

Construction Risks Proposal Form

Important

It is important that you disclose fully and accurately all Material Facts. If you require more space please continue on your headed paper and then sign, and attach to this form. Failure to do so may result in the insurance being void. Material Facts are those which may affect Insurers assessment of the risk. If you have any doubt as to whether something is a Material Fact it is recommended that you disclose it.

Any insurance issued following the completion of this proposal is subject to the policy terms and conditions.

Name of the Insured			
Australian Bus. Number	ABN:		
Contact Details:	Address:		P/code:
	Name of Contact:		
	Mobile Phone:	Email:	

Business description: Domestic Builder Industrial/Commercial Builder Owner Builder
Swimming Pool/Spa Builder

Please answer the following statements, if YES please give full details below

- 1. a) Have You been insured in respect of Construction Risks Insurance for the past 3 years? Yes No
- b) Have You had any losses that would be a claim under this policy, in the past five years? Yes No
- c) Do all projects insured under those policies remain covered under them? N/A Yes No

- 2. Does your business or any of your contracts involve the following (Please tick if YES):-
Dewatering Tunneling/Mining Demolition >15% Turnover Design/Drafting work
Explosives Airports/Ports Civil Works >10% Turnover Asbestos Removal
Re-stumping Bridges/Towers Building work > 15M High Underpinning/Piling
Power Stations Railways/Docks Gas or Chemical Plants Retaining Walls > 3M

If YES please detail in the box below:-

- 3. If you are an Owner Builder how many hours per day will you be onsite?
All Owner Builders must detail your building experience in the box below. N/A

- 4. Have any of the Insured, applicants, principals or Directors of the Business ever been:-
a) refused insurance or had any special terms or conditions imposed by an insurer; Yes No
- b) convicted of or have any prosecution pending for any offence involving dishonesty of any kind (e.g. fire, fraud, theft or handling stolen goods); Yes No
- c) declared bankrupt, the subject of bankruptcy charge proceedings or any voluntary or mandatory insolvency or winding up procedure; Yes No
- d) prosecuted or received notice of intended prosecution under any Occupational Health and Safety or Consumer Protection Act; Yes No

Please provide any comments regarding the above questions 1 - 4 below:-

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5. This insurance can be provided in three different methods. The pricing is the same for each:-
- A. Annual Turnover Basis – where you declare the replacement value of work and materials (including Principal Supplied) for which you will receive payment during the next 12 months – your annual turnover. (this cover stops on the earliest of the Expiry Date or the Maximum Construction Period);
- OR**
- B. Contracts Commenced Basis – where you declare the estimated total value of all contracts (including Principal Supplied) that you anticipate entering into during the period of insurance and they remain insured for the entire contract period or the expiry of the Maximum Construction Period whichever the earliest.
- OR**
- C. Declared & Listed Contracts Basis where you declare the total replacement value of work and materials (including Principal Supplied) of the entire project. (You are only insured for those contracts you tell us about but those contracts are insured until they are complete or until the Max Construction Period is reached)
- Which method do you prefer? **A.** Annual Turnover Basis **B.** Contracts Commenced Basis
 (Owner Builders can only select C) **C.** Declared & Listed Contracts Basis

6. What is your Maximum Construction Period? – this is when cover will stop* (Premium rating varies for each)
- 6 Months 12 months 18 months 24 months

* With the Annual Turnover Basis cover stops the earliest of the Expiry Date or Max Construction Period therefore please advise us if any of your existing projects have already or are likely to exceed the above months.

7. Please declare the relevant value of work for the next 12 months (Annual Turnover or Contract Values)

Type of Building Work (Include value of Principal Supplied Materials)	Past 12 Months		Next 12 Months	
	No. of Units, Houses, Jobs	Replacement Value	No. of Units, Houses, Jobs	Replacement Value
<u>Residential Building Work</u>				
Speculative/Display Houses		\$		\$
Houses Built to order		\$		\$
Multi-Unit Developments (up to 15 meters)		\$		\$
Residential Extensions/Renovations		\$		\$
Demountable/Transportable Houses/Kit Homes		\$		\$
Swimming Pools & Spas		\$		\$
Bathroom/Kitchen Renovations		\$		\$
<u>Industrial/Commercial Building Work</u>				
Up to 15 meters		\$		\$
Above 15 meters		\$		\$
<u>Civil Construction Work</u>				
		\$		\$
<u>All Other Work</u> (incl Sub Contract – Please specify)				
		\$		\$
TOTAL ESTIMATED NUMBER/VALUE	NO:	\$	NO:	\$

Job Specific Details

Owner Builders or Builders wanting to insure only the one project please complete the details of your project:-

Name & Address	Type of work	Value	Estimated Start/Finish
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Note: If you select Declared and Listed Contracts Basis you will only be insured for the work declared above unless you tell us and have the new contract also listed.

8. What is the Maximum value of work and materials (incl Principal Supplied) on one site: \$
 This will be your Contract Works (CW) Sum Insured

9. To allocate the Terrorism & Fire Services Premiums please specify the approximate percentage of estimated work in each of the following regional areas:-
- | | | | |
|---|---|---------------------------------|---|
| Capital Cities Central Business Districts | <input style="width: 50px;" type="text"/> % | Country Town Business Districts | <input style="width: 50px;" type="text"/> % |
| Suburban areas of Capital Cities | <input style="width: 50px;" type="text"/> % | Rural & All Other Areas | <input style="width: 50px;" type="text"/> % |

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10. Self-Insured Excess Applicable – discounts apply – please indicate your preferred excess:-

Loss or Damage to the work & Materials: \$1,000 \$2,000 \$5,000 \$10,000
Owner Builder – Minimum Excess \$2,500

AND

Legal Liability:- up to \$250K CW Sum Insured: \$500 \$1,000 \$2,500 \$5,000
 OR Above \$250K CW Sum Insured: \$1,000 \$2,000 \$5,000 \$10,000

Please note that additional "standard excesses" may apply as detailed in the policy.

11. **Policy Additional Benefits** – the policy automatically provides certain Benefits as detailed below. Please indicate if you would like to increase the amount of cover provided:-

Type of Benefit

- Your Construction Plant & Hand Tools – whilst onsite
- Construction Plant & Equipment - Hired in – whilst onsite
Please declare total Annual Hiring Charges incurred
- Your Construction Plant & Hand Tools anywhere in Australia
- Principal Supplied Materials
- Offsite Storage of Materials
- Employees Personal Effects & Tools – whilst onsite
- Employees Personal Effects & Tools – Anywhere in Australia
- Pre-Existing Structures/Property

Standard Cover incl at no cost (For Builders only)	Cover required (Please select)
\$10,000	\$
\$0	\$
\$	
\$0	\$
\$25,000	\$
\$25,000	\$
\$0	\$
\$0	\$
\$0	\$

12. **Owner Builders:** Do you require cover for the removal, vibration and/or weakening of support of neighbouring properties? Yes No

13. Has work already commenced on any site? Yes No
 If YES, has this work been insured until now? (Please enclose a copy of this insurance) Yes No

14. Do you always identify and confirm the location of any underground services with the relevant authority? Yes No

15. Do you require all trade contractors to have their own Third Party Liability Policies? Yes No
 Do you police this requirement by sighting evidence of insurance? Yes No

16. Do you have a Hot Work Permit? Yes No

17. Do you work or are you planning to work in any Tropical Cyclone area? Yes No

18. **Public & Products Liability:** Limit of liability required for any one occurrence: \$
 (Minimum of \$10,000,000 recommended)

Where further information is required, please use the space below

Declaration

I declare that I am authorised to complete this proposal on behalf of the Insured and that, to the best of my knowledge and belief, the statements and particulars in this proposal are true and correct and no material facts have been suppressed or mis-stated. I undertake to inform Insurers of any change to any material fact which occurs before any insurance based on this proposal is effected and acknowledge that this proposal, together with any other information supplied to Insurers, shall be the basis of such contract.

Signed: _____ Name: _____
 Position: _____ Date: _____

IMPORTANT NOTICES TO THE INSURED

General Insurance Code of Conduct

The Insurer and BRIC support the General Insurance Code of Practice. Its objectives are the improvement of insurance business practices including, clearer communication and documentation, claims handling, training of agents and employees and dispute resolutions.

BRIC and the Insurer can provide information about their internal dispute resolution process and an external process. These are both free services so please contact Us on 1800 077 933 for further information.

Duty of Disclosure

Before You enter into a contract of general insurance with an Insurer, You have a duty, under the Insurance Contracts Act 1984, to disclose to the Insurer every matter that You know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the Insurer before You renew, extend, vary or reinstate a contract of general insurance.

Your duty, however, does not require disclosure of matter:

- ➔ that diminishes the risk to be undertaken by the Insurer;
- ➔ that is of common knowledge;
- ➔ that Your Insurer knows or, in the ordinary course of his business, ought to know;
- ➔ as to which compliance with Your duty is waived by the Insurer

Non-Disclosure

If You fail to comply with Your duty of disclosure, the Insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract.

If Your non-disclosure is fraudulent, the Insurer may also have the option of avoiding the contract from its beginning.

PLEASE NOTE THAT YOUR DUTY APPLIES ALSO WHEN YOU SEEK TO AMEND, ALTER, OR ENDORSE A POLICY.

Material Change

Any material change in the Business or any other act or omission by You which materially increases Our exposure to risk under this Policy shall result in the Policy being cancelled *from its inception* unless such change act or omission has been agreed by Us in writing

Utmost Good Faith

Every insurance contract is subject to the doctrine of utmost good faith which requires that parties to the contract should act toward each other with the utmost good faith. Failure to do so on Your part may prejudice any claim or the continuation of cover provided by Insurers.

Co- Insurance/Average Clause

A policy provision may state that where the actual reinstatement value of the property at the time of the claim exceeds the amount insured then You will be deemed to be the insurer for a corresponding part of each and every loss and be expected to bear a proportionate part of the loss. This means that if You insure for a value of \$100 and the actual value is \$200 if there is a loss of \$50 You will be deemed to have self-insured 50% of the risk and We will only pay \$25. Make sure You declare the full value to be insured.

Subrogation

You may prejudice Your rights with regard to a claim if, without prior agreement from Us, You make any agreement with a third party that will prevent Us from recovering the loss from that, or another party.

Average Provision - Liability

A policy provision may state that where the amount required to settle a claim made against You exceeds the Limit of Liability under the policy We shall be liable only for such part of the total costs and expenses associated with the investigation, defence, avoidance or reduction of any claim as the Limit of Liability bears to the amount required to dispose of the claim. This means that if You have to pay more than the Limit of Liability under the policy You will also have to bear some of the associated costs.

The Privacy Act 1998

The above act requires Us to tell You that We collect Your personal and other information to:-

- ➔ Decide whether to issue a policy and what terms may apply;
- ➔ Compile data and handle claims

In certain circumstances We may have to disclose Your personal and other information to third parties. You have the right to seek access to Your personal information and correct it at any reasonable time. From time to time We may advise or offer You information on other products available through BRIC. If You do not wish to receive these offers or information please contact Us.

Not a Renewable Contract

This insurance expires at the end of the period of cover as defined within this policy. We emphasise these policies are NOT renewable contracts. If You wish to arrange new insurance for a new period it will be necessary for You to complete a new Application Form or Insurance Declaration prior to the expiry of this policy so that We can advise You of the premium required for the next period. THIS IS YOUR RESPONSIBILITY.

The Insurance Commences....

This insurance is not in force until the BRIC issues a Certificate of Insurance or confirms cover is in force in writing.

Goods and Services Tax

The premium charged for this Policy may attract an amount on account of GST. You must inform Us of the extent to which You are entitled to an Input Tax Credit for the premium each time that a claim is made under this Policy. No payment will be made to You for any GST liability that You may acquire on the settlement of a claim if You have not informed Us of Your entitlement or correct entitlement to an Input Tax Credit.

Despite the other provisions of this Policy, Our liability will be calculated taking into account:

- a) any Input Tax Credit to which You are entitled for any Acquisition relevant to a claim, or to which You would have been entitled were You to have made a relevant Acquisition; and
- b) the GST exclusive amount of any Supply made by Your business which is relevant to Your claim.

If the Sum(s) Insured or Limit of Indemnity is not sufficient to cover Your loss, We will only pay GST (less any relevant Input Tax Credit) that relates to Our proportion of Your loss. We will pay that GST amount in addition to the Sum(s) Insured or Limit of Indemnity.

'GST', 'Input Tax Credit', 'Acquisition' and 'Supply' have the meaning given in the 'A New Tax System (Goods and Services Tax) Act 1999 (Cth)