
P40 INSURANCE EXCESS LIABILITY POLICY

Scheduled Reviewed Triennially or as required

Date of Board Approval 3 March 2014 Last Board Review: 11 November 2019

Introduction

KA takes out and maintains various policies of insurance (the “Policies”) which provide specific insurance cover for AKA Ltd, its State/Territory bodies (“Member States”), affiliated kart clubs (including their respective officials and office bearers) (“Club/s”), officials, office bearers, competitors and other specified persons.

Subject to the provisions of the Policies, the Member States and the Clubs may be indemnified under one or more of the Policies in the event that a claim is made against them.

One of the provisions of the Policies is that each claim is subject to a payment, to the insurer, of an excess, the quantum of which may vary from term to term. The 2019 excess is currently set at \$20,000 per claim.

Purpose

The purpose of the Insurance Excess Liability Policy is to establish the circumstances upon which KA may consider it reasonable to require the Member State and or the Club/s to pay the excess or a portion thereof that is applicable to a claim made under the terms of any of the Policies.

Objectives

The objective of this policy is to encourage those persons responsible for making decisions, with respect to the sport of karting in Australia, to properly and reasonably consider their decisions and subsequent actions, particularly in circumstances where such decisions or actions have the foreseeable potential to result in a claim under one or more of the policies of insurance taken out and maintained by KA.

Policy

1. In the interests of good governance, KA has determined that if it is required to pay an excess in circumstances which an unreasonable act or an unreasonable failure to act by a Member State and or Club/s (including respective officials and office bearers), resulted in a claim being made, then that Member State and or Club/s shall be liable to reimburse KA by an amount equal to the excess paid by KA or a lesser amount if that is determined by KA in its absolute discretion.
2. Failure to reimburse the excess within 21 days of the date of a written demand by KA to do so may result in the suspension of that Member State or Club’s authority to conduct KA sanctioned activities and events, including but not limited to conducting kart racing meetings, until such time as the reimbursement is made. It should be noted that any suspension of authority to conduct KA sanctioned events shall also result in suspension of insurance cover for the period that the authority to conduct is suspended.
3. The determination of what is an unreasonable act or an unreasonable failure to act and or whether the whole or part of the excess shall be required to be reimbursed to KA and the enforcement of the provisions of this policy shall be at the sole and absolute discretion of the KA Board. There shall be no right of appeal to any such determination.

Delegation

The Board of Directors of AKA Ltd may delegate the power of determination referred to in paragraph 3 of this Policy to the Chief Executive Officer of KA.

Advice

It is strongly recommended that in circumstances of doubt regarding decisions made and any subsequent act or failure to act, state/territory bodies and clubs should seek their own independent legal advice.

Insurance Policies

As at the date herein the following policies have been taken out by KA:

- Public Product and Professional Liability
- Management Liability
- General Personal Accident Insurance

