



Owner-Builder

WA

Residential Construction
Warranty Insurance



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 dwelling 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 your application;
- ▼ evaluating any request for a change to any insurance provided;
- ▼ providing, administering and managing the insurance services following acceptance of an application; and
- ▼ investigating and, if covered, managing claims made in relation to any issue 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 you do not provide us with personal information we need we will be unable to consider your application for insurance cover, administer your policy or manage any claim under your policy.

Access

You can request access to the personal information by writing to your nearest Vero branch or Vero Head Office and providing us with full details of what you would like to know or see.

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 or other members of the Vero group of companies to which we belong. 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 purchaser of the **dwelling** or the land on which the **dwelling** is constructed, and any successor in title to that person.

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

Act means the *Home Building Contracts Act 1991*.

Contract means the contract between you and the **owner-builder** for the sale of the **dwelling** or the land on which the **dwelling** is constructed.

Cost of the work means the cost of the **work** as defined under the **Act**.

Disappearance means cannot be found after due search and enquiry.

Dwelling is the building described in the **project application** which has been constructed by the **owner-builder**.

Insolvency has the same meaning as it does under the **Act**.

Owner-builder is the owner-builder described in the **project application** provided the owner-builder is an owner-builder under the **Act**.

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

Project application means the application form completed by the **owner-builder** applying for this insurance.

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

Work means the **residential building work** that is performed by the **owner-builder** in respect of the dwelling.

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 Western Australia. The law of Western Australia 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 pay you if suffer loss or damage resulting from your inability to pursue a remedy in respect of the **work** under section 12A of the *Builders' Registration Act 1939* by reason of the **insolvency**, death or **disappearance** of the **owner-builder**.

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 \$100,000 (or such other amount as is prescribed under the **Act**), or the **cost of the work** in the aggregate for all claim in relation to the **work**, whichever is the lesser.

3.3 What We Exclude

We will not pay if you are the **owner-builder**:

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

4. When Cover Becomes Effective

Even though you or another person who applies for this insurance may be required to pay the premium when lodging a **project application**, we may refuse to accept the **project application**. The **work** is not covered until we have provided to you or that other person a certificate of insurance evidencing insurance for the **work**.

5. How Long We Cover You For

This **policy** provides cover for claims in respect of the **work** which are made before the expiration of a period of 7 years from the date of issue to the **owner-builder** of the building licence for the building work.

6. When You Must Make a Claim

- (a) We do not have to pay a claim if you fail to notify us of the claim within a reasonable time of you becoming aware of the grounds for the claim.
- (b) We do not have to pay a claim unless it is made before the expiration of a period of 7 years from the date of issue to the **owner-builder** of the building licence for the building work.

7. Non-disclosure or Misrepresentation

We are not entitled to avoid liability under this **policy** for failure to comply with the duty of disclosure or misrepresentation by the **owner-builder**.

We may, however, recover from the **owner-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

As part of the **policy** premium, we will charge you an amount on account of GST.

You must inform us of the extent to which you are entitled to an input tax credit for that GST amount each time that you make a claim under this **policy**. No payment will be made to you for any GST liability that you may incur on the settlement of a claim if you do not inform us of your entitlement or correct entitlement to an input tax credit.

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*.

Insured by:
Vero Insurance Limited
ABN 48 005 297 807

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