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## COMMERCIAL BUILDERS STRUCTURAL DEFECTS INSURANCE PROPOSAL (VICTORIA)

### NOTICE TO THE APPLICANT FOR INSURANCE

#### IMPORTANT NOTICES

Commercial Builders Structural Defects insurance policies issued by Prime Underwriting Agency Limited comply with the Ministerial Order relating to required insurance issued pursuant to the Building Act 1993 (Victoria). The policies only apply to building work that falls within the definitions in the relevant legislation. They do not apply to domestic, civil or other non-commercial or non-industrial work or premises zoned for residential use.

#### 1. YOUR DUTY OF DISCLOSURE

Before you enter into a contract of general insurance with the insurers, you have a duty, under the Insurance Contracts Act 1984, to disclose to the insurers every matter which you know, or could reasonably be expected to know, is relevant to the insurers' decision whether to accept the insurance risk and, if so, on what terms. You have the same duty to disclose those matters to the insurers before you renew, extend, vary or reinstate a contract of insurance.

Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by the insurers;
- that is common knowledge;
- that the insurers know or, in the ordinary course of business as insurers, ought to know;
- as to which compliance with your duty is waived by the insurers.

#### NON-DISCLOSURE

If you fail to comply with your duty of disclosure, the insurers may be entitled to reduce their liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurers may also have the option of avoiding the contract from its beginning.

COMMENT: The requirement of full and frank disclosure of anything which may be material to the risk for which you seek cover (e.g. claims, whether founded or unfounded), or to the magnitude of the risk, is of the utmost importance with this type of insurance. It is better to err on the side of caution by disclosing anything that might conceivably influence the insurers' consideration of your proposal.

#### 2. CLAIMS MADE POLICY

This proposal is for a "claims made and notified" policy of insurance. This means that the policy indemnifies you for claims made against an insured and notified to the insurers during the period of insurance. The policy does not provide indemnity in relation to:

- claims arising from acts, errors or omissions committed prior to the retroactive date of the policy (if such a date is specified);
- claims made, threatened or intimated prior to the commencement of the period of insurance;

- claims made after expiry of the period of insurance even though the event giving rise to the claim may have occurred during the period of insurance;
- claims arising from facts or circumstances notified (or which ought reasonably to have been notified) under any previous insurance policy;
- claims arising from facts or circumstances noted on the proposal form for the current period of insurance or on any previous proposal form;
- claims arising from facts or circumstances of which you first became aware prior to the commencement of the period of insurance, and which you knew or ought reasonably to have known, might give rise to a claim under this policy.

COMMENT: The policy will respond to claims pursuant to Section 40 (3) of the Insurance Contracts Act 1984 which states:

"Where the insured gave notice in writing to the insurer of facts that might give rise to a claim against the insured as soon as was reasonably practicable after the insured became aware of those facts but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of the claim when made by reason only that it was made after the expiration of the period of insurance cover provided by the contract".

#### 3. AVERAGE PROVISION

The policy provides that if a payment in excess of the limit of liability available under the policy is made to dispose of a claim, the insurers' liability for defence costs incurred with its consent shall be such proportion of the total defence costs as the limit of liability available under the policy bears to the amount paid to dispose of the claim.

#### 4. RIGHTS OF RECOVERY

The policy does not cover liability, loss or damage in respect of which you have at any time foregone, excluded or limited a right of recovery.

#### 5. ROLE OF PRIME UNDERWRITING AGENCY LIMITED

In arranging this insurance, Prime Underwriting Agency Limited is acting under an authority given to it by the insurers, and is acting as the insurers' agent and not as an agent of the insured or their broker.

## YOUR BROKER

<b>Brokers name:</b>		
<b>Contact:</b>		<b>Tel:</b> ( )

## YOUR DETAILS

1

<b>Please Tick the type of Business</b>			
Company	<input type="checkbox"/>	Partnership	<input type="checkbox"/>
Sole Trader	<input type="checkbox"/>	Trustee for a Trust	<input type="checkbox"/>

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Name of ALL entities to be insured:	ABN	Website

3

<b>Address of the Company's head office:</b>

4.

<b>Address of other offices:</b>

5

<b>Date business established:</b>	/ /
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## BUSINESS HISTORY

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(a) Has the name of the business ever changed	Yes <input type="checkbox"/> No <input type="checkbox"/>
(b) Have you ever purchased, amalgamated or merged with any other business	Yes <input type="checkbox"/> No <input type="checkbox"/>
If you have answered <b>Yes</b> to either question please provide details:	

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Please list details of all registered Building Practitioners **AND** those applying for registration (*Builder- Commercial*) including Proprietors and Directors.

Licence No	Building Practitioner	Age	Qualifications	Date qualified
				/ /
				/ /
				/ /
				/ /
				/ /
				/ /

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Is any partner, principal or director connected or associated (financially or otherwise) with any other business.	Yes <input type="checkbox"/> No <input type="checkbox"/>
If <b>YES</b> , please supply details of the relationship with entities to be insured:	

**YOUR FINANCIAL DETAILS**

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You will need to supply your **Insurable Turnover**. Insurable Turnover is the **whole of turnover** on contracts (**in the State of Victoria only**) which have a **structural component**. This will **exclude** non-structural contracts, such as pure fit-out contracts, maintenance contracts, domestic building contracts and civil works.

Calendar Year	Insurable Turnover (Aus \$)	Other Building Turnover (Aus \$)
Estimate next year		
Actual last year		
Actual prior year		

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Please provide a brief description of the Six (6) largest commercial/industrial contracts (by insurable turnover) in the past 4 years

Brief description of the contract	Completion date	Total contract value
	/ /	\$
	/ /	\$
	/ /	\$
	/ /	\$
	/ /	\$
	/ /	\$

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Do you engage in "Design & Construct" contracts	Yes <input type="checkbox"/> No <input type="checkbox"/>
If <b>Yes</b> do you have Professional Indemnity Insurance	Yes <input type="checkbox"/> No <input type="checkbox"/>
If <b>Yes</b> please advise the following details:	
Insurer:	Expiry date: / /
Limit of Liability: \$	Premium: \$

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(a) Have any commercial or industrial contracts ever involved the use of untried/untested designs, materials or construction techniques	Yes <input type="checkbox"/> No <input type="checkbox"/>
If <b>Yes</b> please provide details:	
(b) Do you agree to advise us in advance of any such new contracts you propose to enter into in the next twelve (12) months.	Yes <input type="checkbox"/> No <input type="checkbox"/>
If <b>No</b> please advise why:	
(c) Is any of your structural work undertaken by You without engineering input by a qualified external engineer.	Yes <input type="checkbox"/> No <input type="checkbox"/>
If <b>Yes</b> please provide details:	

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(a) Have you previously held a Commercial Builders Structural Defects insurance policy.	Yes <input type="checkbox"/> No <input type="checkbox"/>
If <b>Yes</b> please advise the following details:	
<b>Insurer:</b>	<b>Expiry date:</b> /   /
<b>Limit of Liability:</b> \$	<b>Premium:</b> \$
(b) Have any building contracts been entered into or work completed on any project <b>after 20 April 1995</b> for which commercial builders' structural defects insurance has <b>NOT</b> been arranged.	Yes <input type="checkbox"/> No <input type="checkbox"/>
If <b>Yes</b> please provide details:	

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Have you, any related company, director, proprietor, building practitioner or person in charge of construction, ever been:	
(a) refused, cancelled or had special conditions imposed on an insurance policy by an Insurer	Yes <input type="checkbox"/> No <input type="checkbox"/>
(b) refused a builder's licence or had a licence suspended or cancelled by a regulatory authority	Yes <input type="checkbox"/> No <input type="checkbox"/>
(c) subject to disciplinary procedures, enquiry or reference to a tribunal in respect to building work	Yes <input type="checkbox"/> No <input type="checkbox"/>
(d) declared bankrupt or entered into a scheme of arrangement with creditors, or been a director of a company that has been placed under administration, entered into a scheme or arrangement with creditors, placed into receivership or liquidation	Yes <input type="checkbox"/> No <input type="checkbox"/>
If <b>Yes</b> to any of the above questions please provide details:	

## YOUR CLAIMS DETAILS

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(a) In the last ten (10) years, have any claims for breach of duty, defect, or faulty workmanship been made against your business or any of its predecessors in business or any prior business of it's present or former principals or directors ( <b>whether or not you consider there is or was a liability</b> ), or has any fact or circumstance been notified to insurers that has the potential to give rise to such a claim		Yes <input type="checkbox"/> No <input type="checkbox"/>
(b) Are any of the principals, directors or building practitioners <b>AFTER ENQUIRY</b> , aware of any fact or circumstance which has the potential to give rise to a claim against your business or any prior business of any of the present or former principals, directors or building practitioners ( <b>whether or not you consider there is a liability</b> ), which fact or circumstance is not referred to above		Yes <input type="checkbox"/> No <input type="checkbox"/>
If <b>Yes</b> to any of the above questions please provide details:		
Name of Claimant	Brief description of the matter	Amount paid or potential liability
		\$
		\$
		\$

## PRIME UNDERWRITING AGENCY LIMITED PRIVACY STATEMENT AND AUTHORITY

### About your information

At Prime Underwriting Agency Limited we collect, use and store personal information that is necessary to provide and manage the products or services we offer, develop and identify products and services that may interest you and to conduct market or customer satisfaction research.

We disclose personal information to third parties when necessary to assist us and them in providing and managing the relevant services and products. We limit the use and disclosure of any personal information provided by us to them to the specific purpose for which we supplied it. You authorize Prime Underwriting Agency Limited and the insurers, that act as our principals, to collect, use, store and disclose your personal information for these purposes.

You also give express authority for Prime Underwriting Agency Limited and the insurers that act as our principals, to, wherever applicable:

- Obtain details of any insurance held by you now or in the past, or any claims experience under that insurance, whether with Prime Underwriting Agency Limited or another organization, which may be relevant to the acceptance of your application or proposal, or to the resolution of a claim; and
- Collect, use, store and disclose your personal information that amounts to sensitive information under the Act, as required to provide and manage the relevant product or service.

### Personal Information about others

If we give you personal information you and your representatives must only use it for the purposes to which we agree. Where relevant, you must meet the requirements of the Privacy Act 1988 when collecting, using, disclosing and handling personal information on our behalf. You

must also ensure that your agents, employees and contractors meet the above requirements.

When you give us personal information about other individuals, we rely on you to have made or make them aware that you will or may provide their information to us and the types of third parties we may provide it to, the relevant purposes we, the insurers and the third parties will use it for, and how they can access it. If it is sensitive information we rely on you to have obtained their consent on these matters. If you have not done or will not do either of these things, you must tell us before you provide the relevant information.

If you provide us with personal information or make an application for insurance to us, we will consider you have accepted the terms and conditions of this Privacy Statement unless you tell us in writing otherwise. You can also withdraw your consent at any time by advising us in writing.

If you do not agree to the above we may not be able to provide you with our services or products. If you wish to request access or correction to the information we hold about you, opt out of receiving materials we send, or request a copy of our privacy policy, then contact Prime Underwriting Agency Limited, Suite 2, 4<sup>th</sup> Level, 501 LaTrobe Street, Melbourne Vic 3000.

Further information about Prime Underwriting Agency Limited privacy policy is available at [www.primeunderwriting.com.au](http://www.primeunderwriting.com.au) If you are not satisfied with any response from our Privacy Officer then you are advised that complaints can be made to the Office of the Federal Privacy Commission.

## DECLARATION

I declare as follows:

- (1) I am authorised by the persons or entities applying for this insurance, to make this declaration.
- (2) I have read and understood the "Notice to the Applicant for Insurance" and the "Prime Underwriting Agency Limited Privacy Statement" in this proposal.
- (3) I have read this proposal and the accompanying documents and acknowledge the contents to be true and complete.
- (4) I understand that, up to the date of the commencement of the period of insurance, the insured is under a continuing obligation to immediately inform Prime Underwriting Agency Limited and the insurers of any material change in the information provided in this proposal and in accompanying documents.

Although the signing of this proposal does not bind the applicants to effect insurance, I acknowledge that the particulars and statements contained in this proposal and in the accompanying documents shall be the basis of the contract if a policy is issued. I also acknowledge that the proposal and the accompanying documents will be incorporated in the contract of insurance.

Name of Business or Practice:	
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Signature of Principal or Director:	
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Name of Signatory:		Date:	/ /
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Contact Details:	Tel:	Mob:
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Proposal not to be dated more than 30 days prior to inception / renewal