

Guildhouse Accredited Member Insurance Factsheet



Guildhouse's Accredited Membership includes a range of benefits for visual artists, craftspeople and designers, including an insurance package provided through Local Community Insurance Services. This insurance cover provides Accredited members with protection at a heavily reduced rate not available to individuals through the normal insurance channels. **GUILDHOUSE IS NEITHER THE INSURER OR THE INSURANCE BROKER.**

Why do you need it?

While most creative activity occurs without incident, accidents happen and when they do you can be held liable. Public Liability insurance is recommended for all professional artists and arts workers and is often required for certain projects, such as working in public art, undertaking residencies and teaching.

As part of the package, Accredited members are covered for the following:

Public Liability	up to \$20,000,000
Products Liability	up to \$20,000,000
Professional Indemnity	up to \$5,000,000
Tenants Liability	up to \$20,000,000
Goods in Physical and Legal Control	up to \$100,000
Personal Accident	up to \$1000 per week
Public and Products Liability Excess	\$250
Personal Accident Waiting Period	7 days

The policy is intended to cover the activities of the visual art, craft and design practitioner as an individual operating as a sole trader, 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). It is also intended to cover the activities of the curator, arts administrator, installer, conservator and/or registrar where the member is contracted to undertake such work as an extension of their practice.

It is important to note that the insurance does not cover loss or damage to your own goods. It is a policy that is designed to cover you for negligence that might arise from the service you provide.

Please ensure you check that the insurance package covers all of your needs before canceling any existing insurance. If you would like more information or have any specific questions regarding this insurance cover, please contact Julie Lyon at Local Community Insurance Services on 1300 853 800.

What the policy covers:

1: Public Liability Insurance

This 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. For instance, you may leave an item of equipment lying on the floor of your workshop 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 case costs.

2: Product Liability Insurance

This will protect you from any person who makes a claim against you for bodily injury or property damage caused by a fault in the products that you have made. For example, 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.

3: Professional Indemnity

This will protect you from claims made against you for bodily injury or property damage for the breach of professional obligations or advice given on a professional basis.

Art investment advice is a specialized area of risk. In this case, a client/customer is relying upon you to advise them on the potential value of an artist's work in the future. If your advice fails it is a financial loss, not a bodily injury or property damage loss, so not covered by this policy.

You will need to take out separate and specific Investment Advice Professional Indemnity cover.

If you do give advice to people on investing in art please contact Julie Lyon at Local Community Insurance Services (Julie.Lyon@jlta.com.au) or telephone 1300 853 800 to discuss what level of insurance you need.

4: Tenants Liability

This will protect you from claims made against you for any damage that you cause to any property that you are renting through negligence.

5: Goods in Care, Custody and Control

This will protect you from claims made against you for any damage or loss that you negligently cause to other people's goods that are in your control. So if you are working on a collaborative project, any goods belonging to the other person/s will be covered. This package does not insure you for the loss or damage of your own goods.

There is a cover limit of \$100,000 for Goods in Care, Custody and Control. If you are holding someone else's property and it is of a greater value than this please contact Julie Lyon at Local Community Insurance Services (Julie.Lyon@jlta.com.au) or telephone 1300 853 800 to extend the policy limit for the period you have the property in your possession.

6: Personal Accident

This will provide you with income replacement of up to \$1000 per week for up to 52 weeks if you are injured and cannot work in your practice due to that injury. The policy includes a Death & Capital benefits lump sum payment of \$50,000 and a Funeral benefit of up to \$10,000 in the event of death from injury.

The policy provides cover 24/7 (except when the member is earning income outside their practice) i.e. the artist is not required to be undertaking work in their practice when the injury occurs to be eligible for cover (but is not covered when undertaking work that falls outside their practice). The income paid will be determined by averaging what the artist has earned from their practice over the past two years. The waiting period (i.e. the time before payment will be made) is 7 days for accidental injury and 28 days for sporting injury.

Please note, the policy does not cover sickness and is not a replacement for health insurance, life insurance or travel insurance, as it does not cover any medical costs, it only provides a replacement of income if you are unable to work. The benefit period reduces to 26 weeks for artists aged between 70 and 79, and the policy does not cover injury caused by deliberate self harm, the use of lethal weapons, as a result of mental illness or when the Insured is under the influence of drugs and alcohol.

Negligence

Technically, to be negligent you must either have done something that a reasonable person would not do, or 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.

An important provision of Guildhouse's Accredited member insurance policy is that it will cover 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. 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 policy to protect you, this could amount to many thousands of dollars. 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. **You should never admit liability in any way, as it may prejudice your claim.**

The following insurance extensions are automatically available to Accredited members:

Cover for Accredited members as Contractors and Sub-contractors.

The Accredited member's policy automatically provides Indemnity to Principals in respect to work carried out by the Accredited member for the Principal. However, this extension of cover only operates when you are contracting in the field that you have been accepted as an Accredited Member. For example, it is not the intention to provide cover to a metal sculptor who contracts or sub-contracts as a welder to an engineering company.

Cover for Accredited members using a Contractor or Sub-contractor.

In some circumstances, the policy can be extended to cover other individuals employed, contracted or sub-contracted by you. Please contact Julie Lyon at Local Community Insurance Services (Julie.Lyon@lta.com.au) or telephone 1300 853 800 to confirm if cover can be extended for your particular circumstances.

*A Contractor is a person called in by a Principal (the Accredited member) to carry out work that is outside the expertise of the Principal. A Sub-contractor is a person called in by a Principal to carry out work that is within the expertise of the Principal.

Teaching

The Accredited member's insurance policy automatically provides cover in respect to the artist teaching their craft or passing on their professional skills through classes or workshops. When the member is teaching adults, there is no limit to the number of classes the member can teach. In the case where classes are attended by children under the age of 18 cover is limited to not more than

twelve (12) classes conducted per annum, where up to ten (10) children are taught in any one class. There is no limit, however, when a third party contracts the member to teach.

Arts Worker in Residence

Artists may also be contracted to undertake an Artist in Residence program at a school, university, state institution, not for profit or private organization. This may involve undertaking activity in order to pass on their professional skills; conducting a community based art project; art as therapy for older people, those with disabilities, or a mental illness. This activity is seen as a separate job to the teaching of classes by the artist in their own name and is not restricted to the twelve (12) classes per annum limitation.

However, if the outcome of your residency stands to have commercial application, please contact Julie Lyon at Local Community Insurance Services (Julie.Lyon@jlta.com.au) or telephone 1300 853 800 to confirm if the policy covers your activity or can be extended for your particular circumstances.

International cover

In some circumstances, the policy also covers activities that the Accredited member undertakes overseas. Please contact Julie Lyon at Local Community Insurance Services (Julie.Lyon@jlta.com.au) or telephone 1300 853 800 to confirm if the policy covers your activity or can be extended for your particular circumstances.

PLEASE NOTE: Guildhouse Accredited Members do not need to apply separately for the extensions listed above, however if the Accredited Member wishes to apply for further policy extensions, or they wish to exceed the limits of the policy (for example: teach twenty-four (24) classes per annum instead of twelve (12)), it is necessary for the individual Accredited member to make contact with Julie Lyon at Local Community Insurance Services for further information on 1300 853 800.

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

Marine Transit Insurance

As a Guildhouse Accredited member you can also access Marine Transit Insurance for work freighted nationally and internationally at an additional and competitive cost. The policy can also be extended to include exhibition cover. Read more about the Marine Transit Insurance policy on the Membership page of the Guildhouse website and to arrange cover contact Guildhouse.

Insurance Enquiries & Certificates of Currency

If you would like general information about your insurance cover view the

insurance policy - also known as the Broadform Liability and the Summary of Terms – on the membership page of the Guildhouse website.

If you require a *Certificate of Currency* as proof of your insurance, please contact Guildhouse: guildhouse@guildhouse.org.au

Accredited Member Insurance Package: The Fine Print

The insurance scheme arranged by Local Community Insurance Services on behalf of Guildhouse 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 effected covers Accredited and Allied members of Guildhouse only, not all members and is intended to cover members as sole practitioners.

The Public and Products Liability 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 Personal Accident policy is Underwritten by Beazley Underwriting P/L. The Insurer is Lloyd's of London.

The scheme that Guildhouse 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 that 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 not possible to provide examples of all possibilities as each case will depend on the circumstances and these will 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. View the Public Liability insurance policy (also known as Broadform Liability) on the membership page of the Guildhouse website.

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

For further information contact Julie Lyon, Local Community Insurance Services on 1300 853 800 or email Julie.Lyon@jlta.com.au.