

owner builder construction & liability

insurance product disclosure statement,
policy and application



This is an important document. If you cannot read and understand English, please use an interpreter to explain it to you before entering into this contract of insurance.

Questo è un documento importante. Se non avete una buona conoscenza dell'Inglese, per favore fatevelo spiegare da un interprete prima di concludere un contratto di assicurazione.

Αυτό είναι πολύ σπουδαίο έγγραφο. Αν έχετε δυσκολία με τα Αγγλικά, παρακαλείστε να μεταχειρισθείτε διερμηνέα να σας το εξηγήσει προτού συνάψετε μια ασφαλιστική συμφωνία.

這是一份重要文件。如你不諳英語，在投保前，請先用傳譯員為你解釋保險合約。

ان هذه الوثيقة هامة. إذا كنت لا تجيد الإنكليزية، يرجى استعمال مترجم كي يشرحها لك قبل أن تدخل طرفاً في عقد تأمين.

Dies ist ein wichtiges Dokument. Falls Sie die englische Sprache nicht beherrschen, lassen Sie es sich von einem Dolmetscher erklären, bevor Sie einen Versicherungsvertrag eingehen.

Đây là một văn kiện quan trọng. Nếu quý vị không thông thạo tiếng Anh, xin vui lòng nhờ thông dịch viên giải thích để quý vị hiểu rõ trước khi ký tên vào hợp đồng bảo hiểm.

Este es un documento importante. Si Ud. No tiene conocimientos sólidos de inglés, pida a un intérprete que le explique el documento antes de contratar el seguro.

នេះគឺជាឯកសារមួយដែលមានសារៈសំខាន់ ។ ប្រសិនបើអ្នកពុំសូវចេះភាសាអង់គេសច្បាស់លាស់ទេ សូមស្នើសុំអ្នកបកប្រែភាសាឲ្យពន្យល់ប្រាប់អ្នកមុនពេលអ្នកយល់ព្រមចុះកិច្ចព្រមព្រៀងធានារ៉ាប់រងណាមួយ ។

Welcome to the security of CGU insurance

This booklet is important

Product Disclosure Statement

This Product Disclosure Statement (PDS) contains important information required under the Financial Services Reform Act 2001.

To assist you to locate specific items in the policy wording, a table of contents is provided on page 5.

Introduction

Who is the insurer

CGU Insurance Limited is the insurer of the insurance policy. Our Australian Business Number is 27 004 478 371. Our Australian Financial Services Licence Number is 238291. In this booklet the insurer is called 'we', 'us' or 'our'.

CGU has relationships with brokers, Authorised Representatives and other intermediaries who issue CGU policies. CGU pays remuneration to brokers, Authorised Representatives and other intermediaries when they issue, renew or vary CGU policies.

How to contact us

You may contact us by any of the following ways:

- In person at any CGU Insurance office.
- By telephone on 13 15 32
- By writing to us at CGU Insurance, GPO Box 9902 in your capital city.
- By email on our website www.cgu.com.au

The purpose of this PDS

This PDS has been prepared to assist you in understanding the insurance policy and making an informed choice about your insurance requirements. This PDS sets out the significant features of the insurance policy including its benefits, risks and information about how the insurance premium is calculated. You still need to read the policy wording which commences on page 6 for a full description of the terms, conditions and limitations of the insurance policy.

General Insurance Code of Practice

CGU Insurance proudly supports the General Insurance Code of Practice. The purpose of the Code is to raise the standards of practice and service in the general insurance industry. Details about the Code are shown in the policy wording under 'General Insurance Code of Practice' on page 3. Brochures on the Code are available from your nearest CGU Insurance office.

Your cooling-off period

We will refund all premium paid for cover under the insurance policy if you request cancellation of the insurance policy within 21 days of its commencement. To do this, you must advise us in writing and return the schedule to your nearest CGU Insurance office. You will not receive a refund if you have made a claim under the insurance policy. Details about the cooling-off period are shown in the policy wording under 'CGU Insurance Triple Guarantee' on page 3.

What to do if you have a dispute

If you have a concern about the insurance policy, our decision on your claim, our service or the service of our authorised representatives, loss adjusters or investigators, you may access our internal dispute resolution process. To do so, please contact your nearest CGU Insurance office.

In the event we are unable to resolve your concern through our internal dispute resolution process, you may then request the matter be reviewed by the Insurance Ombudsman Service. This is a free service available to you by calling 1300 78 08 08. The scheme is administered by the Insurance Ombudsman Service Limited ABN 23 062 284 888. Details about the dispute resolution system are shown in the policy wording under 'Our service commitment' on page 17.

Your privacy

We treat your personal information with care. We will not release your personal information to anyone else other than another insurer, an insurance reference service or as permitted or required by law. In the event of a claim, we may disclose information to and/or collect additional information about you from investigators or legal advisers. Details about your privacy are shown in the policy wording under 'The way we handle your personal information' on page 4.

Your duty of disclosure

We rely upon the information you provide to us when you apply for insurance, and when you renew, change or reinstate your policy. You must tell us anything that you know, or should know, that could affect our decision to insure you and/or the terms on which we insure you.

Details about disclosure information are shown in the policy wording under 'What you need to tell us' on page 5 and 'What you need not tell us' on page 5.

How to apply for insurance

Complete our application form. If we accept your application for insurance, you will receive a schedule that sets out details of the insurance you have taken out.

How to make a claim

To make a claim, please contact your nearest CGU Insurance office, or call 13 15 32 when something happens that you believe you can claim for. Details about making a claim are shown in the policy wording under 'What you must do when you make a claim' on page 16.

Taxation information

CGU Insurance shows all taxes and charges as separate items on all schedules (e.g. stamp duty and the Goods and Services Tax). Details about the Goods and Services Tax are shown in the policy wording under 'Some things you should note' on page 8.

Significant features and benefits applicable to this policy

- Ability to insure Property Damage and Liability.
- Property Damage options:
 - Construction of a new building.
 - Internal alterations.
 - Extensions on same floor level.
 - Cover for pre-existing structures can also be included.
- Property Damage cover:
 - Covers unforeseen physical loss or damage that happens during the time when you are insured.
 - We will also cover your costs of removal of debris and architects', engineers' and surveyors' fees when they are shown in the schedule.

For details of this cover, refer to the policy wording 'When we will pay' and 'When we will not pay' on pages 9 and 10.

● Liability cover:

- We will indemnify you against public liability when you have selected cover for liability and it is shown on the schedule.

For details of this cover, refer to the policy wording 'What is covered' on pages 11 and 12 and 'When we will not pay' on page 12.

With each cover selected a range of additional benefits is included. For Property Damage, these benefits are shown in the policy wording under 'Additional things we will pay for' on page 10, and for Liability these benefits are shown under 'Additional things we will pay for' on page 12.

Exclusions

Our insurance is designed to provide protection for you in the event of something happening which has been insured against.

Under some circumstances this policy will not provide any insurance cover to you.

For example, we will not pay claims for physical loss or damage caused by or as a result of:

- Electrical, electronic or mechanical breakdown of a machine.
- Incorrect siting of the Project.
- Action of the sea, tsunami, tidal wave or high water.
- Loss or damage which occurs more than 30 days after all work has ceased and the Project is still unfinished.

Within the Liability section, we will not pay claims for:

- Employer's Liability (Workers' Compensation).
- Contractual Liability.
- Pollution.
- Vehicles.

This lists some of the events that are not covered by this insurance, and for full details of all relevant policy exclusions you should read the policy wording and schedule.

Under the policy wording you should refer to 'Words that have a special meaning' on pages 6 and 7, 'Some things you should note' on page 8, 'When your insurance will end' on page 9, 'When we will pay' on page 10, 'When we will not pay' on pages 9 and 10, 'What is covered' on pages 11 and 12, 'Additional things we will pay for' on page 12, 'Special conditions that relate to Liability Insurance' on page 14 and 'What Sections 1 and 2 do not cover' on page 15.

It is important that you are aware of these exclusions and so you should read them.

There are things you must do in order for your insurance cover to apply. For example, you must pay the premium. In the policy wording we show what you need to do under 'What you are required to do for us' on page 15.

Significant risks

Excesses

An excess is the amount of money we will deduct from the amount we pay for your claim. If you make a claim under the policy, you may be required to pay one or more excesses. Details in respect of the excess is shown in the policy wording under 'Excess' on page 6 and the amount of each excess will be shown on your schedule. We take into account a number of factors when setting the excess. These include factors relating to the nature of the construction, the location where the construction is being undertaken and your previous insurance and claims history. At the time of your enquiry or application for Home Construction and Liability Insurance, the amount of the excess will be advised to you.

Disclosure

You have certain disclosure obligations that you need to comply with. Failure to comply with these obligations may have consequences in terms of both your insurance cover or in the event that you make a claim. Your disclosure obligations and the consequences of not complying with these obligations are outlined in the policy wording under 'What you need to tell us' and 'What will happen if you do not tell us' on page 6.

Costs

The premium payable by you will be shown on your schedule.

The key factors that influence the premium calculation are reflected in the questions asked and information sought at the time of your enquiry or application for Home Construction and Liability Insurance. These include factors relating to the nature and location of the construction work being undertaken, the value of the construction works and your previous insurance and claims history.

Premiums are subject to Commonwealth and state taxes and/or charges. These include the Goods and Services Tax and stamp duty. The amount of these taxes and/or charges will be shown on your schedule.

Owner Builder Construction and Liability Insurance Policy

Please read this policy before you apply for insurance.

This policy sets out the terms, conditions, and limits that apply for the insurance we offer you. If we accept your application for insurance, you will receive a schedule that sets out details of the insurance you have taken out.

Our agreement with you is made up of your application, this policy, the schedules and endorsements we send you. Endorsements are notices we send you to confirm changes to your insurance.

Keep this policy in a safe place, you may want to refer to it from time to time.

General Insurance Code Of Practice

CGU proudly supports the General Insurance Code of Practice.

The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The Code aims to improve:

- The quality, comprehension and accuracy of policy documents and other information provided to consumers.
- Employee and representative training and supervision.
- Claims handling and dispute resolution.

Brochures on the Code are available from your nearest CGU office.

CGU Insurance Triple Guarantee

Our guarantee assures you of quality insurance and service at all times.

Service Guarantee

We will provide you with the highest standards of service.

Fair Dealing Guarantee

We will meet any claims covered by your policy fairly and promptly.

Money Back Guarantee

You have 21 days after you receive your numbered policy schedule to be sure you have the cover you require. If it is not the cover you require, you can cancel the policy. To do this, you must advise us in writing and return the schedule to your nearest CGU Insurance office. You will receive a full refund of the premium paid, providing nothing has occurred for which a claim is payable under the policy.

The way we handle your personal information

We collect personal information from you for the purpose of providing you with insurance products, services, processing and assessing claims.

You can choose not to provide this information, however, we may not be able to process your requests.

We may disclose information we hold about you to other insurers, an insurance reference service or as required by law. In the event of a claim, we may disclose information to and/or collect additional information about you from investigators or legal advisers.

If you wish to update or access the information we hold about you, contact us.

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Your Policy

What you need to tell us

You must tell us everything that you know or should know could affect our decision to insure you. You must do this when you apply for a policy, renew your policy, or when you change or reinstate your policy. When we ask you specific questions, you must answer these questions truthfully and in a way that a reasonable person in the circumstances would answer them. It is important that every person who will be insured by the policy answers all questions in this way. These requirements are part of the Insurance Contracts Act 1984.

What you need not tell us

You do not need to tell us anything that:

- Reduces our risk.
- Is of common knowledge.
- We know, or as an insurer should know.
- We say that we do not want to know.

You do not need to tell us about when another insurer has declined cover or refused to renew a policy because of factors that do not relate to the assessment of your risk. For example, a previous insurer may have decided not to insure properties within your area.

What will happen if you do not tell us

If you withhold relevant information or you do not answer our questions in the way we have described, we can reduce the amount we pay you for your claim, or we can cancel your policy. If your failure to tell us is fraudulent, or your answers are untruthful, we can treat your policy as if it never existed.

Words that have a special meaning

In this policy there are words that have a special meaning. These words are listed below. Wherever a word with a special meaning is printed in this policy, it will be shown in **bold** print.

Aircraft means any vessel, craft or thing made to, or intended to, move through the air or space.

Project means the works of constructing a building. This includes formwork hired by you that you are liable to replace, temporary works, hoardings, materials supplied by you, materials for use in the building construction and additions to, or alterations of, **pre-existing structures**. This does not include construction plant and equipment, or tools.

Damage to property means:

1. physical damage to;
2. physical destruction of;
3. loss of use of;

property.

Debris means: the remains of insured damaged property, excluding **pollutants** which are deposited beyond the boundaries of the **situation**.

Event means:

1. a single incident;
2. a series or number of incidents either having the same original cause or attributable to the one source; or
3. continuous or repeated exposure to substantially the same general conditions.

Excess means:

the amount of money we will deduct from the amount we pay for your claim. Where you make a claim for more than one event, the **excess** will apply for each individual event. The amount of your excess is shown on your **schedule**.

Geographical limits means:

anywhere in Australia. This does not include the ownership, occupancy or tenancy of any building, land or structure, other than at the **situation** shown in the **schedule**, or any building, land or structure used in connection with the **Project**.

Hovercraft means: any vessel, craft or thing supported on a cushion of air, made to, or intended to transport persons or property over land or water.

Loading or unloading goods onto or from a **vehicle** means: the single action of transferring the weight of the goods (or a portion of a consignment of goods) onto or from the vehicle.

Occurrence means:

personal injury or damage to property that:

1. is neither intended nor expected by a reasonable person in your position;
2. is caused by an event; and
3. happens within the geographical limits during the period of insurance.

Personal injury means:

1. bodily injury, death, sickness, disease, disability;
2. shock, fright, mental anguish;
3. false arrest, false imprisonment, wrongful detention, malicious prosecution;
4. libel, slander, defamation of character, humiliation;
5. wrongful eviction, wrongful entry or other invasion of privacy.

Pollutants mean: any solid, liquid, gaseous or thermal irritant or contaminant. This includes but is not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

Pre-existing structures mean: structures existing at the **situation** at the time of the commencement of the **Project**.

Property means:

1. physical property not in your possession or control;
2. premises that you occupy for the purpose of the Project.

Public liability means: your legal liability to pay damages for an **occurrence** (and for consequential loss caused by the **occurrence**) arising in connection with the **Project**.

Removal of debris means:

1. the removal, storage and disposal of debris and of any thing which caused insured damage, from the situation.
2. (a) the removal, storage and disposal of debris from premises, roadways, services, railways or waterways owned by any other person or entity, where you are legally liable to remove, store or dispose of such debris as a result of insured damage, and
(b) the cost of cleaning up.

Clauses 2(a) and 2(b) do not apply if your liability has arisen as a result of any agreement or contract made by you. You will be covered for removal of debris that you would have been liable for if the agreement or contract did not exist.

3. the demolition, dismantling, shoring up, propping or underpinning of insured property or the carrying out of other temporary repairs to insured property as a result of insured damage.
4. the demolition and removal of insured property which is necessary for the purpose of repair or replacement as a result of insured damage.

Schedule means: the document we give you which sets out the details of your insurance cover. You receive a **schedule** when you first take out your insurance and when the policy is renewed or changed.

Situation means: the place where the Project as shown in the Schedule is being carried out.

Sub-Contractors mean: any person carrying out work at the Project Site where payment in any form was agreed to prior to the commencement of the work being undertaken.

Used as a working tool means: used for excavating, digging, grading, drilling, lifting, pumping, spraying, vacuuming and the like.

It does not include use for:

1. loading or unloading goods onto or from a vehicle, by use of a crane mounted on the vehicle;
2. transit to or from or within a work site; or
3. transport or haulage.

Vehicle means: any type of machine on wheels, on skis or on self-laid tracks, designed to be moved other than by manual or animal power and includes any trailer while attached to a vehicle.

Voluntary Worker means

any person carrying out work of any description at the situation including work:

1. on a voluntary basis; or
2. for reward which will not form a component of their taxable income: or
3. for work where no payment of any form was agreed prior to the commencement of the work being undertaken.

Watercraft means: any vessel craft or thing made to, or intended to float on, or in, or travel on or through water.

Some things you should note

1. The policy you are applying for will not provide any insurance cover for anything that may have happened before the policy started.
2. **Excess**
You must pay the excess when a claim occurs. An excess means the amount of money we will deduct from the amount we pay for your claim.
Where a claim is made in respect of more than one event, the excess will apply as though a claim was made for each individual event.
3. This insurance will not begin until we have accepted your application. The commencement date of your insurance will be shown on the **schedule** we send you. We have the right not to accept your insurance application.
4. The Liability section of this policy only provides cover in relation to **personal injury or damage to property** that happened during the period of insurance of this Liability section.
5. **Liability assumed under agreement**
The Liability section of this policy does not provide cover for liability you have assumed under any agreement or contract. This does not apply if you would have been liable without the agreement or contract.
6. **Jurisdiction**
Any dispute between you and us under this policy will be determined by the courts, and in accordance with the laws of the State or Territory of Australia where we issued this policy.
7. If you cancel the policy because the **Project** never commenced, we will give you a full refund of premium. If you cancel the policy after the **Project** have commenced, we will not give you any refund of premium.

8. **Date Recognition Special Exclusion**

There is no insurance under this policy in respect of any claim of whatsoever nature which consists of or arises directly or indirectly out of or in connection with the failure or inability of any:

- (a) electronic circuit, microchip, integrated circuit, microprocessor, embedded system, BIOS or other instruction set, hardware, software, firmware, program, computer, data processing equipment, telecommunication equipment or systems, or any similar device; or any
- (b) media or systems used in connection with any of the foregoing;

whether the property of the insured or not, at any time to achieve fully and successfully any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote, represent or express a date.

This includes, but is not limited to, any failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of or in connection with:

- (1) anything referred to in (a) or (b) recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day of the week or period of time; or
- (2) the operation of any command or logic which has been programmed or incorporated into anything referred to in (a) or (b) above.

Exception to Date Recognition Special Exclusion

However, this special exclusion will not exclude any claim for subsequent loss or destruction of or damage to any property or consequential loss which is solely and directly caused by a Defined Contingency (as defined hereunder), arising under Section 1, but only to the extent that such claim would otherwise be insured under that section.

Definition

For the purpose of this special exclusion only, 'Defined Contingency' shall mean fire, lightning, explosion (other than loss or destruction of or damage to boilers and pressure vessels), aircraft and other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank or apparatus or pipe, impact by any road vehicle or animal, or theft (other than theft by employees).

9. Goods and Services Tax

Where we make a payment under this policy for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 in relation to that acquisition, whether or not that acquisition is actually made.

Where we make a payment under this policy as compensation instead of payment for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or other supply.

When you are insured

Your insurance begins when we accept your application. The commencement date of your insurance will be shown on the schedule we will send you. The insurance applies for the period for which you have paid us (or agreed to pay us) the premium. You may pay your premium by cash, cheque or credit card. If your cheque or credit card is dishonoured by your financial institution, you are not insured.

When your insurance will end

Your insurance will end at the earliest of the following times:

1. 4 p.m. on the date shown in your **schedule** that the period of insurance is to run to; or
2. when the **Project** are completed.

This policy has been issued for the period of construction stated on your application and no invitation to renew this policy will be sent to you. If you require insurance after the date that the policy expires, you will need to ask us for this policy to be extended.

Who is insured under this policy

The persons, partnerships and companies whose names are set out in your schedule are insured.

In this policy all of these people are called 'you' or 'your'.

Who is the insurer

CGU Insurance Limited is the insurer. Our Australian Financial Services Licence Number is 238291.

In this policy the insurer is called 'we', 'us' or 'our'. Our Australian Business Number is 27 004 478 371.

CGU has relationships with brokers, Authorised Representatives and other intermediaries who issue CGU policies. CGU pays remuneration to brokers, Authorised Representatives and other intermediaries when they issue, renew or vary CGU policies.

Section 1 Property Damage

Your **Project** is insured while at the **situation**. Cover for materials to be included in the **Project**, while away from the situation, is not provided.

When we will pay

We will cover the **Project** and **pre-existing structures** shown in your **schedule** while at the **situation**. We will cover these items against unforeseen physical loss or damage that happens during the time when you are insured.

If there is insured damage to the **Project**, we will also cover your costs of **removal of debris** and architects', engineers', and surveyors' fees when they are shown in the **schedule**.

When we will not pay

We will not pay claims for physical loss or damage caused by, or as a result of:

1. A fault, error or omission in material, workmanship, design, plan, or specification. If loss or damage is caused by a fault, error, or omission, we will pay the cost of repairing, replacing or rectifying the **property**. We will reduce the amount we pay you by the amount you would have had to pay to repair, replace or rectify the fault, error or omission, immediately before the damage happened.
2. Electrical, electronic or mechanical breakdown of a machine.
 - (a) If the electrical, electronic or mechanical breakdown causes a fire in the machine that broke down, we will pay for the loss or damage caused by the fire. We will not pay for damage due to breakdown, even if that part of the machine was also damaged by the resulting fire.
 - (b) If the electrical, electronic or mechanical breakdown causes loss or damage to other insured items, we will pay for that loss or damage.
3. Moths, termites, other insects, vermin, mildew, mould, wet or dry rot, contamination or pollution, variations in temperature, evaporation, dampness, and change of colour texture or finish.
4. Wasting, wearing away, abrasion, corrosion, rust or oxidation, gradual deterioration.
5. Action of the sea, tsunami, tidal wave, or high water.

6. Cessation, interruption or delay of any process or operation as a direct result of strikes, labour disturbances, or locked out workers.
7. Demolitions ordered by government, public, or local, authorities.
8. Incorrect siting of the **Project**.
9. Fraudulent or dishonest acts by any of your employees.

We will not pay claims for:

10. Loss or damage that is only discovered when an inventory is taken.
11. Loss of or damage to cash, bank notes, treasury notes, cheques, postal orders, stamps, deeds, bonds, bills of exchange, promissory notes, securities, or computer software.
12. Consequential loss.
13. Loss of use.
14. Penalties, fines, liquidated damages, or aggravated, punitive or exemplary damages.
15. Loss or damage in connection with guarantees of performance or efficiency.
16. The costs of normal maintenance.
17. Loss or damage which occurs more than 30 days after all work has ceased and the **Project** is still unfinished.
18. Loss of, or damage to, hoists, cranes and other mobile or stationary plant and equipment, **vehicles** of any kind, tools, belonging to you, your employees, contractors subcontractors or their employees.
19. Loss of, or damage to, **watercraft, aircraft or hovercraft**.
20. Loss of, or damage to, any **property** while in transit, or during **loading or unloading** following delivery to, or removal from, the **situation**. We will pay for loss or damage to insured **property** being moved on the construction site.
21. Shortage in supply or delivery of materials to or from you.
22. Theft by trickery.
23. Testing involving the imposition of abnormal conditions, intentional overloading or experiments.
24. Faulty packing or storage.

The most we will pay

The most we will pay during any one period of insurance, or for any claim arising out of one **event**, is the full replacement cost of the Project Insured shown on your **schedule**.

Additional things we will pay for

1. If we have accepted a claim for the **Project**, we will pay for **removal of debris**. However we will only pay for the reasonable costs necessary to:
 - (a) Demolish and dispose of the damaged **contract works** or **pre-existing structure**.
 - (b) Remove **debris** coming on to the site as a result of damage insured by this policy.
 - (c) Demolish and remove undamaged parts of the **Project** to enable the **Project** to be reinstated or repaired.
2. Following a claim under this section, you are fully insured again for the Project shown in your **schedule**, provided that you pay any additional premium we require. This does not apply when your claim is for a total loss, as the cover under this policy will end.

How we will settle a claim

1. In the event of a claim for physical loss or damage to the **Project**, we will either:
 - (a) reinstate or repair the **property** insured to the condition it was in just before the loss or damage occurred; or
 - (b) pay you the cost of reinstating or repairing the **property** insured to the condition it was in just before the loss or damage occurred.

We decide which one we will do.

2. Optional Replacement Benefit

(Applicable to **pre-existing structures** only)

If you selected the optional replacement benefit, this will be shown on your schedule as "including replacement benefit". With this benefit, we will pay the cost of rebuilding your **pre-existing structures** or repairing the damaged portions to the same condition as when they were new. We will also pay any additional costs required for your **pre-existing structures** to comply with government or local authority bylaws. We will not pay these additional costs if you were required to comply with these bylaws, and had not done so, before the loss or damage occurred. We will not pay for any additional costs to comply with government or local authority bylaws required as part of the contract works.

3. When we pay a claim under items 1, 2 or 3 above, we will not pay for:
 - (a) any temporary repairs, unless these repairs form part of the final repairs and do not increase the total cost of repairs; or
 - (b) the cost of alterations, additions or improvements; or
 - (c) the costs of express delivery, overtime rates of wages, hire of additional labour and equipment necessary to urgently replace or repair any loss or damage to the property insured.
4. In the event of a claim for **removal of debris**, we will pay the reasonable costs necessarily incurred. We will not pay more than the sum insured for **removal of debris** shown on your **schedule**.
5. In the event of a claim for architects', engineers', and surveyors' fees, we will pay the reasonable costs necessarily incurred. We will not pay more than the sum insured for architects', engineers' and surveyors' fees shown on your **schedule**.
6. We will deduct the **excess** from the amount we pay for your claim. The amount of your **excess** is shown on your **schedule**.

Section 2 Liability

When we will pay

We will indemnify you against **public liability**, when you have selected cover for liability and it is shown in the **schedule**.

Where more than one legal entity is insured under this section, we shall indemnify you against **public liability** to another insured, as if that other insured were not a party to the policy.

What is covered

1. Public liability

The most that we will pay for **public liability**;

- (a) for one **occurrence** (other than **occurrence** in connection with **pollutants**) shall be the limit of indemnity for **public liability** shown on the **schedule**;
- (b) for one **occurrence** in connection with **pollutants** shall be the limit of indemnity for **public liability** shown on the **schedule**, less the sum of the indemnities that we have already paid for **public liability** in connection with **pollutants** that arose during the period of insurance.

2. Where **personal injury** or **damage to property** is caused repeatedly or continuously by one **event**, the **personal injury** or **damage to property**:

- (a) shall be deemed to be a single instance of **personal injury** or **damage to property**; and
- (b) shall be an **occurrence** only if the **personal injury** or **damage to property** was first discovered during the period of insurance.

3. **Personal injury** or **damage to property** that has already been discovered before the period of insurance shall not be an **occurrence** and shall be deemed to have occurred outside the period of insurance.

4. Where we are indemnifying more than one legal entity, for **public liability** in respect of one **occurrence**, the most we will pay in total, for all the legal entities we are indemnifying, shall be the limit of indemnity shown on the **schedule**.

5. Cover for others

If they comply with and are subject to the terms, conditions and exclusions of this section, we will also indemnify, as though they were you, the following parties that are not named in the **schedule**:

- (a) Any party with whom you have entered into an agreement for the purpose of the **contract works**. This cover is only for **occurrences** for which you would be liable in the absence of the agreement and only to the extent that the agreement requires you to indemnify that party in relation to that **occurrence**.
- (b) Any of your directors, officers or employees, but only for liability incurred by them while acting within the scope of their duties in such capacity.

Additional things we will pay for

1. Your legal costs

- (a) In addition to the limit of indemnity shown on your **schedule**, we will also pay, in the case of:
 - (1) **public liability**; or
 - (2) a claim of **public liability** being made against you;your legal costs.
- (b) Your legal costs mean:
 - (1) the legal costs and expenses, that you incur with our written agreement, in defending a claim of **public liability** made against you; and
 - (2) the legal costs and expenses of any claimant against you for **public liability** that you are liable to pay.
- (c) In relation to **public liability** subject to or determined by the law outside **North America**, the indemnity for your legal costs shall not be limited by any **limit of indemnity**.
- (d) In relation to **public liability** subject to or determined by the law in **North America**, the indemnity for your legal costs shall be limited to the amount by which the applicable limit of indemnity is not exhausted by the indemnity for the **public liability**.

2. Damage to goods in your possession or control

We will also indemnify you against **public liability** for:

- (a) physical damage to; or
- (b) physical destruction of;

goods, that are in your possession or control, which arises out of an **occurrence** as though the damage or destruction was **damage to property**. However, we will not indemnify you for damage to goods in your possession or control if those goods belong to you or any member of your family who normally lives with you, or any other person who normally lives with you.

The most we will pay, for damage to goods in your possession or control, for all **public liability**, arising during the period of insurance, shall be \$10,000.

When we will not pay

We will not pay claims for:

1. Employer's liability (Workers' Compensation)

(a) Liability for **personal injury** to any person arising out of, or sustained in the course of, the employment of such person in your service, or through the breach of any duty owed to that person, where you:

- (1) are indemnified or entitled to be indemnified (either in whole or in part) in respect of claims for damages under a policy of insurance (which expression includes arrangements made by you to provide accident insurance for your workers under a licence to self insure) arranged (whether required by law or not) in accordance with any workers' compensation legislation or accident compensation legislation; or
- (2) would have been indemnified or entitled to be indemnified had you arranged a policy of insurance as required by such legislation.

(b) Liability for **personal injury** to any person arising out of, or sustained in the course of, the employment of such person in your service in Western Australia, other than a person of whom you are deemed to be an employer by reason only of Section 175 of the Workers' Compensation and Rehabilitation Act 1981 (WA).

(c) Liability for mental anguish suffered by any person arising out of, or in the course of, that person's employment by, or service to, you.

(d) Liability for **personal injury** arising out of the harassment, libel, slander, defamation or humiliation of, or discrimination against, any person while in your service or while employed by you.

(e) Liability of a type in respect of which indemnity previously would have been provided under a policy of insurance arranged in accordance with any workers' compensation legislation or accident compensation legislation, but in respect of which indemnity has been withdrawn or reduced as a consequence of a change to the scope, terms, provisions, or requirements of such legislation made after the commencement of the current period of insurance of this policy.

(f) Any other liability imposed by the provisions of any workers' compensation legislation or accident compensation legislation or any industrial award, agreement or determination.

2. Discrimination and harassment

Liability for discrimination or harassment in breach of any statute.

3. Assault or battery

Liability for assault or battery committed by you or at your direction, unless it was committed for the purpose of preventing or eliminating danger to persons or **property**.

4. Waiver of rights

Liability in respect of all or part of which you, by an agreement, have released or waived your right to recover indemnity or contribution from another.

5. Contractual liability

Liability assumed by you under an agreement, unless such liability would have attached to you in the absence of that agreement.

6. Intentionally or recklessly caused personal injury or damage to property

Liability in connection with personal injury or damage to property intentionally or recklessly caused by you.

7. Faulty workmanship

Liability to perform, complete or rectify any work undertaken by you or on your behalf, or to pay the cost of performing, completing or rectifying such work.

8. Family members or persons living with you

Liability in connection with **personal injury** to, or **damage to property** of, you or any member of your family who normally lives with you, or any other person who normally lives with you.

9. Fines and punitive damages

Liability for fines or penalties, or punitive, exemplary or aggravated damages.

10. Cranes

Liability for the operation of a crane in an unsafe condition.

11. Investigation costs

The costs and expenses for the investigation, by you, into the cause of any defect or **event** giving rise to a claim.

12. Aircraft, watercraft and hovercraft

Liability in connection with your ownership or physical or legal control of, or use by you or on your behalf of, any:

- (a) **aircraft**;
- (b) land, building or structures in an area where **aircraft** land or take off, or are housed, maintained or operated;
- (c) **watercraft** greater than eight metres in length, except while stored on land;
- (d) **hovercraft**.

13. Vehicles

- (a) Liability for **personal injury** or **damage to property** in connection with a **vehicle** when that **vehicle** is required by law to be registered, or to have compulsory indemnity cover against your **liability**, or when such indemnity cover is in force.
- (b) Liability for **damage to property** in connection with a **vehicle** that is registered.

Exclusions 13(a) and 13(b) will not apply where:

- (c) the liability arises from the delivery of goods to the **vehicle** before the **loading** of the **goods** onto the **vehicle**, or arises from the collection of goods from the **vehicle** after the **unloading** of the **goods** from the **vehicle**; or
- (d) the **liability** arises from the use of the **vehicle**, or plant or attachment to the **vehicle**, which is **used as a working tool**.

14. Earthquake, civil commotion

Liability in connection with:

- (a) earthquake, subterranean fire, or volcanic eruption; or
- (b) riot, strike, or civil commotion.

15. Pollution

Liability:

- (a) to pay the cost of preventing discharge, dispersal, release or escape of **pollutants**;
- (b) for an **occurrence** in connection with the discharge, dispersal, release or escape of **pollutants**;
- (c) to pay the cost of testing, monitoring, containing, removing, cleaning up or neutralising **pollutants**.

Exclusion 15(b) and 15(c) will not apply where the discharge, dispersal, release or escape of **pollutants**:

- (i) is caused by a single incident;
- (ii) is instantaneous;
- (iii) is clearly identifiable; and
- (iv) is confined to one specific location.

16. Asbestos

Liability caused by, arising out of, or in connection with, the use or presence of asbestos.

17. Treatment, design and professional risks

Liability caused by, or arising out of, your performance or failure to perform the:

- (a) rendering of professional advice or service;
- (b) prescription or administration of treatment of or to persons, other than first aid;

- (c) making or formulating a design or specification in connection within the **contract works** or **pre-existing structures**.

18. Libel and slander

Liability in connection with the publication or utterance of a libel or slander:

- (a) made before the commencement of the period of insurance;
- (b) made by you or at your direction with knowledge of its falsity; or
- (c) related to publishing, advertising, broadcasting or telecasting activities conducted by you or on your behalf.

Special conditions that relate to Liability Insurance

1. Reasonable care

You must:

- (a) take all reasonable precautions to prevent:
 - (i) **public liability**;
 - (ii) **personal injury** or **damage to property**;
- (b) comply with, and ensure that your employees, servants and agents comply with, all laws, bylaws, regulations or recognised standards for the safety of persons or **property**;
- (c) ensure that only competent employees use, operate, maintain and service plant and equipment; and
- (d) maintain all premises, fittings, plant and equipment in sound condition.

2. Cranes

You must at all times, in the operation of cranes, observe and enforce observance of all laws, bylaws, regulations and recognised standards for the safety of persons or property.

3. Welding, flame cutting, application of heat

You must ensure that all welding and flame cutting complies with the Australian Standard "AS1674 SAA Cutting and Welding Safety Code" and its amendments.

(It is a detailed Code designed to protect persons and property from injury by fire or explosion in the course of cutting, heating or welding operations.)

4. Conduct of your defence

When you make a claim for indemnity against **public liability** under this section, we have the right to conduct of your defence, to instruct lawyers to provide advice as to your liability and to represent you.

5. Payment of limit of indemnity

We may at any time pay you the amount shown on your **schedule** as the limit of indemnity (less any amounts already paid) or any lesser amount for which a claim may be settled.

We will then have no further liability for the claim, except for costs and expenses, incurred with our consent, prior to the date of the final payment.

What Sections 1 and 2 do not cover

We will not pay claims arising from:

1. Any war or warlike activity. War does not have to be declared. We do not provide cover for theft following these events.
2. Any hostilities, rebellion, insurrection or revolution. We do not provide cover for theft following these events.
3. Any lawful destruction or confiscation of your **property**.
4. Anything radioactive or involving nuclear energy or nuclear weapons material.
5. Any loss, damage or injury that you or anyone acting for you deliberately caused.
6. Any loss, damage or legal liability caused by or due to the abandonment of the **contract works**.
7. Terrorism; being an act which may include but is not limited to an act involving the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological or ethnic or similar purposes or reasons, including the intention to influence any government and/or to the public, or any section of the public, in fear.

You cannot give your rights away

You cannot give anyone else an interest in this policy without our written consent.

You give us your rights to claim from anyone else

If you have a right to claim against someone else for a claim you made under this policy, you give us your rights to make that claim. You also give us your rights to conduct, defend or settle any legal action and to act in your name.

You must not do anything which prevents us from doing this and you must give us all the information and co-operation that we require.

What you are required to do for us

1. You must tell us as soon as possible of anything that changes the facts or circumstances relating to your insurance.
2. You must take all reasonable precautions to prevent anything that could result in a claim under this policy.
3. You must take all reasonable precautions to ensure that anyone doing anything on your behalf obeys all laws.
4. You, and anyone who is insured by this policy, must comply with the conditions of this policy.
5. You must pay us the premium for this insurance.
6. If the premium for the policy or any section of the policy is calculated on estimates provided by you, then you must keep an accurate record containing all relevant particulars. You must at any time allow us to inspect these records. You must, within 30 days after the expiry of the period of insurance, give us such particulars and all information we may require. The premium will then be adjusted and any difference paid by, or allowed to you, as the case may be, subject to receipt and retention of the minimum premium charged by us.

Even if the policy has ended, or has been cancelled, you must give us all information we may require for the adjustment of the premium.

Cancelling your policy before the due date

You can cancel this policy at any time. To do this you must ask us in writing to cancel your policy. The policy will end when we receive your request.

We can cancel this policy if you do any of the following:

1. Make a misleading statement to us when you apply for your insurance.
2. Fail to tell us about anything that you should tell us when you apply for this policy, renew this policy and when you change or reinstate this policy.
3. Fail to comply with the conditions of this policy.
4. Fail to pay the premium for this insurance.
5. Are not fair and open in your dealings with us.
6. Make a claim during the period of this policy that is not true. The claim does not have to be under this policy and can be with us or another insurance company.

We may also cancel this policy if there is a change in the circumstances of the risk during the period of insurance.

If we cancel this policy, we will tell you in writing.

Return of premium if your policy is cancelled before the due date

If we cancel your policy before the due date, we will keep the premium for the period the policy has been in force.

If you cancel the policy because the **contract works** never commenced, we will give you a full refund of premium. If you cancel the policy after the **contract works** have commenced, we will not give you any refund of premium.

What you must do when you make a claim

You must make your claim as soon as possible after you suffer a loss. If you do not make it within 30 days, we may reduce what we pay you to take account of any disadvantage we suffer by the delay.

You must also:

1. Take all reasonable steps to minimise the loss, damage or liability and to prevent any further loss, damage or liability. We will not be liable for any further damage arising out of the continued use of damaged **property**, until such **property** is repaired to our satisfaction.
2. Try to preserve any damaged or defective appliances, plant or things which might prove necessary or useful as evidence in connection with any claim.
3. As far as possible, and with due regard for safety, make no alteration or repair without our consent.
4. Keep all damaged **property** for inspection by us.
5. Advise the nearest Police Station in the case of **property** lost, stolen, or vandalised, and obtain a written Police report if requested by us.
6. Tell us of any prosecution or inquest that may be held and send to us any document relating to your claim within 72 hours of you receiving the document.
7. At your own expense, provide us with all records, vouchers, invoices, and other documents, information, explanations and other evidence together with a statutory declaration, as we may require for the purpose of investigating or verifying a claim under this policy. You must co-operate fully in this regard.
8. Provide us with a statement detailing other insurances which may also provide cover on any property or liability we have insured.

What you must not do in the event of a claim

You must not:

1. Authorise repairs to, or arrange replacement of, any of the property relevant to the claim without our consent unless by not authorising the repairs, the safety of people is put at risk.
2. Make any admission of liability or payment or promise or offer of payment in connection with any claim, without our written consent.

Our service commitment

CGU Insurance is proud of its service standards and supports the General Insurance Code of Practice. In an unlikely event that you are not satisfied with the way in which we have dealt with you, as part of our commitment to customer service, we have an internal dispute resolution process in place to deal with any complaint you may have.

If you are not satisfied with any of the following, please contact your nearest CGU Insurance office.

- One of our products.
- Our service.
- The service of our authorised representatives, loss adjusters or investigators.
- Our decision on your claim.

Our staff will help you in any way they can. If they are unable to satisfy you, they will refer the matter to the appropriate manager who will immediately deal with the matter. If the manager cannot resolve the matter, the manager will escalate the matter to our internal dispute resolution staff.

Our internal dispute resolution staff will review the matter and will try to reach a satisfactory outcome. Once their review has been completed, they will advise you of our final decision within 15 working days. If they need longer, they will contact you and explain the reasons why. Our internal dispute resolution process is a free service to you.

If you do not agree with our final decision, the matter may be reviewed through the Insurance Ombudsman Service. The scheme is administered by Insurance Ombudsman Service Limited ABN 23 062 284 888.

The scheme is an external body that is independent of this Company. It will investigate the matter and make its decision at no cost to you.

Brochures outlining our internal dispute resolution process are available from your nearest CGU Insurance office.

Notes

Notes

Home Construction and Liability Insurance Application

This application is only to be used when the home being constructed or renovated is to be occupied by the applicant for private use.

If you need more space to answer any of the questions, please use a separate sheet of paper.

Any attachments will form part of this application and the declaration will include them.

Period of insurance

From / / To 4.00 p.m. on / / Account no.

Agent name

Applicant(s) (Full names)

Address Postcode

Private telephone no. () Business telephone no. () Facsimile no. ()

Address where the construction work is to be carried out Postcode

Name of builder Licence no.

If you are an owner builder, will the work be carried out on a continuing basis?
No Yes

Is any other party financially interested in the property to be insured?
No Yes Name of interested party Type of interest (e.g. mortgagee, etc.)

Address Postcode

Section 1 – Property details

Proposed construction work details

1. What type of construction work is to be done?
New building Internal alterations Extensions on same floor level
Other – Please specify

2. Has construction work already commenced?
No Yes Please state the date the work commenced and describe the work already carried out.

3. What is the estimated period of construction?

4. What is the size of your proposed building? No. of storeys Floor area (m²)

CGU Insurance use only

Policy no. LOB=

: : : : : : :

: : : : :

Accept/ARN

This application replaces Cover Note/Policy no.

Section 1 – Property details

5. What construction materials will be used for the following?

Walls

Floors

Roof

6. What is the maximum depth of excavation including service trenches?

 metres

7. What type of foundations will be used?

Piers pad Ground slab Pile foundations

8. What is the type of ground at the site?

Level Gently sloping Steeply sloping

9. a) Is the site near water?

No Yes Indicate type

Natural watercourse Storm water canal Lake Ocean Known flood area

b) What is the approximate distance of this water from your building?

 metres

Do you wish to insure a pre-existing structure?

No Yes Please complete question 10 below.

10. a) Do you wish to insure the pre-existing structure for its replacement cost?

No Yes Note: Sum insured must be sufficient to provide for replacement.

What is the general condition of the existing structure?

b) What is the size of your building?

No. of storeys Floor area (m²)

c) What materials are the following made of?

Walls

Floors

Roof

d) Which company currently insures the existing structure?

e) Will this insurance remain in force during the construction period?

No Yes

f) Will the building remain occupied during the entire construction period?

No Yes

g) Will part or all of the roof be removed?

No Yes Please provide further details.

h) Will structural alterations, or removal or weakening of support within the pre-existing structure, be carried out (e.g. removal of an internal wall or excavation under foundations)?

No Yes Please provide further details.

Section 2 – Public liability details

1. Will contractors/sub-contractors be employed?

NOTE: Liability of contractors/sub-contractors is not covered. If you are found liable for their actions, this policy will apply in respect of your liability.

No Yes Please provide further details

Labour only \$

Labour & materials \$

2. If there is an existing building, will any part of it be demolished?

No Yes Please provide further details

Section 1 and 2 cover

Please show the sums insured you require in the boxes provided below. Cover will not apply for an item unless a sum insured is shown against it.

Section 1

Total value of construction work

\$ Sum Insured **\$ Premium**
(excluding charges)

Removal of debris

Architects', engineers' and surveyors' fees*

Pre-existing structure

Excess – Section 1 \$

***NOTE:** The policy automatically provides this cover for up to 10% of the sum insured on construction work and pre-existing structures, provided that those sums insured are not otherwise exhausted.

Section 2

Limit of Indemnity

\$5,000,000 \$10,000,000 \$20,000,000

\$ Premium
(excluding charges)

Excess – Section 2 \$ Applicable to damage to property claims only.

\$ Total Premium

Total Premium

Premium

Fire Service Levy

Stamp Duty

Total

Office use only

Office use only																
Section 1	F D	L C	D T	C N	C T	MR PD	SU TG	Rate Charge	Excess 1	Excess 2	Excess 3	S D	Section 2	Rate Charge	Excess	S D
						:	NN	:	:	:	:			:	:	

Questionnaire: All questions must be answered by each of the applicants and not by the agent or broker.
If insufficient space, please provide additional details on a separate page.

General questionnaire

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

NOTE: If more than one person is applying for this insurance, these questions must be answered for each individual person.
Please read 'What you need to tell us' on page 6 of the policy before you answer these questions.

- Has any insurer ever declined an application from you, or cancelled or refused to renew your policy, required special terms to insure you, or declined or refused your claim?
- Have you, or any of the applicants, suffered any loss or damage to property or had claims made against you in the last 5 years?
- Have you, or any person who will receive insurance protection under the proposed policy, been charged with, or convicted of, any criminal offence(s) in the last 10 years?
- Have you, or any of the applicants, received any threats to life or property (private or business) in the last 2 years?
- Is there anything else you must disclose to CGU Insurance before we accept this application?

If **Yes**, please provide details on a separate page and attach to this application.

If you have answered **Yes** to any of questions 1-5 above, please **give full details**.

Question no. Details

6. If you do not wish to receive any marketing material directly from us (such as special offers and discounts) tick this box

Declaration

I/We declare that:

- The information in this application is true and I/we have not withheld any relevant information.
- I/We have received a copy of the Home Construction and Liability policy, product disclosure statement and I/We agree to accept the insurance subject to the terms, conditions, exclusions and limitations of the policy.
- I/We understand that any statement made in this application will be treated as a statement made by all of the people insured.
- I/We authorise the company to obtain or supply details of insurance claims and other relevant information.
- I/We authorise CGU Insurance to collect or disclose any personal information relating to this insurance to/from any other insurers or insurance reference service.

Signature of applicant

Date

 / /

Signature of applicant

Date

 / /



Insurer
CGU Insurance Limited
ABN 27 004 478 371
AFS Licence No. 238291