



Residential Construction Warranty Insurance

Job Specific Owner Policy
TAS



Important Notices

The policy is made up of this policy wording, any endorsements and the certificate of insurance. You should read those documents together, to tell you what we cover, what we exclude, what we pay to settle claims and other important information.

Please note that you have obligations under the policy with which you must comply, otherwise we may not have to pay your claim(s).

Renewal

The policy will not be renewed and is not of a kind that it is usual to renew.

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 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 any 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 its 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.

Limitation or Exclusion of Rights Against Third Parties

You must not limit or exclude your rights against a party from whom you might otherwise be able to recover in respect of loss or damage. If you do, our liability to you is reduced to the extent that we can no longer recover from that other party as a result of the limitation or exclusion by you.

Interested Parties

The cover provided by this policy does not extend to an interest in the home that is not your interest. We will not be liable under this policy to anybody except you.

Privacy Statement

The *Privacy Act 1988* (as amended) now applies and requires us to inform you that:

Purpose of Collection

We collect personal information (*this is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained and which relates to a natural living person*) for the purposes of:

- ▼ providing insurance services to you, including evaluating the project application by the builder and evaluating any request for an amendment to any insurance provided;
- ▼ providing, administering and managing the insurance services following acceptance of an application;
- ▼ investigating and, if covered, managing claims made in relation to any insurance you have with us or other companies within the same group.

The personal information collected can be used or disclosed by us for a secondary purpose related to those purposes listed above, but only if you would reasonably expect us to use or disclose the information for this secondary purpose. However for sensitive information, the secondary purpose must be directly related to the purposes listed above.

Disclosure

We may disclose your personal information (and receive some personal information from), when necessary and in connection with the purposes listed above, to other companies within the same group, your insurance broker or our agent, Government bodies, loss assessors, claim investigators, reinsurers, other insurance companies, mailing houses, claims reference providers, other service providers, hospitals, medical and health professionals, legal and other professional advisers.

Consequences if Information is not Provided

If we are not provided with the information we need, we will be unable to administer your policy or manage any claim under your policy.

Access

You can request access to the personal information by contacting us at Vero Insurance Limited, 465 Victoria Avenue, Chatswood, NSW 2067.

Privacy Statement issued

Vero Insurance Limited, 465 Victoria Avenue, Chatswood, NSW 2067.

Other Offers

We would like to use your personal information to keep you up to date with the range of other products and services available from us and other companies within the same group. We may give your personal information to our agent or your broker to enable us to send you this information. Please contact us if you do not want us to do this.

Goods and Services Tax

This policy has a provision concerning GST on premium and claims.

1. Definitions

In the **policy**:

You/your means the person described in the **project application** as the owner of the building or land in respect of which the **work** is performed or is to be performed, and any successor in title to that person, and any person who becomes entitled to the benefit of the **statutory warranties**.

We/our/us means Vero Insurance Limited
ABN 48 005 297 807.

Act means the *Housing Indemnity Act 1992*.

Builder is the builder described in the **project application** provided the builder is a builder under the **Act**.

Building work has the same meaning as it does under the **Act** and the **Regulations**.

Certificate of insurance means the certificate referred to in clause 4 of this **policy**.

Contract means the contract between you and the **builder** pursuant to which the **work** is performed or is to be performed.

Disappeared (and its corresponding forms) means cannot be found after due search and enquiry.

Home means the **residential building** described in the **project application**.

Insolvent (and its corresponding forms) has the same meaning as it does under the **Act**.

Policy means this policy wording, any endorsements and the **certificate of insurance**.

Project application means the application form completed by you or the **builder** applying for this insurance.

Regulations means regulations made and in force under the **Act**.

Residential building has the same meaning as it does under the **Act**.

Statutory warranty has the same meaning as it does under the **Act**.

Work means the **building work** which is performed or is to be performed by the **builder** to the **home** under the **contract**.

A reference to any legislation is a reference to the legislation as amended from time to time.

2. The Policy

This **policy** is subject to the law of Tasmania. The law of Tasmania includes Commonwealth legislation such as the *Insurance Contracts Act 1984*. Any rights to refuse to pay a claim are subject to section 54 of that Act.

This **policy** is intended to comply with the requirements set out under the **Act** and any term of this **policy** which conflicts with, or is inconsistent with, the **Act** shall be read and be enforceable as if it complies with the **Act**.

3. What's Covered

3.1 When We Will Pay

Subject to the terms of this **policy**, including the exclusions, we will cover you if, because of the **insolvency**, death or **disappearance** of the **builder**, you suffer:

- (a) loss or damage because you are unable to enforce or recover under a **statutory warranty**;
- (b) loss or damage resulting from non-completion of the **work**.

3.2 What We Will Pay

We will either make good or pay the amount of that loss or damage (at our option), subject to the following limitations:

- (a) You must pay the first \$500 of each claim.
- (b) We will not pay more than \$200,000 or the **contract price** of the **work** (whichever is less) in respect of each residential building that forms part of the **work**.
- (c) In relation to a claim for non-completion of the **work**, where the **builder** has **disappeared**, we will not pay more than one-fifth of the **contract price** of the **work**.
- (d) In relation to a claim arising from non-completion of the **work** because of the **insolvency**, death or **disappearance** of the **builder**, we will not pay any part of a payment made under the **contract** which exceeds the amount which should have been paid in accordance with section 20 of the **Act**.

3.3 What We Exclude

We will not pay:

- (a) if you are the **builder**;
- (b) for a claim in relation to **building work** which is excluded under the **Act** and the **Regulations**.

The cover provided by this **policy** does not extend to an interest in the **home** that is not your interest. We will not be liable under this **policy** to anybody except you.

4. When Cover Becomes Effective

Upon issue of this **policy**, we will provide a **certificate of insurance** evidencing that insurance for the **work** has been issued which complies with the **Act**.

The **work** is not covered until we have provided to you or another person a **certificate of insurance** evidencing insurance for the **work**.

5. How Long We Cover You For

This **policy** provides cover in respect of the **work** for 6 years after the date of completion of the **work**.

6. When You Must Make a Claim

We may refuse to accept a claim made more than 90 days after the time when the person who is first entitled to make that claim under the **policy** first becomes aware, or might reasonably have become aware, of the fact or circumstance giving rise to the claim.

7. Non-disclosure or Misrepresentation

We are not entitled to avoid liability under this **policy** on the ground that the **policy** was obtained by misrepresentation or non-disclosure by the **builder**.

We may, however, recover from the **builder** any amount we would not otherwise have paid in those circumstances.

You must comply with your obligations under the **policy**, otherwise we may not have to pay your claim(s).

8. Subrogation

If we pay a claim, we are entitled to be subrogated to your rights against any party in relation to the claim to the extent of the amount paid by us.

You must not limit or exclude your rights against a party from whom you might otherwise be able to recover in respect of loss or damage. If you do, our liability to you is reduced to the extent that we can no longer recover from that other party as a result of the limitation or exclusion by you.

9. Other Terms

You must use our claim form to make a claim.

You must give us any assistance, information or documents which we request. This includes giving us, our nominated builder and your builder, reasonable access to inspect, rectify or complete the **work** (unless you have reasonable grounds to refuse access).

You must not make any admissions, offer, promise or payment in connection with any claim.

You must comply with your obligations under the **policy**, otherwise we may not have to pay your claim(s).

10. Goods and Services Tax

In addition to the **policy** premium, we will charge an amount on account of GST.

Despite the other provisions of this insurance (including provisions in the wordings, any schedules and any endorsement), our liability to you will be calculated taking into account any input tax credit to which you are entitled for any acquisition which is relevant to your claim, or to which you would have been entitled were you to have made a relevant acquisition.

If your sum insured or policy limit 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 your sum insured or policy limit.

'GST', 'input tax credit', 'acquisition' and 'supply' have the meaning given under the *A New Tax System (Goods and Services Tax) Act 1999*.

Vero Insurance Limited contact details:

If your property is in New South Wales or ACT:

Vero Warranty
Locked Bag 9000
Chatswood NSW 2067

If your property is in Victoria, South Australia,
Western Australia or Tasmania:

Vero Warranty
PO Box 294
Collins Street West
Melbourne VIC 8007

Insured by:
Vero Insurance Limited
ABN 48 005 297 807

V4699 PB 06/04

vero 