



## NEW ZEALAND FOUR WHEEL DRIVE ASSOCIATION INC.

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### Frequently asked Insurance Questions & Clarifications

These are some of the questions that have been asked, which we have endeavoured to get answers to, if you have a question that is not covered please contact [secretary@nzfwda.org.nz](mailto:secretary@nzfwda.org.nz)

#### Question

Are we insured when a member's son, daughter, wife or girlfriend drives the vehicle?

Answer. Only the Affiliated person is covered (perhaps need to change the constitution to say something like Affiliation covers nominated person (voting rights ) and family members)

#### Question

Are we insured if new members (non nz4wda members) join a trip?

Answer. New members / public must fill in a 'day membership form, which must include name, address, phone number, a nominal fee be charged for the day, say a gold coin donation and can be tracked in your books.

#### Question

If the club is running an event, and the profits are going to be shared between a charity/ school and the club are we still covered. Some clubs hold events in conjunction with schools to raise money for both, and what would be covered.

Answer. Clubs can retain some of the money, but must NOT be running a commercial event.

#### Question

Are we covered for Forest & Rural Fires?

Answer. There is \$2,000,000 cover for the Forest & Rural Fires Act. This was increased effective 9 August 2007 as it was a requirement for some events.

#### Question

If a competing or non competing vehicle is involved in an accident and damages property or persons, is the club covered? (Accepting that the competing vehicle is not itself covered for damage).

Answer: If the vehicle is a non-competing vehicle owned by a general member of the public (not a day member) then it would not be covered. Damage to persons would, in most cases, be picked up by ACC but the cover should respond if it falls outside of ACC. Damage to property should be covered. All vehicle's should have own insurance policy that at the least covers third party.

### Question

Is the club (as a NZFWDA affiliate) covered while running events under the terms of the NZFWDA policy?

Answer: Yes covered – but any other person who has a site at the event, including school fundraisers, sponsors, food stalls etc must have their own Public Liability.

### Question

A Health and Safety plan that includes official's procedures is a requirement for large events. Is a copy required by the insurer and are there any specific requirements we should include?

Answer: The insurer may ask for a copy of the Health & Safety plan in the event of a claim so it would be prudent to have this sent to NZFWDA to have on file.

The most important issue is that you take all steps to protect the health and safety of spectators, officials, employees and competitors. Insurance can help with monetary considerations such as legal fees and penalties but it cannot help if a court imposes a jail sentence for say manslaughter. There is a Legal Defence Cost cover in place which provides cover for the costs to defend criminal charges made against members and arising from them carrying out their duties in running the club.

### Question

If a club is being assisted by members of other NZFWDA clubs to manage the event, are those other NZFWDA members also fully indemnified by the insurances while assisting?

Answer: Yes covered

### Question

There will be spectators present at various event stages. Aside from our Health and Safety plans are there any insurance specific requirements?

Answer: The main covers relevant are Employers and Statutory Liability, Public Liability and Legal Defence costs. You have all of these covers. There is an Association Liability exposure but this is probably minor. Association Liability is similar to Directors Liability and protects the executive against being sued for mismanagement by creditors in the event of insolvency.

### Question

National Competition events and winch challenges, providing all members are affiliated, are these covered and is notification to be sent to insurance body?

Answer. The policy is set up in such a way that notification is not required prior to each event. In the event of a claim you would just need to be able to show that the event is sanctioned by the governing body – documentation to NZFWDA prior to event held.