

INSIDE THIS EDITION

- » How to be broker wise
- » Reputation Risk
- » Drones - protecting assets and third party liability - what you need to know
- » How big is big when it comes to data?
- » Protecting your privacy
- » Fun Facts that will have everyone saying "I didn't know that!"

Dealing with a Broker

I won't lose my money if I deal with a broker will I?

It is easy to understand why people use an insurance broker...put simply, they save you time and money...but how well do you know yours?

Following an ASIC investigation, a Victorian man has been charged with five counts of dishonestly obtaining a financial advantage by deception.

It's been alleged that Mr Tessa purported to act as an insurance broker, targeting a particular industry and obtaining payment from individuals and businesses on the pretence that the payments were required for insurance premiums.

Thankfully, Mr Tessa was arrested on entry into Melbourne Airport after he failed to appear in Melbourne Magistrates' Court on 18 December, 2017. Each of the charges carries a maximum 10 years' imprisonment, so if found guilty, he could face as long as 50 years behind bars.

How can you avoid this problem?
All brokers in Australia have to be



licensed by the Australian Securities and Investments Commission (ASIC), so look for the brokers Australian Financial Services License Number (AFSL), or an easy way is to ensure that they are, is to check to see if they're a member of CQIB.

Remind me...Why do I use a broker again?

Firstly, a broker will work with you to understand your risks and discuss how insurance can protect you and your businesses from those risks.

Brokers have an extensive knowledge of the range of insurance products available in the market and use their network of contacts to source and negotiate the best deal.

Those same skills and networks are utilised to help you, when a claim occurs

So remember, the best way to address your insurance needs, is to find an experienced broker with whom you can develop a close and long lasting business relationship.

REMINDER: The Mandatory Data Breach Notification Laws (Notifiable Data Breaches Scheme (NDBS)) came into effect on 22 February, 2018.

Have you updated your Privacy Procedures? Have you implemented a Data Breach Response Plan?

Are you aware that the new scheme applies to all businesses with security obligations under the Privacy Act 1988?

Reputation Risk

Damage to brand and reputation remains one of the top ranked risks identified by businesses in Australia and overseas, according to a recent Global Risk Management Survey.

Warren Buffett famously said that it takes 20 years to build a reputation and five minutes to ruin it. If you have any doubt about the effect of reputation on the bottom line, look no further than Volkswagen. Since the emissions scandal hit in 2015, Volkswagen's market cap has declined by 30%, equivalent to over 20 billion Euros.

With this in mind, what might you do differently to protect your reputation and the reputation of your business?

There's no question that reputation has an economic value, so taking steps to protect and manage it makes good business sense.

These should include:

1. Invest time and money in building a good reputation now – don't wait until a crisis. A good reputation doesn't happen overnight.
2. Make reputational risk management a top organisational priority



3. Proactively manage key reputational risks – this means relying on a good plan that considers all the things that could go wrong, and what could be done to mitigate the possible risks. At a time when we are hostage to a 24 hour news cycle and social media, crisis can spread globally within minutes, which means the response must be immediate and cohesive.
4. Develop a structured system for reputational risk reporting and evaluation.
5. Integrate reputation management into all business processes.

Five things that can make or break an organisation's reputation:

1. Your values
2. Your people
3. Social media
4. Leadership
5. Risk management structures

"A reputation once broken may possibly be repaired, but the world will always keep their eyes on the spot where the crack was."

- Joseph Hall

Drone regulation

Owners and Operators of Commercial Remotely Piloted Aircraft Systems (RPAS), which are more commonly known as "drones", now face number of risks they should consider when it comes to protecting their own assets and third party liability.

Whilst initially these drones were viewed as "toys" with minimal commercial applications the position has now greatly changed.

The applications for these drones is now extensive and are used in Real Estate, Safety surveillance and the Insurance Industry just to name a few. These devices are tremendous as they are extremely versatile and are able to access areas that sometimes may be difficult. They were used extensively by insurers

following recent fires in Victoria to assess damaged property without having to go directly into exclusion zones.

Relaxed regulation and now increased strong commercial opportunity has now meant that the drone revolution is disrupting some major industries across Australia.

It has been recently reported by one leading Australian Insurer that one in fifty drones will be involved in an "accident" so understanding the current Insurance landscape has never been more critical to business' and individuals who operate these devices.

As there is now new Laws in place it's certainly prudent consider available insurance products to help to mitigate the possible losses. Your insurance broker will be able to assist with any queries.



Barron Falls - a no drone zone!
Queensland Rail (QR) has banned drone users from using as the falls' Kuranda Scenic Railway stop as a launchpad for drones. Photographers can apply for a permit via QR. [Read more here.](#)

Big Data - How big is big?

big data

noun: COMPUTING

noun: big data

extremely large data sets that may be analysed computationally to reveal patterns, trends, and associations, especially relating to human behaviour and interactions.

How big is 'big data'?

According to some sources, in 2018 we captured the same amount of data in any two days than we did in all of history prior to 2003. IBM report that 90% of data on the internet has been collected since 2016. Reflect on that for a minute ... that's a lot of data about you and me! While the collection of data is nothing new, we now live in a world where big data is so much bigger and growing by the day!

Data is everywhere and we leave pieces of ourselves all over the place. Think social media, Facebook, Twitter, Instagram, Snapchat – just to name a few. Online shopping, credit cards, banking, surveys, email, mobile phones, e-readers and even electronic billboards are collecting data on you. It's probably not surprising that Google is the world's biggest collector of data processing 3.5 billion requests each day!

Data analytics is the new buzzword and is a booming industry because businesses and governments want to capitalise on the



power of this knowledge.

While many people worry about a lack of privacy, data collection and the subsequent analytics can be used to benefit the consumer. In the insurance industry for example, the ability to capture so much real data may provide a better understanding of consumer behaviour resulting in more accurate risk profiles. This could mean cheaper premiums for some.

Regulators and legislative bodies have a massive job to keep up with the changes in technology, and increasing concerns about what it means for the privacy of individuals.

PERSONAL INFORMATION AND PRIVACY

Personal and financial information is currency for criminals online. With your stolen identity, a criminal may be able to access your bank account, obtain credit cards or loans in your name and potentially ruin your credit rating.

You need to be careful with how much personal information you reveal online. Sharing your address, telephone number, birthday, and other personal information can mean you are at a greater risk of identity theft, stalking and harassment.

This includes information you post on social media.

Stay Smart Online has the following tips for protecting your privacy and identity online:

Take proactive measures to protect your information

- Use strong passwords and don't share them with anyone.
- Use a separate email address for shopping, discussion groups and newsletters.
- Only share your primary email address with people you know.
- Adjust your privacy settings on social networks to control the amount and type of information you want to share.

Moderate your activity online and monitor for signs of compromise

- Check your billing and account records carefully to detect signs

of potential identity theft early.

- Be careful when signing up to mailing lists – spammers sometimes use the unsubscribe button to validate addresses.
- Only make online purchases from companies that have a clear privacy policy and secure payment pages.
- Think before you fill out online forms and be careful with whom and how you share your information. Ask yourself: do I really need to give my information to this site?
- Keep a record of what information you have given to whom.

Know what to do if your identity is stolen

- Notify your financial institutions.
- Change your passwords.
- Notify the relevant websites.
- Request a credit report from a reputable credit reference bureau.

Where to get help

If you think you have been the victim of identity theft, act quickly to avoid further damage. [Contact iDcare](#), a free government-funded service who can help.



Did you know...

The voice of Mickey Mouse and the voice of Minnie Mouse got married in real life!

German chocolate cake is named after a guy named Sam German, not the country.

The creature that kills the most people every year isn't snakes, sharks, or even other humans — it's the mosquito.

There's an island in Japan you can visit that's inhabited only by friendly bunnies.

There are actually more public libraries in the US than McDonald's.

The last letter added to the English alphabet wasn't Z — it was the letter J.

Before the invention of color TV, 75% of people said they dreamed in black and white. Today, only 12% do.

It's illegal to own just one guinea pig in Switzerland because they get lonely.

Wombat poop is cube-shaped.

The British royal family isn't allowed to play Monopoly.

Iceland has an elf whisperer who inspects construction sites before anything gets built to make sure no elves are hanging around.

There is an island in the Bahamas that's inhabited only by swimming pigs.

4% of the sand on Normandy beach is made

up of shrapnel from D-Day that has broken down.

If someone gives opinions on topics they know nothing about, they're an ultracrepidarian.

Canadians say "sorry" so much that The Apology Act was passed in 2009, declaring that an apology can't be used as evidence of admission of guilt.

Most American movie villains have British accents because we associate them with having high intellect and low morals.

In Queensland, it's illegal to own a pet rabbit unless you're a magician.

T-shirts were originally marketed to unmarried men who didn't know how to sew buttons back on collared shirts by themselves.

All colors of Froot Loops have the same flavor.

Cows have "best friends" and get stressed when separated.

If you're being violent or drunk in Japan, police will get a futon and roll you into a burrito.

A "buttload" is a real measurement of weight.

All mammals take about 12 seconds to poop, regardless of size.

Source: [Buzzfeed](#).



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.



For more information visit www.cqib.org.au

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.

Bill Owen
Insurance Brokers
ABN 62 067 609 572 AFSL No. 235365

PO Box 521N
North Cairns QLD 4870

Phone: 07 4052 1000
Fax: 07 4051 9331
Email: broker@billowen.com.au
Web: www.billowen.com.au

Wisewords

“The best way of learning about anything is by doing.”

— Richard Branson

“Either write something worth reading or do something worth writing.”

- Benjamin Franklin

“Your voice can change the world.”

- Barack Obama