



NZ Register of Exercise Professionals

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REPs Insurance Information Guide

BACKGROUND

In New Zealand, exercise facilities insurance coverage does not normally cover contractors, so any person who is not an employee of a facility, but is offering services, is exposed to many of the same risks of any other business. Specifically, an independent contractor or self employed person can have legal action taken against them directly by a client, or prosecuted and fined by a government enforcement agency (such as WorkSafe New Zealand, or the Commerce Commission).

There is a common misconception that insurance is not needed in New Zealand, as ACC covers all such incidents. **This is incorrect.** ACC covers the medical costs etc of a personal injury accident. But if Work Safe New Zealand decide to investigate and prosecute where an accident has occurred due to negligence, or a failure to follow industry best practice standards, then a self employed exercise professional can be exposed to significant defence and legal costs. Also, there are many risks that ACC does not cover including breaches of the Privacy Act, Fair Trading Act, and the many other responsibilities imposed on contractors running their own businesses.

Which registration levels include insurance?

Personal Trainer Contractor - For these reasons, and to also offer protection to both the public and exercise facilities, insurance is included with all Personal Trainer Contractor registrations.

Group Exercise Contractor - In addition group exercise instructors who are contractors can include specific group exercise insurance cover by choosing the Group Exercise Contractor registration level which includes insurance. You do not need insurance if you are an employee (the responsibility for this is with the workplaces own insurance).

Frequently asked Questions

What activities are covered ?

All activities **related to your REPs registration level** are covered, as long as you list them on the "Activities" question of the insurance section.

For personal trainer contractors, you may also include activities such as sports massage and sports coaching if you undertake such roles and have the relevant knowledge competency and skill, subject to the insurers approval of the items in your declaration (note: we do not register you to do these activities, but the insurance will cover you for them).

Am I covered when I work outside of a facility ?

Yes. You are covered for all exercise professional activities wherever you may be in New Zealand – in an exercise facility, on private property (i.e. in homes), or at a public place such as a park or church hall.

Who offers the insurance ?

Lumley General Insurance (N.Z.) Limited

Insurance Cover Provided

Professional Indemnity

Professional Indemnity Insurance provides protection for businesses and professional persons in respect of legal liability arising from the conduct of their practice or business. Specifically coverage is provided for:

- Settlements by or judgments against the business or professional person arising out of negligent advice or services.
- Legal costs and expenses associated with the defence of legal action.

Cover Level: \$2,000,000 (2 million dollars) in the aggregate Excess: \$2,000 **Cover is for New Zealand**

Claim Example Scenario: A client of a personal trainer alleges that the programme developed for them was not suitable, resulted in permanent injury and as a result they have had to sell their business, which they could no longer operate. They are seeking damages for the financial loss suffered.

Public Liability

Public Liability Insurance provides protection for businesses and individuals against claims for compensation in respect of unexpected or unintended personal injury or property damage for which they become legally liable, arising out of their business activities. The policy also extends to cover the costs of defending these claims in court, as well as any necessary investigations or negotiations.

Cover Level: \$5,000,000 (5 million dollars) any one occurrence. \$250,000 for Care, Custody and Control Excess: \$1,000 **Cover is for New Zealand**

Claim Example Scenarios: An allegation that a trainer failed to turn a heater off which resulted in fire damage to a gym, or accidentally dropping a weight causing injury to a client, or other member of the gym.

Statutory Liability

Statutory Liability Insurance provides protection to businesses for:

- Defence Costs associated with alleged unintentional breaches of the Health & Safety in Employment Act, the Building Act, Consumer Guarantees Act, Fair Trading Act, Privacy Act and most other statutes affecting commercial activity
- The costs of representation at an investigation or inquiry.
- Any fine or cash penalty payable by the insured following conviction for an offence under the insured statutes (except the health & safety act).

Cover Level: \$1,000,000 (1 million dollars) in the aggregate. Excess: \$2,000 **Cover is for New Zealand**

Claim Example Scenarios: Breaching the Privacy Act by accidentally leaving a client file open and another customer viewing this file. The client complains to the Privacy Commissioner resulting in a fine and substantial defence costs. This policy also covers claims of “misleading conduct” from advertising under the Fair Trading Act.

This document is designed to give an overview of the insurance cover on offer. For full details please see the Policy Document (available from REPs). The policy document takes precedence in all cases.