



Essential insurance for Harcourts Agents

Everything you need to know to
safeguard your business and reputation



Gallagher

Harcourts

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Your point of contact

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Introducing Gallagher – the real estate insurance experts

Insurance is an essential part of business. Having a team of specialist advisors by your side to guide and support you in the event of a claim carries a high value. At a time when disruption and innovation are shaping the future for Australian business owners, a broker offers access to deep technical knowledge of the risks you and your business face – and the best means of safeguarding against them.

Insurance is a complex subject and is difficult to truly understand. If you purchase insurance yourself through direct channels how do you know if you're really covered for the unique risks you face? Don't resort to guesswork. Partner with an insurance broker who specialises in providing risk management and insurance solutions to real estate agents.

Gallagher's relationship with Harcourts

Gallagher has been **Harcourts' insurance business partner** since 2011. Our role is to provide Harcourts business owners, staff and clients with professional advice and the best possible service around any insurance related matter.

Gallagher is one of Australia's – and the world's – largest risk management and insurance broking companies. We have over 900 staff in more than 25 offices across Australia, while our international reach allows us to leverage relationships with major insurers to provide outstanding insurance solutions at competitive prices.

We've also been named as one of the **'World's Most Ethical Companies'** by the Ethisphere Institute every year since 2012 – the only insurance broker in the world to hold this accolade. It means you can place your trust in us to act in your best interests at all times.

On the following pages we outline the insurance covers Harcourts agents need to know about to make sure they have the right protection for their business assets and reputation.





Liability and indemnity insurance for real estate agents

Harcourts business owners face a significant range of risks in running your business. The right insurance program is critical for you to be able to manage the financial exposures associated with these risks.

The following insurance products provide the peace of mind you require to combat a range of risks common to the real estate profession. We recommend you take the time to consider how they apply to your business.

Professional indemnity (PI) insurance

Protects the business against any errors in the provision of professional services, either by you or members of your team.

PI insurance is mandatory for real estate agents and there is lots of choice in the market. However, as with most things, you get what you pay for. Choose the cheapest policy and you're likely to find it has plenty of exclusions.

Gallagher's PI insurance for real estate agents has the following benefits as standard:

- Optional indemnity limits and excesses
- Cover for employment practices
- Cover for statutory liability
- Run off cover available for when you sell your business

That doesn't mean it'll break the bank, though. We were recently able to save a Harcourts agent **more than \$2000** on their PI insurance, while still providing broader cover. We could do the same for you.



IMPORTANT TIP

Liability policies include the cost of legal fees associated with defending a claim. If an alleged claim turns out to be disproved, thousands of dollars in legal costs may be incurred along the way. If you don't have the right type or amount of insurance, you could be forced to cover these costs yourself – and that could be a significant outlay.

Management liability insurance

Protects business owners / directors against the exposures that come hand-in-hand with running and managing the business, such as workplace risks, tax audit cover and fraud committed by staff. Some of our policy benefits include:

- Optional indemnity limits and excesses
- Choice of optional covers to tailor the policy to your needs

Cyber liability insurance

The biggest emerging risk facing all Australian businesses, and real estate agents are not excluded. Cyber insurance can't stop attacks from occurring but it does cover you for financial losses that arise from cyber incidents. These incidents can include:

- Fraudulent access to sensitive data
- Damage to your IT infrastructure
- Ransomware attacks

Public liability (PL) insurance

Protects the business for accidents that result in injury or property damage. Some of our policy benefits include:

- Optional indemnity limits and excesses
- Cover for the use of drones

Claims case study #1

A property manager incorrectly entered the rental income for a property in their computer system.

The tenants subsequently paid incorrect rent for more than a year, resulting in significant financial loss to the landlord.

The landlord made a claim against the agency for the additional rent not collected by the property manager.

Claims case study #2

A real estate agent mishandled the auction of a high value property at which the highest bidder refused to sign the contract due to confusion over the terms.

The vendor brought a claim against the real estate agent for misleading and deceptive conduct, resulting in a significant payout to the vendor.



Office, travel and personal insurance

Office insurance

Harcourts business owners have access to a packaged policy through Gallagher that can be tailored to meet your individual needs. The available policy sections include:

- Fire and perils
- Accidental damage
- Business revenue protection
- Burglary and theft
- Loss of money
- Breakage of glass
- Breakdown of electronic equipment (computers, photocopiers, printers, etc)
- Breakdown of electrical equipment (air conditioning units, white goods, etc)

We will take the time to discuss your specific individual needs and circumstances with you so that we can offer you the cover that is right for your business.

Gallagher can also assist with **motor insurance** for business vehicles.



IMPORTANT TIP

The same principles apply to your personal insurances that apply to your business insurance. With home and contents cover, make sure that you insure for the **full replacement cost**. Saving a few dollars on your premium is not worth it if you are left **underinsured** when you have a claim.



IMPORTANT TIP

It is critical that you insure for the **full replacement cost** of the insured business property. For instance, if you are insuring the office contents, you need to consider what the total replacement cost would be in the event a fire that destroyed everything. This should take into account all contents, furniture, IT equipment, etc and the office fit-out if applicable.

Business travel insurance

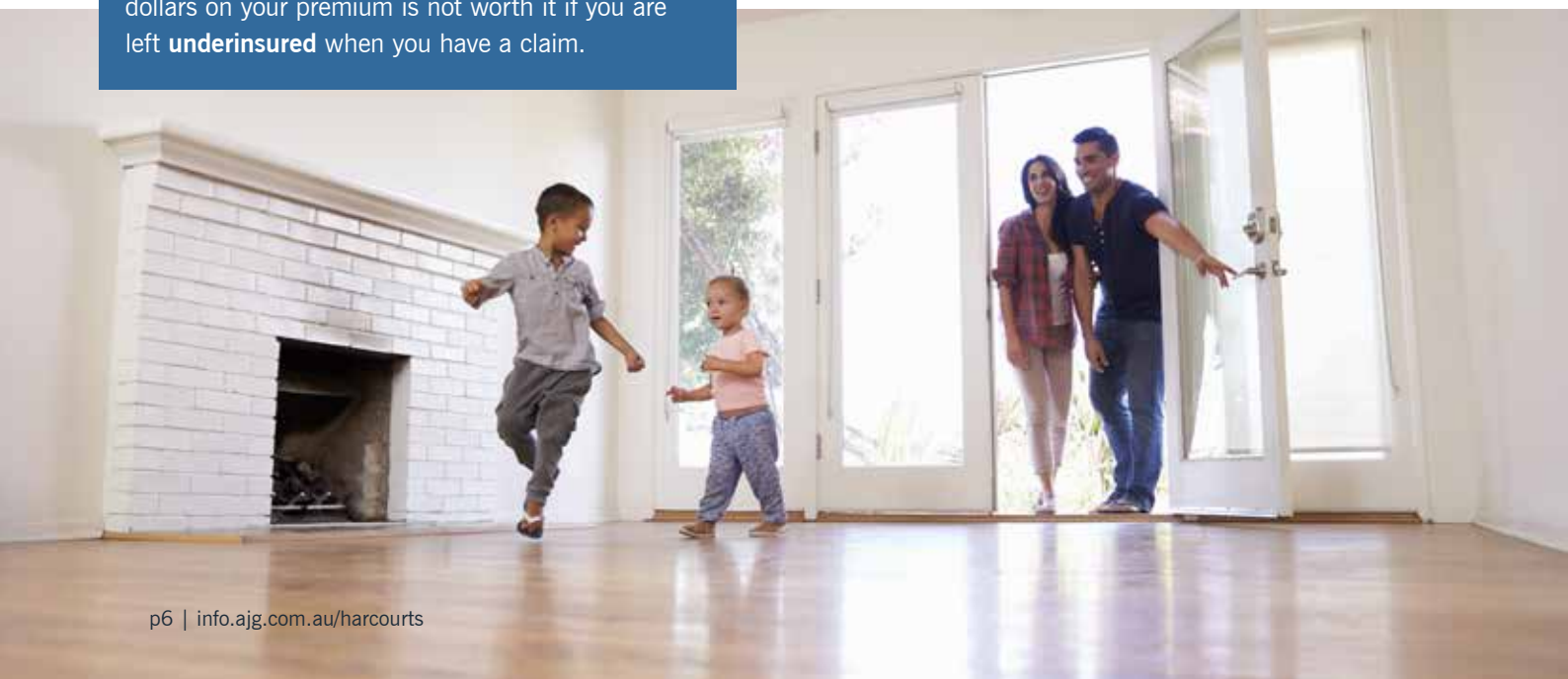
If you're required to travel for business, you can take out an annual travel policy that provides cover for all trips in a 12-month period. This can be extended to cover staff travel and also covers leisure travel for you and your family.

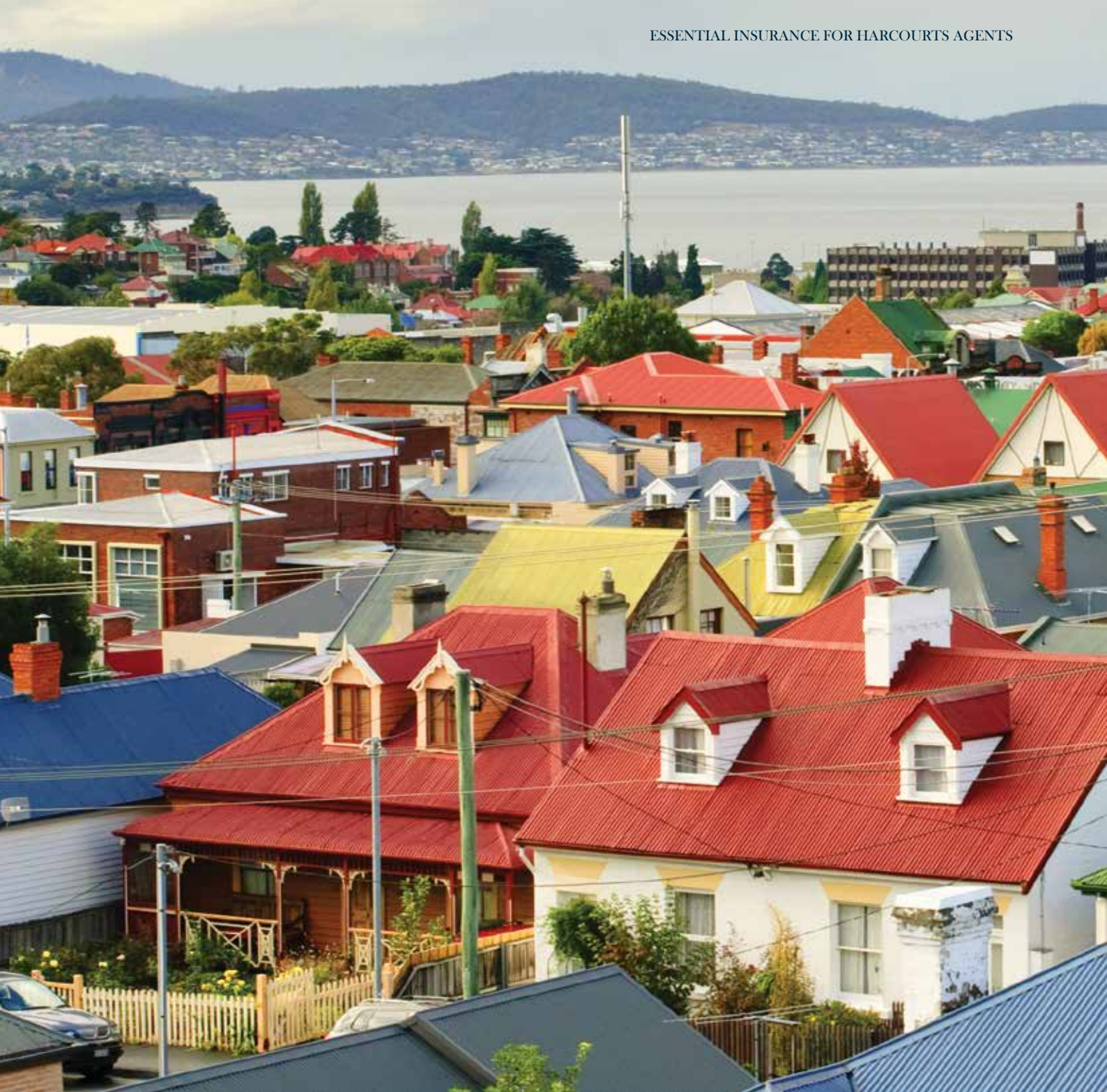
Personal insurances

Harcourts agents can also secure great rates on their personal insurance needs through our relationship with leading insurer CGU. Choose from:

- Home and contents
- Motor
- Travel

These are available via a dedicated online hub, exclusively for Harcourts agents and clients, at cgu-harcourts-personalinsurance.com.au





Workers compensation and workplace risk

Workers comp tends to be one of the largest insurance outgoings of the year, so it pays to make sure you get expert advice to make sure you get the best bang for your buck. Gallagher's specialist **Workplace Risk Practice** can guide you on that front, as well as offering a comprehensive review of workplace health and safety to help keep your premiums down.

Landlords insurance

Gallagher has developed a landlords insurance policy, **Rental Protect Plus**, which is exclusively available to Harcourts agents' clients. Some of the policy features and benefits include:

- Rental default cover up to 15 weeks
- Departure of tenant without notice covered up to 15 weeks
- Death of a tenant and tenant hardship covered up to 15 weeks
- Malicious damage caused by tenants
- Damage caused by a pet owned by a tenant
- Costs incurred in cleaning damage caused by the use of an illegal drug lab
- Public liability cover for \$20 million
- No excess on rental default claims

Rental Protect Plus comes at a very accessible price point, and is easy for your clients to purchase online at

www.rentalprotectplus.com.au

It also helps you provide additional value to clients by directing them towards a reputable and cost-effective means of protecting a key asset from damage or rental default.



IMPORTANT TIP

Rental Protect Plus covers landlords' contents and losses associated with rental default claims. If the insured property is a free-standing house, a separate building insurance policy is needed to cover the building. We can look after that, too.



Claims case study #3 The rotten staircase

A tenant slipped down the rotting wooden front stairs of a residential property, resulting in nasty injuries that necessitated them taking time away from work.

The tenant had previously informed the property manager that the wooden stairs were rotting, but even though a maintenance request was submitted it was not actioned by the property manager.

The tenant brought personal injury proceedings against the landlord and real estate agency, resulting in a settlement of tens of thousands of dollars.

Protection for your dependents

Every good home has solid foundations. But what financial foundations do you have in place to protect yourself?

There are four major types of cover any Harcourts agent should consider putting in place in order to ensure your dependents are in the best financial position in the event of anything unfortunate happening to you:

Life Cover – a lump sum paid on your death could pay off debt left for dependents or provide working capital to be reinvested to provide income for loved ones. Create an instant estate that could purchase an investment property to fund the future.

Income Protection – if you have an accident or suffer illness that prevents you working, 75% of your income is paid to ensure bills are paid, cash flow continues and you're not drawing on savings or debt. Over your lifetime, your income is your most significant asset. Thirty years of making \$150,000 plus per annum and you have an asset worth **\$4.5 million**. You'd insure a house valued at that level. Why wouldn't you do the same for yourself?

Trauma Protection – provides up to \$2 million lump sum cover for more than 40 medical conditions, including cancer, heart attacks and strokes. Once you reach the age of 40, the chance of personally experiencing a medical issue increases significantly.

Business Expenses Protection – if you are a principal or business owner, ensuring your business expenses continue to be paid if you suddenly take time out of the business due to an unexpected illness or accident is critical. Expenses don't stop because you have to. This cover provides outstanding peace of mind.

The Gallagher team will work with you to build a comprehensive plan that ensures you can maintain your lifestyle, and manage your assets and liabilities in the event of an unexpected illness or injury.

Providing your loved ones with certainty and financial security in the event of your death, sudden illness, or an accident should be your priority.



End-to-end service

At Gallagher, we're not here to just sell you insurance. We aim to be considered your **risk management and insurance partner and advisor** – the people you know to turn to for advice, or when the unexpected happens.

We want to work with you to help manage the risks that you face in the running of your business. Sometimes this is more than just providing an insurance solution. Some of the ways that we can assist include:

- Advice on security and fire protection
- Advice on cyber security
- Advice on workplace health and safety issues
- Assessment of potential liability exposures

Our services also extend to the claims process. When you report an incident to us our dedicated claims team go into bat on your behalf, negotiating with the insurer to make sure you receive everything that is due to you.

Gallagher prides itself on our claims service. After all, this is the reason that you take out insurance in the first place. Our ultimate aim is to protect our Harcourts clients so that they financially survive any insurable event.



IMPORTANT TIP

If an incident happens in connection with your business and someone is injured; or you think someone may be unhappy with a professional service that you have provided, **let your broker or insurer know straight away**. Sometimes what might seem like a trivial matter can develop into a claim, and if the incident hasn't been reported to insurers this can slow down the process, create obstacles – and cause you significant stress.

It's important to keep your broker updated so they can deal with these situations as quickly as possible. As we always tell our clients, **when in doubt, shout!** We're here to help.





Access1st Professional Benefits

Gallagher is much more than an insurance provider. All Harcourts agents and their staff can access a range of professional benefits through our **Access1st program**.

Access1st offers a range of products and services at preferential rates to help you overcome common business challenges, raise visibility to target audiences, or simply save money on business essentials.

The provider network offers exclusive services or rates to Access1st users not available to the general public – including a range of free business advisory services.

Through Access1st, Harcourts agents can enjoy:

- Free ad hoc legal advice
- Free and discounted HR services
- Special deals on web development and digital marketing
- Savings on business attire
- Discounted health insurance
- Free and discounted graphic design services
- Reduced rates on business and residential energy
- Special pricing plan on office supplies
- Savings on ethical gift boxes
- And more...

All the offers are housed in an easy-to-use online portal at www.access1st.com.au and log-in details for Harcourts agents are available on request.



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Alternatively, request more information about our products at info.ajg.com.au/harcourts



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