

Brokerwise



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Professional Advice Is Important for All Types of Insurance

A recent case made by the Australian Financial Complaints Authority (AFCA) reaffirmed the importance of obtaining professional advice when considering any type of insurance product.

The case involved a claimant who sustained damage to his laptop and televisions due to a power surge.

He contended that the damage was caused by a bat that had apparently got caught on the powerlines, so the damage was caused by an animal which in this case, would be an 'insured event'.

He submitted to AFCA photographs of a bat that was apparently stuck on the power lines outside his house to back his case.

In addition, he also claimed the insurer's electrical technician who agreed a bat had sparked the power disturbance.

However, AFCA was not persuaded, ruling the complainant failed to provide "sufficient" evidence to demonstrate an animal caused the damage.

"The insured event for 'damage by an animal' requires there to be information to show a causal connection between the claimed damage to the contents and an animal," AFCA expresses in its determination of the dispute.

"In this instance, there is no dispute there is damage to the complainant's contents. However, I am not satisfied a photograph of an animal on the power lines outside the home automatically means, on balance, that an animal caused the power surge and subsequent damage."

What is particularly concerning about this case is that direct Insurers are still offering inferior covers such as this,

which often exclude losses like damage from power surge, burning out of electric motors, accidental damage, etc.

Unfortunately, in the absence of professional advice, the policyholder will never understand the extent of the coverage gaps until a loss occurs.

The Insurer is under no obligation to highlight the inadequacies of the policy and there is an expectation that the policy holder will read and comprehend what is often a very complex and convoluted document.

If the complainant had sought professional advice about the cover, he would never have found himself in this predicament. Despite instances like this, some still argue that Insurance Advisors are not necessary for retail products such as home & contents insurance!

COVID Cleaning in Centres

The increasing popularity of online shopping has incessantly made it difficult for retailers to maintain their bricks and mortar stores. Then along came COVID-19, which forcibly opened the world up to online shopping and changed our spending habits. Besides, COVID-19 is not going anywhere fast.

Between the increase in online shopping, and the ever present threat of a 'lockdown', it is a tough time to be in the retail sector, for stores and centres alike.

In an environment of uncertain income, and with fixed costs, centres are looking at ways to cut their variable costs. One such variable cost is the cost of contract cleaners. Although, in reducing cleaners - are centres opening themselves up to a lawsuit should a customer come to harm on a spill that has gone undetected?

The law in relation to liability for injuries to customers who have come to grief on a hazard in a centre is based on whether centres had a reasonable amount of time to detect and remedy any hazard before the injury occurred.

While consideration is given in relation to the type of area (i.e., food court area verse non-food court area),

the number of customers who attend a centre has generally not been a consideration. However, having regard to the unique situation facing centres as a result of COVID-19, the Courts may adapt their approach. Such that the decreased level of patronage may be taken into account when determining what is reasonable. This has not been tested.

However, there may still be some savings to be made, with the potential for fewer cleaning staff being required to maintain the same level of rotations, by reason of the demand for their services being less.

It would be prudent for any business seeking to reduce costs by reducing their cleaning bill to consider what are the current requirements for the centre, and to also consider terms that allow for reduced cleaning in the event of a lockdown situation.

This may also be a prudent time for centres to review the terms of the leases and cleaning contracts regarding requirements for tenants and contractors to take out insurance in the name of the centre (landlord and/or manager), and to seek evidence that these terms have been complied with.



Prioritising Mental Health During COVID-19

In the past, mental health has not been on the radar for most businesses, but this year COVID-19 has put mental health at the forefront of workplace safety considerations. Both employees and business owners have been subjected to additional stress and uncertainty, while isolation and loneliness have added to feelings of anxiety.

As business owners, you not only have a responsibility to ensure the physical health and safety of your employees, but also their psychological wellbeing too, under the Federal Work Health and Safety Act.

We're all trying to build new skills and become resilient in ways we've never had to before. Tell your team, if they're feeling concerned, it's ok to ask for help. There is a lot of support available for people facing challenges and for people already living with mental illness, it's important to keep getting help.

If you operate one of the many business who have taken a hit during COVID-19, no doubt you're struggling mentally yourself...you need to take care of yourself too!!! Find someone you can talk to openly to share the difficulties you're experiencing...it might be your family, friends or business contacts, and don't forget, you have access to the same resources you're recommending to your team.

Travel Insurance & the COVID-19 Affect



COVID-19 has thrown many travel plans into disarray in 2020 & beyond. If you were one of the many Australians with a trip booked, hopefully you had travel insurance, and you are able to claim on some or all of your losses.

However, that will depend not only on what your policy covers, but also when you bought the cover.

- People who bought travel insurance **before** COVID-19 became a 'known event' may be covered for medical expenses that arise from contracting the disease overseas and may even be covered for cancellation expenses.
- People who bought travel insurance **after** the disease was a known event may not be covered for medical or cancellation expenses relating to contracting the disease, or from changes to travel plans that result from quarantine measures, for example.
- Speak to your Broker before cancelling your trip, because if they won't cover cancellation, rearranging your holiday dates to a later time may be a more cost-effective option.
- If your travel insurance policy includes cover for pandemics or epidemics, and you bought the policy before COVID-19 became a known event, then you should be covered.

Will your travel insurance cover COVID-19?

- As of 18 March 2020, the Department of Foreign Affairs and Trade updated alert levels to "Do not travel" for all destinations. On 25 March, this was escalated to a travel ban.
- If your travel insurance policy excludes cover for pandemics or epidemics, or you bought the policy after COVID-19 became a known event, then your travel insurance won't cover losses you've incurred as a result of coronavirus or the coronavirus travel bans.

When does an event become a 'known' event?

Insurance is intended to protect you against the unknown, so once an event becomes known, it is usually too late to buy insurance to cover you for that specific event.

When an event becomes 'known' it is a grey area, however it is generally when publicised in the media or on official government websites. Insurers' definitions can vary, so check with your Broker on when they cut off cover for a specific event.

Once Local & International Travel returns to "normal" it will be essential to review your Travel Insurance Policy to understand the coverage, Exclusions and the impact of "restricted coverage" due to Pandemics.

Data Protection When Working from Home

The unprecedented COVID times have seen a dramatic increase in the number of staff for many businesses who work from home.

Whether such a shift has been voluntary or forced by reason of COVID-19, restrictions and lockdowns, it is understandable that keeping staff productive when they are not in the office has become a major concern.

Nonetheless, high producers will always produce, and underperformers will always underperform. The shift to working from home is unlikely to significantly change that. However, businesses face other challenges when staff are working from home. Some of these challenges may not have been given the consideration they deserve.

Perhaps one of the biggest challenges is security and protection of confidential documents and information. Home internet connections rarely have the same level of security as the connections in a business's office setting.

Whether it would be via other devices within the home being logged on to the same connection, a neighbour making use of 'free Wi-Fi', or a nefarious deliberate hack, documents and information on a home laptop or computer can be at risk.

Your insurance may exclude or limit data breaches or loss from cover. If they are covered, there may be certain conditions in relation to security that need to be met. Home office set-ups may not meet these conditions.

This could put your business at risk of being uninsured, or underinsured, should something happen to your business's data or information as a result of an incident stemming from a computer being used in a home office.

If the security of data and information is important to your business, and if work-from-home set ups could risk this, have a chat to your Broker to ensure that your business is covered, and to see if there are any additional steps your business could take to help secure your business' data and information.



Have You Googled Yourself Lately?



Have you ever Googled yourself? See what pops up in the searches? These results are the first impression people will have of you. Ask yourself "Is it a good one?"

Whether you know it or not, you have a personal brand. Everyone has a brand whether in business or not. Personal branding is the application of who you are as a person. It promotes yourself and tells everything about you and the reaction that people get from your online build.

Is the information you are sharing across LinkedIn, Facebook, Instagram and other social media sites consistent? Is the information you are uploading to the internet who you want to be recognised as?

Whether going for a job interview or even on a date, chances are someone is going to Google you to learn more about the person you are. Although the real question is, do you want to allow your online reputation to tell your story?

With the explosion of social media, it has become essential for everyone to embrace personal branding. We have to keep in

mind as well, deleting a photo from our accounts or setting our accounts to private will not always save our reputation. It's only a prevention mechanism. Everything we upload to the internet is stored in a 'cache' an archive of all your unwanted information. However, if someone digs deep enough, they will come across those memories you wanted abandoned.

Like the famous quote by Warren Buffet "It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you'll do things differently."

Ways to build and create a stable yet strong personal brand!

1. Figure out who you are.
2. Determine what you want to be known for.
3. Define your audience.
4. Develop trustworthiness
5. Indicate a strong reputation
6. Attain confidence
7. Secure legitimacy
8. Embrace networking.
9. Ask for recommendations.
10. And remember - your personal brand is not just online.

"It's more effective to do something valuable than to hope a logo or name will say it for you."

- Jason Cohen

"Don't try to be original, just try to be good."

- Paul Rand

"Chase the vision, not the money, the money will end up following you."

- Tony Hsieh

Wisewords

Be Sure.

Before You Insure!

Ask your CQIB broker about...

Commercial and Retail Insurance

- Business Property
- Business Interruption incl Loss of Rent
- Liability
- Burglary and Money
- Glass Breakage
- Machinery Breakdown
- Computer
- Goods in Transit
- Tax Audit
- Motor
- Contract Works
- Commercial Strata

Liability

- Public and Products Liability
- Professional Indemnity
- Management Liability
- Directors and Officers
- Employment Practices Liability
- Statutory Liability
- Cyber Risk

Premium Funding

Private and Domestic Insurance

- Home and Contents
- Car, Caravan, Boat and Trailer
- Travel
- Residential Strata

Life, Disability and Partnership

- Life/Accident and Illness
- Term Life
- Long Term Disability/Income Protection
- Key Man
- Superannuation

The CQIB represents over 57 Queensland firms employing nearly 400 staff and placing in excess of \$500,000,000 in annual premiums. The CQIB charter is to maintain the level of professionalism of its members by the sharing of knowledge, information and ideas.

The articles in Brokerwise are provided as information only. They are not general or insurance broking or legal advice. It is important that you seek advice relevant to your particular circumstance.



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