

# Supplementary Product Disclosure Statement

## SPDS Edition 1 - Insurer

This Supplementary Product Disclosure Statement (SPDS) is dated 01 August 2017 and will apply to all policies taken out, or with a renewal effective date, on or after this date.

The information in this SPDS updates and should be read with the last Product Disclosure Statement (PDS) you received for the policy specified in your policy schedule and any other applicable SPDS.

### Changes to your PDS

Your PDS is amended by the following:

**Change 1:** Change to details of CGU Insurance Limited ABN 27 004 478 371 AFS Licence No. 238291

All references to "CGU Insurance Limited ABN 27 004 478 371 AFS Licence No. 238291" are deleted and replaced by "Insurance Australia Limited ABN 11 000 016 722 AFSL 227681 trading as CGU Insurance".

**Change 2:** Change to details of CGU Insurance Limited

All references to "CGU Insurance Limited" are deleted and replaced by "Insurance Australia Limited trading as CGU Insurance".

## SPDS Edition 2

This Supplementary Product Disclosure Statement (SPDS) is dated 30 June 2019 and will apply to all policies taken out, or with a renewal effective date, on or after this date.

This information in this SPDS updates and should be read with the last Product Disclosure Statement (PDS) you received for the policy specified in your policy schedule and any other applicable SPDS.

### Changes to your PDS

Your PDS is amended by the following:

**Change 1:** External complaints are now administered by the Australian Financial Complaints Authority (AFCA).

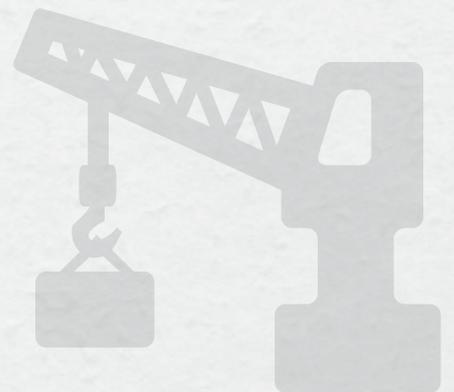
### How to resolve a complaint or dispute

All references to Financial Ombudsman Service Australia Limited (FOS) and its contact phone number, is deleted and replaced with:

Australian Financial Complaints Authority (AFCA). The AFCA is contactable on 1800 931 678 (free call).

# OWNER BUILDER CONSTRUCTION AND LIABILITY

INSURANCE PRODUCT  
DISCLOSURE STATEMENT,  
POLICY AND APPLICATION





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# Product Disclosure Statement

This Product Disclosure Statement (PDS) contains two sections:

- Important Information – contains general information about your owner builder construction and liability policy, and
- Owner builder construction and liability policy – contains the terms and conditions of your insurance policy.

To assist you to locate specific items in this PDS, a table of contents is provided on the previous page.

Please read this PDS before you apply for insurance.

If you need more information about this PDS, please contact us.

## Important Information

### The purpose of this PDS

This PDS has been prepared to help you understand this insurance product and provide you with information required under the Corporations Act 2001 to enable you to make an informed decision about your insurance requirements. This Important Information section sets out information about the insurance.

You still need to read the policy which provides a detailed description of the cover available and the standard terms, conditions and limitations.

This is an important document. Please read it and the other documents it refers to carefully before making a decision and keep them all in a safe and convenient place.

The policy provides a number of covers which may be provided to you as a retail client under the Corporations Act 2001 (the Act) depending on your circumstances. Only the parts of this policy relevant to cover provided to you as a retail client and any other documents we tell you are included make up the PDS for the purposes of the Act.

### Who is the Insurer

CGU Insurance Limited is the insurer. Our Australian Business Number is 27 004 478 371. Our Australian Financial Services Licence Number is 238291. In this PDS, the insurer is also referred to as 'we', 'us', 'our', or 'ours'.

### Intermediary remuneration

CGU Insurance Limited pays remuneration to insurance intermediaries when we issue, renew or vary a policy the intermediary has arranged or referred to us. The type and amount of remuneration varies and may include commission and other payments. If you require more information about remuneration We may pay your intermediary you should ask your intermediary.

## 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, or
- by email on Our website [www.cgu.com.au](http://www.cgu.com.au)

## Your cooling-off period

We will refund all premium paid for cover under your policy if you request cancellation within 21 days of its commencement. To do this, you must advise us in writing. You will not receive a refund if you have made a claim under your policy.

## How to apply for insurance

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

## How to make a claim

When something happens that you believe you can claim for, please contact us or your intermediary.

Details about making a claim are shown in the policy under 'What you must do when you make a claim' and 'What you must not do in the event of a claim'.

## Excess – the amount you pay towards a claim

An **excess** is an amount you are required to pay in the event of a claim. An **excess** will apply to the policy unless we agree that you do not have to pay this amount.

The **excess** may differ depending on a number of factors including the nature of the construction, the location where the construction is being undertaken and your claims experience.

This is only a summary of how **excesses** will be applied. For full details, please refer to 'Excess' in the 'Some things you should note' section of your policy, 'How we will settle a claim' section of your policy and your policy **schedule**.

## The amount you pay for this insurance

The premium payable by you for this insurance will be shown on your policy **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 insurance. We take into consideration a number of factors in setting our premiums.

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.

Your premium also includes amounts that take into account our obligation (actual or in some cases estimated) to pay any relevant compulsory government charges, taxes or levies (e.g. Stamp Duty, GST and Fire Services Levy) in relation to the policy. Where we are required to pay an estimated amount (e.g. for a Fire Services Levy) based on criteria set by the government, we allocate to the policy our estimate of the amount we will be required to pay. We may over or under recover in any particular year and we do not adjust your premium because of this.

The premium charged together with the actual amount of these individual taxes and/or charges will be displayed in the policy **schedule**. You can ask us for more detail.

The premium amount payable (including the charges, taxes or levies included within it) will be specified in the policy **schedule**. If you change the policy in any way, you may be entitled to a partial refund of premium or be required to pay an additional amount.

If we are unable to issue your insurance when we receive your application, we are required to hold your premium in a trust account on your behalf until your insurance can be issued.

We will retain any interest payable by our bank to meet, among other things, bank fees and other bank costs we incur in operating the account.

## How CGU protects your privacy

We use information provided by our customers to allow us to offer our products and services. This means we may need to collect your personal information, and sometimes sensitive information about you as well (for example, health information for travel insurance). We will collect this information directly from you where possible, but there may be occasions when we collect this information from someone else.

CGU will only use your information for the purposes for which it was collected, other related purposes and as permitted or required by law. You may choose not to give us your information, but this may affect our ability to provide you with insurance cover.

We may share this information with companies within Our group, government and law enforcement bodies if required by law and others who provide services to us or on our behalf, some of which may be located outside of Australia.

For more details on how we collect, store, use and disclose your information, please read our Privacy Policy located at [www.cgu.com.au/privacy](http://www.cgu.com.au/privacy). Alternatively, contact us at [privacy@cgu.com.au](mailto:privacy@cgu.com.au) or 13 15 32 and we will send you a copy. We recommend that you obtain a copy of this Privacy Policy and read it carefully.

By applying for, using or renewing any of our products or services, or providing us with your information, you agree to this information being collected, held, used and disclosed as set out in this Privacy Policy.

Our Privacy Policy also contains information about how you can access and seek correction of your information, complain about a breach of the privacy law, and how we will deal with your complaint.

## The General Insurance Code of Practice

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

The objectives of the Code are:

- to commit us to high standards of service
- to promote better, more informed relations between us and you
- to maintain and promote trust and confidence in the general insurance industry
- to provide fair and effective mechanisms for the resolution of complaints and disputes between us and you, and
- to promote continuous improvement of the general insurance industry through education and training

### Our commitment to you

We have adopted and support the Code and are committed to complying with it. Please contact us if you would like more information about the Code.

### How to resolve a complaint or dispute

#### 1. Talk to us first

If you have a complaint, the first thing you or your insurance intermediary should do is speak to one of our staff. If your complaint relates specifically to a claim, speak with the claims officer managing your claim. If the staff member or claims officer are unable to resolve the matter for you, you or your insurance intermediary may speak to a manager.

The manager will usually provide you with a response to your complaint within 15 days. If the timeframe is impractical for any reason such as the need for more information or further investigation, they will discuss with you alternative timeframes. If you are not satisfied with our response or we cannot agree with you on alternative timeframes, you can go to step 2.

#### 2. Seek a review

If the matter is still not resolved the manager will refer you or your insurance intermediary to the relevant dispute handling department or area who will conduct a review of your dispute and will usually provide you with a response to your dispute within 15 business days. If the timeframe is impractical, we will discuss with you alternative timeframes. If you are still not satisfied with our response to your dispute or we cannot agree on alternative timeframes, you can go to step 3.

#### 3. Seek an external review

You are entitled to seek an external review of our decision. We will provide you with information about options available to you, including, if appropriate, referring you to the external dispute resolution scheme administered by the Financial Ombudsman Service Limited (FOS). You will not be able to have your dispute resolved by the FOS if you are not eligible under the FOS's Terms of Reference.

Further information about our complaint and dispute resolution procedures is available by contacting us.

## Taxation information

This insurance is subject to the Goods and Services Tax (GST). The GST amount will be specified in the policy schedule. If you are registered for GST purposes, you may be able to claim an input tax credit in respect of GST we collect from you.

Details about the GST in relation to a payment under this policy, are shown under 'Goods and Services Tax' in the 'Some things you should note' section of this policy.

## Financial Claims Scheme

You may be entitled to payment under the Financial Claims Scheme in the event that CGU Insurance Limited becomes insolvent. Access to the scheme is subject to eligibility criteria.

Information about the scheme can be obtained from the Australian Prudential Regulation Authority (APRA) website at [www.apra.gov.au](http://www.apra.gov.au) and the APRA hotline on 1300 55 88 49.

## Updating the PDS

Information in this PDS may need to be updated from time to time where required and permitted by law. You can obtain a paper copy of any updated information without charge by calling us on the contact details provided in this document. If the update is to correct a misleading or deceptive statement or an omission that is materially adverse from the point of view of a reasonable person deciding whether to acquire the policy we will provide you with a new PDS or supplementary PDS.

## Claims examples

These claim payment examples show you how a claim settlement is calculated. These examples do not form a part of the policy. Any actual claim settlement amount will depend upon the facts of each case and the policy cover including any **excess**. For the purposes of the scenarios you are not registered for GST. For the purposes of the scenarios the claim is within the cover of the policy and there has been compliance with all claims procedures.

### Claims example 1

#### Section 1 – Property Damage

There is unforeseen storm damage to the **project** shown on your **schedule**.

Your **schedule** shows a sum insured of \$5,000 for **removal of debris**.

The **excess** on your **schedule** is \$1,000.

The full replacement cost of the project shown on your **schedule** is \$100,000.

We accept your claim for the damage to the **project** and **removal of debris**.

#### How we settle your claim

- We choose to pay you the costs of repairing the project to the condition it was in before the damage occurred.
- We assess the cost of repair to the **project** to be \$50,000 and the cost of **removal of debris** to be \$2,000.
- We pay you \$51,000. Calculated as \$50,000 for the cost of repair of the project plus \$2,000 being the reasonable costs of the **removal of debris** less your **excess** of \$1,000.

### Claims example 2

#### Section 1 – Property Damage

The **pre-existing structure** at the situation is partially destroyed by fire.

The **excess** on your **schedule** is \$500.

The full replacement cost of the **project** stated on your **schedule** is \$50,000.

You have not selected the optional replacement benefit for **pre-existing structures**.

We accept your claim for the damage to the **pre-existing structure**.

#### How we settle your claim

- We choose to reinstate the **pre-existing structure** to the condition it was in before the damage occurred.
- We assess the cost of repair to be \$20,000.
- We pay the repairer \$19,500.
- You pay the repairer your **excess** of \$500.

# 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.

## 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 – cooling off right

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.

## Your Policy

### 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 except for headings.

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

**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 goods onto a vehicle or unloading goods 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** means 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**.

**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.

**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  
c) 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 goods onto a vehicle or unloading goods 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:

- i. 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
- ii. 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 goods onto a vehicle or unloading goods from a vehicle** 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
6. 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.
- c) Exclusions 13(a) and 13(b) will not apply where:
  - i. the liability arises from the delivery of goods to the **vehicle** before **loading goods onto a vehicle**, or arises from the collection of goods from the **vehicle** after **unloading of the goods from the vehicle**, or
  - ii. 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 only as provided in the Insurance Contracts Act 1984 including (but not limited to) if you:

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.

**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

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

If you are an owner builder, will the work be carried out on a continuing basis?  
 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 (m<sup>2</sup>)

### CGU Insurance use only

Policy no.  LOB=

Account no.  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 food 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 (m<sup>2</sup>)

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

**\$ Sum Insured**

**\$ Premium**  
(excluding charges)

Total value of construction work

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

**\$ Premium**  
(excluding charges)

\$5,000,000

\$10,000,000

\$20,000,000

Excess – Section 2

\$

Applicable to damage to property claims only.

### Total Premium

**\$ Total Premium**

Premium

Fire Service Levy

Stamp Duty

Total

### 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	:	:	:	:			:	:	

## General 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.

**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.

1. 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?
2. 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?
3. 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?
4. Have you, or any of the applicants, received any threats to life or property (private or business) in the last 2 years?
5. 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**.

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>

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:**

- a. The information in this application is true and I/we have not withheld any relevant information.
- b. 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.
- c. I/We understand that any statement made in this application will be treated as a statement made by all of the people insured.
- d. I/We authorise the company to obtain or supply details of insurance claims and other relevant information.
- e. I/we agree that, by submitting this form, the personal information I/we provide to CGU Insurance Limited in this form or otherwise may be collected, held, used and disclosed in the manner set out in the CGU Privacy Policy found at [www.cgu.com.au/privacy](http://www.cgu.com.au/privacy), including for processing this application and providing me/us with cover.

Signature

Date

Signature

Date

# Notes

# Notes



## CONTACT DETAILS

**Enquiries** 13 24 81  
**Claims** 13 24 80

### Mailing address

GPO Box 9902 in your capital city

**Sydney**  
388 George Street  
Sydney NSW 2000

**Perth**  
46 Colin Street  
West Perth WA 6005

**Melbourne**  
181 William Street  
Melbourne VIC 3000

**Adelaide**  
80 Flinders Street  
Adelaide SA 5000

**Brisbane**  
189 Grey Street  
South Bank QLD 4101



[CGU.COM.AU](http://CGU.COM.AU)

**Preparation date** 30/05/2016



Insurer  
**CGU Insurance Limited**  
ABN 27 004 478 371  
AFSL 238291

backed by 