

Insurance Implications Relating to a Lease, Hire and Rental Agreements

(specific to the Sports, Leisure & Recreation insurances)

Before you sign a lease agreement to hire a ground, venue or facility you need to carefully read and understand the clauses relating to insurance, indemnity and hold harmless.

What are indemnity and Hold Harmless Clauses in Hire, Lease and Rental Agreements?

Many local Councils, Schools and Venue Hirers will require a sporting club/association to sign an agreement to hire their facility or venue. It is possible that these Agreements will contain "Indemnity" and "Hold Harmless" clauses that state that the Council, School or Venue Hirer will not be held liable in the event of an injury arising as a result of the use of their venue. Some may even ask to include the Council, School or Venue Hirer as a co-insured under your Public Liability policy.

This could mean that you, your club, association or whoever is named as the hirer, could be responsible for things that are not your fault and not necessarily covered by insurance.

What should a sporting club or association do before signing a lease, hire, rental agreement?

1. Thoroughly read any agreement before signing.
2. Contact a qualified legal advisor for advice.
3. If you are not sure whether the Hirer Agreement you are being asked to sign contains an "Indemnity" or "Hold Harmless" clause or if the agreement has requested that the hirer be included as a co-insured under your policy, please contact V-Insurance Group. We will review the agreement for you. We will then advise you on how the agreement fits in with your insurance program and identify any uninsured exposures you may need to address. Often hire agreements can be changed by negotiation so that you are not indemnifying third parties for losses that not related to your actions.

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V-Insurance Group is an authorised representative of Willis Australia. V-Insurance Group is an insurance broker specialising in Sports, Leisure and entertainment industries. V-Insurance Group are leaders in their industry sectors with clients based all around the globe.

Rob Veale has been involved with the insurance programs for sports, leisure, recreation and entertainment for over 25 years. Rob is a QPIB through NIBA, member of the Australian Institute of Directors (MAICD), and has a Diploma of Financial Services (Broking). Rob has been involved with the insurance and risk management program for many Australian national sports and leisure programs, including:

Sports

Athletics Australia
Australian Football league (AFL)
Australian Rugby Union (ARU)
Australian Rugby League (ARL)
Basketball Australia
Cycling Australia
Netball Australia
Rowing Australia
Swimming Australia
Soccer Australia

Leisure

Australian Parachute Federation
Fitness First
PADI Asia Pacific
Scouts Australia



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