of your product. It is virtually impossible to give instances in all cases, because each case will depend on the circumstances and these always differ. This brings us back to one of the most important reasons for liability insurance, the policy covers the costs of a claim made against you, provided that the claim falls within the terms and conditions of the policy, and that the insurance company agrees to those costs being incurred.

To access the Public and Products Liability insurance policy (also known as Broadform Liability), visit:
<https://www.localcommunityinsurance.com.au/documents/Broadform.pdf?v=201612050054>

DISCLAIMER: Information contained in this outline should not be relied upon in lieu of legal advice on any particular case, transaction or matter.

For further information contact Greg Naulty, Local Community Insurance Services on (08) 8235 6444.

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