

Product Disclosure Statement
Owner Builder Construction Insurance Policy



PRODUCT DISCLOSURE STATEMENT

OWNER BUILDER CONSTRUCTION INSURANCE

Product Disclosure Statement – What’s its Purpose?

This document is the Product Disclosure Statement (PDS) for Section 1 - Material Damage of the Ensurance Underwriting Owner Builder Construction Insurance Policy. In this PDS, “Policy” means only Section 1 – Material Damage. This PDS does not relate to Section 2 - Legal Liability which may be sold in addition to the Policy.

A PDS is a document required by the Corporations Act 2001, and its purpose is to help You understand the cover offered by the Policy and to provide You with sufficient information to enable You to compare the Policy to other similar products and make an informed decision about whether or not to purchase the Policy.

This PDS also identifies the important features, benefits and risks associated with the Policy. It is important to remember however, that this PDS is a summary only and You should read the Policy wording for complete information on the terms, Conditions and Exclusions of the Policy.

PDS Updates

The information contained within this PDS document may require updating from time to time. You can contact Ensurance to obtain a copy of any updated information, or alternatively by contacting Your insurance broker.

The Corporations Act 2001 requires Ensurance to inform You that if any update is to correct a misleading or deceptive statement or any omission, that is materially adverse when seen from the perspective of a reasonable person who is deciding whether or not to purchase the Policy, that Ensurance will provide You with a new or supplementary PDS.

About the Insurer

The Policy is insured by XL Catlin Syndicate 2003 (the Insurer). Subscribing insurers of the Policy will be specified in the Policy Schedule.

You can contact the Insurer:
XL Catlin Syndicate 2003 at Lloyd’s
20 Gracechurch Street
London, EC3VOBG
United Kingdom

Please note that the Insurer does not issue the cover under Section 2 – Legal Liability and has no liability or responsibility for that Section.

About Ensurance

Ensurance Underwriting Pty Ltd are registered under ABN 21 158 973 365, and are licensed to conduct a financial services business by the Australian Securities and Investments Commission under Australian Financial Services Licence number 429874.

Ensurance specialise in providing tailored construction insurance products.

Ensurance is authorised by the Insurer to issue the Policy to You on the Insurer’s behalf.

How to Contact Ensurance

You can contact Ensurance;

By writing to The Compliance Manager, Ensurance, 4/400 Canterbury Rd, Surrey Hills VIC 3127; or

By telephone on 1300 79 40 79 or fax on (02) 8072 1336; or

By going to the Ensurance website at www.ensuranceunderwriting.com.au.

Your Policy

The Policy consists of the terms, Conditions and Exclusions contained within the Policy document, together with the Schedule and any Endorsements.

The Policy is a legal contract between You and the Insurer.

You should keep the Policy and this PDS in a safe and convenient place for future reference.

When You pay the premium, the Insurer will provide You with the cover You have selected.

The information contained in the Schedule sets out the covers that You have selected, including the Sums Insured. The Insurer relies on the information contained in the proposal form(s) You submitted and any other written or on-line statements or applications made by You or anyone acting on Your behalf.

The Policy is designed to protect You from Insured Damage to the Construction Works during Your Construction Period.

The Policy may also provide additional covers. The Sums Insured for these additional covers, if they are insured under Your Policy, will be shown in the Schedule. These additional covers may include:

- Expediting Expenses
- Removal of Debris
- Professional Fees
- Existing Structures
- Minor Plant and Equipment and Tools
- Major Plant and Equipment
- Goods in Storage
- Goods in Transit
- Mitigation Expenses
- Restoration of Records
- Temporary Protection
- Increased Cost of Working
- Escalation Costs

You should review the Sums Insured shown in Your Policy Schedule to ensure they meet Your requirements. If they do not, please contact Your insurance broker to discuss their amendment.

Non-Renewable Policy

The Policy is designed to cover Your specific project only, and the Period of Insurance should be chosen to reflect that. The Policy is non-renewable and the cover provided will terminate at the end of the Period of Insurance specified in the Schedule.

The Period of Insurance will commence on Your chosen day at 4pm Eastern Standard Time. Similarly, the Period of Insurance will expire on Your chosen day at 4pm Eastern Standard Time.

An extension to the Period of Insurance is not always available and will be determined by the specific details relating to Your project and the current Policy loss history. If You want to apply for an extension in the Period of Insurance, You will need to contact Your insurance broker, inform them of the current details giving rise to the need for the extension and request they approach Ensurance to consider the request.

Some Words Have Special Meanings

Certain words used in the Policy have special meanings which are defined in the Definitions sections of the Policy. You should ensure that You are familiar with those definitions.

This PDS uses some of the definitions used in the Policy. Their meanings are:

Aircraft

Any vessel, craft or object made or intended to fly or move in or through the atmosphere or space.

Contractor

Any person carrying out work for the Construction Works at the Construction Site where payment in any form was agreed prior to the commencement of the work being undertaken.

Construction Period

The period commencing on the date specified in the Schedule as the commencement date of the Period of Insurance or, the commencement date of the Construction Works whichever is the later and expiring:

- a) at the time of Practical Completion of the Construction Works, and including up to fourteen (14) days in excess of the Practical Completion; or,
- b) on the date those completed portions of the Construction Works are taken over, occupied or put into use; or,
- c) on the expiry date of the Period of Insurance specified in the Schedule,

whichever occurs first.

Construction Site

The location(s) specified in the Schedule where any work is performed by You, for You, or in connection with the Construction Works.

Construction Works

All property or services provided of every kind and description (unless otherwise excluded) associated or consumed in connection with the completion of the Construction Works at the Construction Site as specified in the Schedule including, but not limited to, temporary works, temporary structures or temporary site buildings, hutments or camps

(including all associated contents), scaffolding, hoardings, shuttering, falsework, mouldings, formwork, free issue materials, bridging and the like, whether owned or in the care, custody or control of You, or for which You are responsible to insure or have a financial, legal or equitable interest.

Electronic Data

Any facts, concepts and/or information converted to a form usable for communications and/or displays and/or distribution and/or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programs and/or software and/or other coded instructions for such equipment.

Event

A sudden and unforeseen happening that has taken place at a specific point in time.

Excess

The amounts shown in the Schedule that You shall be responsible for in respect of each claim.

Existing Structures

Any permanent buildings, framework or structure located at the Construction Site prior to the commencement of the Construction Works, including:

- interior decorations, fixtures and fittings, fitted appliances, machinery, plant, lifts and climate control systems;
- swimming pools, ornamental fountains and ponds;
- hard tennis courts, terraces, patios, driveways, footpaths, pathways, walls, gates, fences and hedges; and
- underground service pipes, cables, sewers, drains or other water courses, fixed domestic fuel tanks, externally fixed radio and television aerials, satellite dishes, their fittings and masts, solar panels,

but excluding:

- telephone, gas, water and electricity meters pipes conduits cables and wiring other than those not the responsibility of the relevant utility provider and only those items contained entirely within the Construction Site;
- any underground property other than domestic cellars and commercial car parks;
- any costs in cleaning or making good drains, sewers or water courses; and
- wall and floor finishes or coverings or any contents therein.

Insured Damage

Physical loss or damage not otherwise excluded, arising out of an Event within the Territorial Limits during the Period of Insurance.

Major Peril

Earthquake, Storm, flood, water, landslip, erosion, subsidence, or collapse.

Major Plant and Equipment

Your cranes, earth moving equipment, concrete mixing, batching, vibrating and screeding plant whether self-propelled Vehicles or not.

Minor Peril

Any cause other than burglary, theft or a Major Peril

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Minor Plant and Equipment and Tools

Your:

- drying and/or dehumidifying equipment;
- hoists, scaffolding, props and other miscellaneous lifting tackle;
- re-usable shoring and forming equipment;
- welding equipment, air compressors;
- surveying equipment including laser levels;
- hand held powered and non powered trade tools;
- all other items of Your plant and equipment, machinery, tools, unregistered Vehicles, unregistered plant,

owned by You and not otherwise defined as Major Plant and Equipment.

However Minor Plant and Equipment and Tools do not include computers, computer software, any computer peripheral, any photocopier, any camera, any mobile phone or any stationery.

Period of Insurance

The duration of the Policy as stated in the Schedule.

Practical Completion

When the certificate of Practical Completion is issued, and the Construction Works have been completed except for minor omissions and minor defects which do not prevent the Construction Works from being capable of being occupied or used for their intended purpose.

Storm

Violent wind (including cyclones and tornadoes), thunderstorms or hailstorms which may be accompanied by snow or rain.

Sums Insured

The Sums Insured specified in the Schedule.

Territorial Limits

Anywhere within Australia or its territories.

Vehicle

Any type of machine on wheels or self laid track made to be propelled by other than manual or animal power, and any trailer or other attachment made or intended to be drawn by any such machine.

Watercraft

Any vessel, craft or object made or intended to float on or in or travel on or through or under water.

You, Your, Yourself

The Insured specified in the Schedule.

Not Everything is Covered

The Policy does not provide the minimum cover prescribed by the Insurance Contracts Regulations 1985 for home building insurance.

It is important that You read the Policy carefully to understand the limitations and Exclusions, and how they affect the cover provided.

For example, there is no cover under the Policy for:

- a) loss or damage:
 - (i) caused by wear and tear, corrosion, oxidation or deterioration, due to lack of use or atmospheric conditions.
 - (ii) caused to machinery, plant or equipment during testing or commissioning:
 - a. by intentional overloading or experiments;
 - b. for which the supplier or manufacturer is responsible by law or under contract; or
 - c. which is second hand re-conditioned, refurbished, used, experimental or prototypical.
 - (iii) caused by electrical or mechanical breakdown to the Construction Works during any period of testing or commissioning.
 - (iv) to Vehicles registered for general road use, unless such Vehicles are in use on or about the Construction Site in direct connection with the Construction Works and are covered under Additional Insured Items (e) or (f).
 - (v) to Watercraft exceeding ten (10) metres in length, or Aircraft.
 - (vi) to cash, bank-notes, treasury-notes, cheques, postal orders, money-orders, stamps, deeds, bonds, bills of exchange, promissory notes or securities.
 - (vii) caused by action of vermin, termites, moths or other insects.
 - (viii) to Electronic Data provided this Exclusion does not apply to loss or damage of Electronic Data arising directly in consequence of an Event for which indemnity is provided for by the Policy.
 - (ix) caused by sonic boom or pressure wave arising from Aircraft or Watercraft.
 - (x) caused by mould, mildew, fungus, spores or other micro organism of any type, nature or description including but not limited to any substance whose presence poses an actual or potential threat to human health. This Exclusion additionally applies to any loss of use, occupancy or functionality, or any costs or expense arising from its removal, clean up, abatement, disposal or other steps taken to control its future presence or medical and/or legal concern.

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b) the cost of:

(i) the:

- a. replacement, repair or rectification of any Insured Damage caused by any fault, defect, error or omission in material, workmanship, design, plan or specification, but this Exclusion will be limited to that component part or individual item that is faulty or defective or subject to error or omission;
- b. any property lost or damaged to enable the replacement, repair or rectification of (b)(i)(a) above.

Exclusion (b)(i) shall not apply to other property which is free from fault, defect, error or omission damaged in consequence thereof.

For the purpose of the Policy and not merely this Exclusion, property shall not be regarded as lost or damaged solely by virtue of the existence of any fault, defect, error or omission in material, workmanship, design, plan or specification in any property item or component part thereof.

- (ii) loss discovered only at the time an inventory or stock check is taken unless such loss can be attributed to burglary or theft.
- (iii) normal upkeep of the Construction Works.
- (iv) any temporary repairs, unless such repairs are covered under Additional Insured Items.
- (v) repairing or replacing parts requiring periodic or frequent replacement, repair or maintenance such as (but not limited to) fuses, shear-pins, rupture plates, or other expendable load limiting devices, bits, drills, knives, saw blades or other cutting devices, dies, moulds, patterns, pulverising and crushing surfaces, screens, sieves, filters, ropes, belts, chains, elevator and conveyor belts, batteries, flexible pipes, seals, glands, jointing, packing material, tyres and tracks unless damaged as a result of Insured Damage.
- (vi) additional dewatering expenses incurred because the quantities of water exceed those allowed for in the design plans and specifications for the Construction Works unless incurred as a result of Insured Damage.
- (vii) expenses incurred for additional installations and facilities for the discharge of run-off or underground water unless incurred as a result of Insured Damage.
- (viii) expenses incurred for grouting or any other measures to remedy leakage of water into excavations, foundations or basements unless incurred as a result of Insured Damage.
- (ix) consequential loss, loss of use, penalties, fines, liquidated damages or aggravated, punitive or exemplary damages.
- (x) legal liability resulting from any Event.
- (xi) demolition or removal by government, local government, statutory authority or public authority
- (xii) incorrect siting of the Construction Works.

Other Exclusions appear under the following headings in the Policy:

- Abandonment
- War
- Nuclear Risks
- Wilful Acts, Omissions and Recklessness
- Terrorism
- Pollution
- Fire Precautions

Your Duty of Disclosure

Under the Insurance Contracts Act 1984 (as amended), You have a Duty of Disclosure. You are required before You enter into, renew, vary, extend or reinstate Your Policy, to tell Us everything You know and that a reasonable person in the circumstances could be expected to know, that is relevant to Our decision whether to insure You, and if so, on what terms.

You do not have to tell Us about any matter:

- a) that diminishes the risk,
- b) that is of common knowledge,
- c) that We know or should know in the ordinary course of Our business as an insurer,
- d) which We indicate We do not want to know.

Non-Disclosure

If You fail to comply with Your Duty of Disclosure, the Insurer may be entitled to reduce their liability under the Policy in respect of a claim or may cancel the Policy. If Your non-disclosure is fraudulent, the Insurer may also have the option of avoiding the contract from its beginning.

Preventing the Insurer's Right of Recovery

The Insurer's liability to You for a loss under the Policy may be excluded or limited if You enter into an agreement that excludes or limits Your or their rights to recover monies from any other person in respect of that loss. This applies to an agreement before or after You enter into the Policy and before or after the loss.

Other Party's Interest

You must inform the Insurer about all parties (e.g. financiers, lessors) to be covered by the Policy. The Insurer will protect such parties interests only if You have informed the Insurer about them and only if such parties are stated within the Interested Parties area of the Schedule.

Excesses

You will pay an Excess for every claim You make under the Policy, and such Excesses apply separately per Section. However, only the highest Excess is to apply where more than one Excess per Section could be applicable to a claim.

The Excess forms part of the Sums Insured. This means that the maximum amount payable by the Insurer under the Policy are the Sums Insured minus the Excess.

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There are various types of Excesses that may apply as follows:

- a) Major Perils Excess
- b) Minor Perils Excess
- c) Existing Structures Excess
- d) Burglary / theft Excess.

The Major Perils Excess is payable where Insured Damage is caused by a Major Peril.

The Minor Perils Excess is payable where Insured Damage is caused by a Minor Peril.

The Existing Structures Excess is payable where Insured Damage is caused to any Existing Structure covered under Section 1, Additional Insured Items, where declared in the Schedule.

The Burglary / Theft Excess is payable where Insured Damage is caused by burglary or theft.

In addition to the above, other types of Excesses may apply as stated in the Schedule.

How is the Policy Premium Made Up?

The premium payable for the Policy reflects and is affected by many risk factors including (but not limited to):

- The location of the Construction Site
- The cost of the Construction Works
- The length of the required Period of Insurance
- The Excess selected by You
- The methods of construction being used
- The level of Sum Insured for cover options You select

Should any of these risk factors (or any other factors not listed above but which affect the risk covered by the Policy) change during the Period of Insurance, You must inform Ensurance immediately of the variation. The appropriate premium adjustment will then be calculated and advised to You.

In addition to the risk or base premium described above, the premium payable may be affected by the following taxes, fees and levies:

- Fire Services Levy
- Emergency Services Levy
- Goods and Services Tax (GST)
- Stamp Duty
- A fee charged by Your insurance broker for their services
- A fee charged by Ensurance for their services

Each of these elements, where applicable, will be shown separately in Your Schedule.

How Goods and Services Tax (GST) Affects Any Claims Payments

The premium payable by You for the Policy includes an amount on account of the GST.

When the Insurer pays a claim, Your GST status will determine the amount they will pay:

- a) where you are not registered for GST, the amount the Insurer will pay includes an amount on account of the GST.
- b) where you are registered for GST, and You are liable to pay an amount on account of the GST in respect of an acquisition (such as services to repair a damaged item insured under the Policy), the amount the Insurer will pay will include GST less any applicable input tax credit You are entitled to claim.

You must tell the Insurer if You are entitled to claim an input tax credit. The Insurer will not pay any GST liability You incur arising from Your incorrect advice to them.

“GST”, “acquisition” and “input tax credit” have the same meaning as given to those expressions in the A New Tax System (Goods and Services Tax) Act 1999.

Privacy

The Privacy Act 1988 (as amended) and the Australian Privacy Principles regulate the way businesses can collect, handle, use, keep secure and disclose personal information. Both Ensurance and the Insurer are bound by the Privacy Act 1988, when collecting and handling Your personal information. Ensurance and the Insurer have developed their own respective Privacy Policies which explain what sort of personal information is held about You and how it will be collected, handled, used and disclosed.

Both Ensurance and the Insurer will (at the beginning and during the term of Your Policy) collect personal information from or about You for the purpose of assessing Your application for insurance and administering Your insurance Policy, including any claims You make.

Both Ensurance and the Insurer may need to disclose Your personal information to reinsurers, insurance intermediaries, insurance reference bureaux, credit reference agencies, business advisers and those involved in the claims handling process (including assessors and investigators),

for the purposes of assisting in providing relevant services and products, or for the purposes of litigation. Such parties may be in Australia or overseas, including in the United Kingdom, Germany and the United States of America, but these may vary from time to time.

Both Ensurance and the Insurer may disclose Your personal information to people listed as co-insured on Your Policy and to family members

or agents authorised by You. Both Ensurance and the Insurer may also disclose Your personal information to organisations which conduct customer service surveys on their behalf.

If You do not provide Your personal information to both Ensurance and the Insurer, they may not be able to issue insurance cover to You or process Your claim.

You have the opportunity to find out what personal information both Ensurance and the Insurer hold about You, and when necessary, correct any errors in this information, as set out in the Privacy Policies for both Ensurance and the Insurer. You also have the opportunity to complain to Ensurance and the Insurer if You believe there has been a breach of the

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Australian Privacy Principles in relation to Your personal information. The Privacy Policies contain information about how You can make a complaint about a breach of privacy, and how that complaint will be dealt with.

For further information about the Privacy Policies or to access or correct Your personal information, please contact Ensurance

The Compliance Manager,
Ensurance Underwriting Pty Ltd
4/400 Canterbury Rd, Surrey Hills VIC
3127 Telephone: 1300 79 40 79
Fax: (02) 8072 1336

or go to the Ensurance website www.ensuranceunderwriting.com.au for details of and for copies of the Privacy Policies. Alternatively, You may contact the Insurer.

Dispute Resolution

Both Ensurance and the Insurer will do everything possible to provide a quality service to You. However, both Ensurance and the Insurer recognise that occasionally there may be some aspect of service or decision making made that You wish to query or raise.

Ensurance has a complaints and dispute resolution procedure, which strives to provide an answer to your complaint within pre agreed guidelines.

If You would like to make a complaint, please contact The Compliance Manager, Ensurance on 1300 79 40 79.

For more information concerning Ensurance's complaints and dispute resolution procedure please go to: www.ensuranceunderwriting.com.au.

In the first instance in all cases any complaint or dispute should be referred to Ensurance via the details above or the administrator handling Your claim. However in the unlikely event that this does not resolve the matter or You are not satisfied with the way Your complaint has been dealt with and where an Insurer who is a Lloyd's Underwriter appears in the Schedule, You should contact:

Lloyd's Australia Ltd
Level 9, 1 O'Connell Street
Sydney NSW 2000
Telephone: 02 8298 0783
Facsimile: 02 8298 0788
Email: ldraustralia@lloyds.com

Following receipt of your complaint, You will be advised whether Your dispute will be handled by either Lloyd's Australia or the Policyholder & Market Assistance Department at Lloyd's in London:

- Where Your complaint is eligible for referral to the Australian Financial Ombudsman Service (FOS), Your complaint will be reviewed by a person at Lloyd's Australia with appropriate authority to deal with Your dispute.
- Where Your complaint is not eligible for referral to the Australian FOS, Lloyd's Australia will refer Your complaint to the Policyholder & Market Assistance Department at Lloyd's, who will then liaise directly with You.

Basis of Settlement

In the event of Insured Damage covered by the Policy, the Insurer will pay:

- a) for the Construction Works and Existing Structures (if insured):
 - (i) in the case of Insured Damage which can be repaired, the cost of repairs necessary to restore the damaged section to the condition present immediately before the event of the Insured Damage, less any salvage enjoyed by You; or,
 - (ii) the case of Insured Damage which cannot be repaired, the replacement value of the damaged section, less any salvage enjoyed by You;
- b) for Minor Plant and Equipment and Tools and Major Plant and Equipment (if insured):
 - (i) in the case of Insured Damage which can be repaired, the reasonable cost to repair the damaged item to its former state of serviceability. In addition, when incurred for the purpose of effecting repairs, the cost(s) of dismantling, re-erection, and ordinary freight to and from a repair workshop, custom duties or other imposts levied to the extent that the Sum Insured is not otherwise exhausted.

No deduction will be made for depreciation of parts replaced, but the value of any salvage enjoyed by You will be deducted.

If the estimated cost of repairs equals or exceeds the actual value of the insured item immediately before the loss or damage occurred, then the Insurer will regard the item as destroyed, and settlement will be made on the basis provided for in (ii) below.

- (ii) in the case of Insured Damage which cannot be repaired, the value of the item at the time of loss or damage, including the reasonable costs of ordinary freight and erection. The value of the item will be calculated by reference to the market value of the item immediately before the Insured Damage, having due regard to its state of repair and condition at that time, less the value of any salvage enjoyed by You.

The Insurer may at their option repair, reinstate or replace any Insured Damage covered by the Policy.

All Insured Damage which can be repaired must be repaired, but if the cost of repairing any damage equals or exceeds the value of the damaged section or item immediately before the Insured Damage, settlement will be made on the basis provided for under (a)(ii) and (b)(ii) above, as appropriate.

The amount of each claim otherwise payable will be reduced by the amount of the Excess and always limited to the Sums Insured stated in the Schedule.

Adequacy of Sums Insured

The Insurer's liability to You for a loss under the Policy may be reduced if the Sums Insured do not represent the full insurable value of Your property covered by the Policy.

You must ensure that the Sums Insured specified in the Schedule for the following insured items, are not less than:

- a) for the Construction Works, their replacement/rebuild value; and
- b) for Existing Structures (if insured), their replacement / rebuild value; and,
- c) for items of Major Plant and Equipment and Minor Plant and Equipment and Tools (if insured), their actual current market value at commencement of the Period of Insurance.

If in the event of Insured Damage the Sums Insured are less than 80% of the amounts required to be insured as per clause (a) and (b) and (c) above, the amount recoverable by You under the Policy in respect of these items will be reduced by such proportion as the Sums Insured bear to the amounts required to be insured.

For example, if Your Sum Insured is only 50% of the value of the property required to be insured at the time that the Insured Damage occurs, the Insurer will only cover a proportional amount of Your loss, as set out below:

Full insurable value	\$100,000
Sum Insured	\$50,000 (i.e. 50% of the full insurable value)
Amount of Your loss	\$75,000
Amount the Insurer will pay	\$37,500 (i.e. 50% of the loss) less any Excess

This means You will be responsible for 50% of the loss You suffer (as well as any applicable Excess) because Your Sum Insured was only 50% of the value of Your property required to be insured.

This Adequacy of Sums Insured clause will not apply if the amount of Insured Damage does not exceed 5% of the value of the Sums Insured.

Licensed Tradesmen

You must take reasonable care to ensure all Construction Works are carried out by fully licensed tradesmen, in respect of those trades required to be licensed by law.

Internal Finishes

Prior to the installation of any internal finishes being floor coverings, wall and ceiling panels, ceiling tiles and lining boards, the section of the Construction Works where internal finishes are to be installed must be made weather proof to the extent that all windows, glazing, external walls, roof and floor openings have been sealed against the ingress of external sources of water and wind.

Partial Occupation of the Construction Works

If the whole or any section of the Construction Works is taken over, occupied, or put into use by You or others prior to completion of the Construction Works, except for completion of minor omissions and minor defects which do not prevent the Construction Works from being capable of being occupied or used for their intended purpose, the Insurer will not be liable for any Insured Damage in respect of:

- a) the occupants or their property; or
- b) third parties or their property,

arising from such actions, unless expressly agreed upon and specified in the Schedule and You have paid any additional premium and bear any Excess which may be required by the Insurer.

Reasonable Care and Precautions

You must take all reasonable care and precautions:

- a) to prevent Property Damage;
- b) to comply with all laws and statutory obligations and by-laws or regulations imposed by any public authority for the safety of persons or property;
- c) to employ competent Contractors, sub-contractors of every tier, and employees; and
- d) to maintain all premises, fittings and plant and everything used in the Construction Works in sound condition.

Policy Cancellation

The Policy may be cancelled:

- a) by You, giving written notice to the Insurer at any time. Notice will be effective when received by the Insurer. If You have made, or will make a successful claim under the Policy during the Period of Insurance to be cancelled, You will not be entitled to a refund of premium in respect of the unexpired Period of Insurance. In all other circumstances the Insurer may retain the premium for the period the Policy was in force plus 10% of the premium for the unexpired Period of Insurance.
- b) by the Insurer, in accordance with the provisions of the Insurance Contracts Act 1984. You will be entitled to a refund of premium in respect of the unexpired Period of Insurance, provided You have not made a claim during the Period of Insurance to be cancelled.

In either event, You must provide all information requested by the Insurer to enable the calculation of the final premium.

Cooling Off Period

You have the right to return the Policy within twenty-one (21) days of the date that it was issued or sold to You (herein known as the 'Cooling Off Period') unless You make a claim within the Cooling Off Period.

To do this, You must notify Ensurance in writing. If You return the Policy during the Cooling Off Period, the Insurer will fully refund the premium You paid for the Policy (except for those taxes, levies and other government charges that are non-refundable).

Claims Procedures

Upon the discovery of any Event or circumstance giving rise or likely to give rise to a claim under the Policy, You must:

- a) give Insurance notice as soon as is reasonably practicable after You become aware of such happening;
- b) take reasonable steps to prevent further loss;
- c) furnish all such proof, information and declaration with respect to the claim as Insurance or the Insurer may reasonably require;
- d) at all reasonable times permit the Insurer, their agents or representatives to enquire into, investigate and examine the circumstances of any loss;
- e) in the event of suspected criminal activity, inform the police;
- f) if required, carry out repairs or make good any minor damage, but in all other cases You must give the Insurer, their employees, agents or representatives an opportunity to inspect the loss or damage before any repairs or alterations are effected. If no inspection is carried out by, or on behalf of the Insurer within a period of time, which is reasonable having regard to the location of the risk, weather conditions and any other relevant factors, You may proceed with such repairs or replacement.

Multiple Insureds and Severability

Each of the parties comprising You shall for the purpose of the Policy be considered a separate co-insured entity, with the words You, Your, Yourself applying to each as if they were separately and individually insured provided that the Insurer's total liability under the Policy to You collectively shall not exceed the Sums Insured.

Accordingly the Insurer's liability under the Policy to any one insured party shall not be conditional upon the due observance and fulfilment by any other insured party of the terms and Conditions of the Policy or of any duties imposed upon that insured party relating thereto and shall not be affected by any failure in such observance or fulfilment by any such other party.

It is understood and agreed that any payment or payments by the Insurer to any one or more of the insured parties shall reduce to the extent of that payment the Insurer's liability arising from any one Event giving rise to a claim under the Policy.

The Insurer shall be entitled to avoid the Policy in respect of any insured party in circumstances of fraudulent misrepresentation or fraudulent non-disclosure (each referred to in this clause as a Vitiating Act) committed by that insured party.

For the avoidance of doubt it is however agreed that a Vitiating Act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has a financial, legal or equitable interest and who has not committed the Vitiating Act.

The Insurer's Right of Inspection

The Insurer will be permitted but not obliged to inspect the Construction Works or the Construction Site at any time. Neither the Insurer's right to make inspections nor the making of such inspection or any report will constitute an undertaking to determine or warrant that such property or operations are safe or healthful or are in compliance with any law, rule or regulation.

Subrogation

The Insurer shall waive any rights and remedies to which they become entitled by subrogation against any party insured under the Policy, except as against a party insured under the Policy that is responsible for a Vitiating Act (as defined above under the heading 'Multiple Insureds and Severability').

In the event that the Insurer has a right to recover any monies payable under the Policy from any person other than You, You must co-operate with the Insurer fully in any action which the Insurer may take. The Insurer may take action before they pay Your claim and whether or not You have been fully compensated for Your actual loss.

Other Insurance

In the event of any claim being made under the Policy, You must notify the Insurer of any other insurance covering the same loss or damage.

Breach of Conditions

Any breach of any Condition of the Policy, without Your knowledge and consent or beyond Your control shall not prejudice the cover provided by the Policy. Notice in writing shall be given to the Insurer upon such

breach coming to Your knowledge and such additional premium as may be reasonably required by the Insurer shall be paid as from the date of the breach first coming to Your knowledge.

Law and Jurisdiction

The Policy is exclusively subject to the law of Australia.

All disputes arising out of or under the Policy will be subject to determination by any court of competent jurisdiction in Australia.