

Annual Construction Works Policy

QBE Insurance (Australia) Limited



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About this booklet

There are two parts to this booklet. The first part is Important Information about this Policy including information about how We'll protect Your privacy and how to make a complaint or access Our dispute resolution service.

The second part is Your Policy Wording which sets out the detailed terms, conditions and exclusions of the Policy.

Because We don't know Your own personal circumstances, You should treat any advice in this booklet as purely general in nature. It doesn't consider Your objectives, financial situation or needs. You should carefully consider the information provided with regard to Your personal circumstances to decide if it is right for You.

For more information or to make a claim

Please take the time to read through this booklet and if You have any questions, need more information or to confirm a transaction, please contact:

- Your financial services provider. The contact details for Your financial services provider are set out in the documentation they give You.

The section titled 'Claims' at the end of this booklet tells You the full details about what You need to do in the event of a claim. If You'd like to make a claim or to enquire about an existing claim please contact:

- Your financial services provider.

About QBE Australia

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers in the world.

Important Information

In this first part of the booklet We explain important information about this Policy including how We'll protect Your privacy and how to make a complaint or access Our dispute resolution service.

Duty of disclosure

Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms.

You have this duty until We agree to insure You.

You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:

- reduces the risk We insure You for; or
- is common knowledge; or
- We know or should know as an insurer; or
- We waive Your duty to tell us about.

If You do not tell Us something

If You do not tell Us anything You are required to, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

The General Insurance Code of Practice

QBE Australia is a signatory to the General Insurance Code of Practice.

The Code aims to:

- Commit Us to high standards of service
- Promote better, more informed relations between Us and You
- Maintain and promote trust and confidence in the general insurance industry
- Provide fair and effective mechanisms for the resolution of complaints and disputes between Us and You
- Promote continuous improvement of the general insurance industry through education and training.

Privacy

We'll collect personal information when You deal with Us, our agents, other companies in the QBE group or suppliers acting on Our behalf. We use Your personal information so We can do business with You, which includes issuing and administering Our products and services and processing claims. Sometimes We might send your personal information overseas. The locations We send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

Resolving complaints & disputes

At QBE We're committed to providing You with quality products and delivering the highest level of service.

We'll also do everything We can to safeguard Your privacy and the confidentiality of Your personal information.

Something not right?

We know sometimes there might be something You're not totally happy about, whether it be about Our staff, representatives, products, services or how We've handled Your personal information.

Step 1 - Talk to Us

If there's something You would like to talk to Us about, or if You'd like to make a complaint, speak to one of Our staff. When You make Your complaint please provide as much information as possible. They're ready to help resolve Your issue.

You can also contact Our Customer Care Unit directly to make Your complaint. Our aim is to resolve all complaints within 15 business days.

Step 2 - Escalate Your complaint

If We haven't responded to Your complaint within 15 days, or if You're not happy with how We have tried to resolve it, You can ask for Your complaint to be escalated for an Internal Dispute Resolution (IDR) review by a Dispute Resolution Specialist.

The Dispute Resolution Specialist will provide QBE's final decision within 15 business days of Your complaint being escalated, unless they've requested and You've agreed to give us more time.

Step 3 - Still not resolved?

If You're not happy with the final decision, or if We've taken more than 45 days to respond to You from the date You first made Your complaint, You can contact the Financial Ombudsman Service Australia (FOS Australia). FOS Australia is an ASIC approved external dispute resolution body.

FOS Australia resolves insurance disputes between consumers and insurers, at no cost to You. QBE is bound by FOS Australia's decisions - but You're not. You can contact FOS Australia directly and they'll advise You if Your dispute falls within their Terms of Reference.

Disputes not covered by the FOS Australia Terms of Reference

If Your dispute doesn't fall within the FOS Australia Terms of Reference, and You're not satisfied with Our decision then You may wish to seek independent legal advice.

Privacy complaints

If You're not satisfied with our final decision and it relates to Your privacy or how We've handled Your personal information, You can contact the Office of the Australian Information Commissioner (OAIC).

Contacting QBE Customer Care, FOS or the OAIC

How to contact QBE Customer Care	
Phone	1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	<ul style="list-style-type: none"> complaints@qbe.com, to make a complaint. privacy@qbe.com, to contact Us about privacy or Your personal information. customer care@qbe.com, to give feedback or pay a compliment.
Post	Customer Care, GPO Box 219, PARRAMATTA NSW 2124

How to contact FOS Australia	
Phone	1800 367 287
Email	info@fos.org.au
Online	www.fos.org.au

How to contact the OAIC	
Phone	1300 363 992 Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	enquiries@oaic.gov.au
Online	www.oaic.gov.au

Cooling-off information

If You change Your mind within 21 days of buying Your Policy, You can cancel it and receive a full refund. Naturally, this doesn't apply if You've made or are entitled to make a claim. Even after the cooling-off period ends, You still have the right to cancel Your Policy. However, We may deduct some costs from any refund, as set out in the Policy Wording under 'Cancelling Your Policy'.

To cancel Your Policy within the cooling-off period, contact Your financial services provider electronically or in writing.

Policy Wording

This Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.

Our agreement

Your Policy is an agreement between You and Us, made up of:

- This Policy Wording
- Your Schedule, which sets out the cover You've chosen and any terms specific to You.

The cover under this Policy is provided during the Period of Insurance, once You've paid us Your premium. There are also:

- Conditions and exclusions which apply to specific covers or sections;
- General exclusions, which apply to any claim You make under this Policy;
- General conditions, which set out Your responsibilities under this Policy;
- Claims conditions, which set out Our rights and Your responsibilities when You make a claim; and
- Other terms, which set out how this Policy operates.

Deductible

You must pay any Deductible which applies to Your claim. Any Deductibles which You are required to pay are detailed within this Policy Wording or on Your Schedule.

How much We'll pay

The most We will pay for a claim is the Sum Insured or Limit of Liability applying to the cover or section which You are claiming, less any Deductible.

How Goods and Services Tax affects any payments We make

Unless We say otherwise, all amounts in this Policy are inclusive of GST. We require You:

- to advise us if You are registered, or are required to be registered for GST;
- to provide Your ABN; and
- to advise us of the percentage of any input tax credit You will claim, or will be entitled to claim, on the Premium.

When We pay a claim, Your GST status will determine the amount We pay. The claim settlement amount will be adjusted to allow for any input tax credit that is or may be available.

Unless We say otherwise, all amounts in Your Policy are inclusive of GST. There may be other taxation implications affecting You, depending upon Your own circumstances. We recommend You seek professional advice.

Paying Your premium

Your premium can be paid by one annual payment or by Premium Funding if applicable.

You must pay Your premium by the due date shown on Your Schedule or invoice. If We don't receive Your premium by the date, or if Your payment is dishonoured, this Policy will not operate and there will be no cover.

General Definitions applicable to Section A – Material Damage and Section B – Legal Liability

Some key words and terms used in this Policy have a special meaning, which are defined below and apply to all Sections of this Policy.

Wherever the following words or terms are used, they mean what is set out below:

Word or term	Meaning
Act of Terrorism	an act including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public or any section of the public in fear.
Aircraft	any vessel, craft or thing made or intended to fly or move in or through the atmosphere or space.
Business	office and/or workshop activities, Contract Site visits and associated operations in addition to and in connection with the Insured Contract(s) described in the Schedule and including the ownership and tenancy of premises, the provision and management of canteen, social, sports, welfare or child care organisations for the benefit of Your Employees and internal first aid, fire and ambulance services, formed with Your consent.
Compensation	monies paid or agreed to be paid by judgement, award or settlement for Personal Injury or Property damage.
Construction Period	<p>where Runoff cover is selected by You and specified in the Schedule the Construction Period is: the period commencing:</p> <ul style="list-style-type: none"> (a) on the date of possession of each Contract Site by the Named Insured, or (b) at the commencement date of the Contract Works <p>provided such date is within the Period of Insurance specified in the Schedule, and expiring:</p> <ul style="list-style-type: none"> (c) on the date the Contract Works have achieved Practical Completion (including a period up to 30 days in excess of practical completion); or (d) on the date those completed portions of the Contract Works are taken over, occupied or put into use by the principal or owner; or (e) after the maximum Construction Period specified in the Schedule <p>whichever occurs first.</p> <p>where Transfer basis is selected by You and specified in the Schedule the Construction Period is: the period commencing:</p> <ul style="list-style-type: none"> (a) on the date of possession of each Contract Site by the Named Insured, or at the commencement date of Contract Works provided that such date is within the Period of Insurance stated in the Schedule; or (b) on the commencement date of the Period of Insurance where Contract Works on the Insured Contract have already commenced; <p>whichever is the later, and expiring</p> <ul style="list-style-type: none"> (c) on the date the Contract Works have achieved Practical Completion (including a period up to 30 days in excess of practical completion); or (d) on the date those completed portions of the Contract Works are taken over, occupied or put into use by the principal or owner; or (e) after the maximum Construction Period specified in the Schedule; or (f) the expiry date of the Period of Insurance specified in the Schedule <p>whichever occurs first.</p>
Contract Site	the location(s) where any Contract Works are carried out by You within the Territorial Limits.
Contract Value	the value of the Contract Works specified in the Insured Contract.
Contract Works	the whole of the works relating to the Insured Contract whether permanent or temporary including all materials incorporated or to be incorporated therein, formwork, falsework, temporary buildings, scaffolding, security fencing, principal supplied materials, fixed appliances and hoardings belonging to You or in Your care, custody or control for the performance of the Insured Contract(s).
Current Value	the cost of replacement of the damaged property at the date of the Damage up to the Contract Value specified in the Schedule. [Subject always to due allowance for wear, tear, depreciation or betterment].
Damage	unforeseen physical loss, physical destruction or physical damage.
Deductible	the amount(s) specified in the Schedule that You must first contribute towards each loss or series of losses resulting from the one original source or cause.
Display Building	a completed building used for display, show or presentation purposes and includes: all fixtures, fittings, fixed floor coverings, terraces, paths, in-ground pools, spas, saunas, driveways, retaining walls, gates, fences, masts, aerials and clothes lines.
Electronic Data	any facts, concepts, and/or information converted to a form usable for communications, displays, distribution, processing by electronic, electromechanical data processing, electronically controlled equipment which includes but is not limited to programs, software or other coded instructions for such equipment.

Employee	any person under a contract of service or apprenticeship with the Named Insured but does not include any person or persons engaged by the Named Insured under such contract who is excluded from the definition of worker under any workers' compensation legislation.
Employment Practices	any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination directly or indirectly related to employment or prospective employment of any person or persons by You or on Your behalf.
Existing Building	any permanent building including all fixings and attachments located at the Contract Site prior to the commencement of the Contract Works.
Flood	the covering of normally dry land by water that has escaped or been released from the normal confines of: (a) any lake, or any river, creek or other natural watercourse, whether or not altered or modified; or (b) any reservoir, canal or dam.
Insured Contract(s)	a contract that is required to be insured by the Named Insured that is within the type, categories and limits described and specified in the Schedule that: (a) has an estimated Contract Value not greater than the maximum Contract Value at commencement of the Contract Works; and (b) has a Construction Period not greater than the maximum Construction Period; and (c) is not within the type or category of Referral Contracts specified in the Schedule.
Limit of Liability	the applicable Limit of Liability specified in the Schedule for Section B.
Maintenance Period	the period described in any Insured Contract during which You are legally obliged to: (a) rectify defects, shrinkages, errors, omissions or other faults and/or (b) complete Your obligations under such Insured Contract for the maximum period specified in the Insured Contract commencing upon Practical Completion of the Contract Works and subject to the maximum Maintenance Period specified in the Schedule.
Major Peril	earthquake, storm, Flood, water, landslip, erosion, subsidence, fire, snow, ice, erosion or collapse.
Major Plant	cranes, hoists, excavators, loaders, graders, rollers, trenching and piling equipment, concreting plant, lifting devices and mobile construction machinery or vehicles.
Minor Peril	any cause other than a Major Peril or Named Cyclone.
Minor Plant	non-Major Plant, equipment and tools.
Named Cyclone	any tropical cyclone named by the Australian Bureau of Meteorology, Tropical Cyclone Warning Centre including any associated rain depression.
Named Insured	the insured named in the Schedule.
Occurrence	an event which results in Personal Injury or Property Damage, neither expected nor intended from Your standpoint. all Personal Injury or Property Damage arising out of continuous or repeated exposure to substantially the same general conditions shall be construed as arising out of one Occurrence.
Period of Insurance	the duration of this Policy as specified in the Schedule and any renewal thereof.
Personal Injury	(a) bodily injury (and this expression includes death and illness), disability, shock, fright, mental anguish, mental injury. In the event of any claims for Personal Injury arising from latent injury, latent disease or latent sickness, such injury, disease or sickness in respect of each claim shall be deemed to have first happened on the day such injury, disease or sickness was first medically diagnosed and to be covered under this Policy that diagnosis must first occur during the Period of Insurance, (b) false arrest, wrongful detention, false imprisonment or malicious prosecution, (c) wrongful entry or eviction, (d) defamation, (e) assault and battery not committed by You or at Your direction unless reasonably committed for the purpose of preventing or eliminating danger to persons or property.
Policy	includes this Policy wording, Your Schedule and any future documents issued to You which amends the Policy wording or Schedule.
Pollutant	any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
Practical Completion	the earlier of (a) when the Contract Works has been completed except for minor omissions and minor defects which do not prevent the Contract Works from being capable of being occupied or put into use; or (b) when the certificate of Practical Completion is issued.

Product(s) (completed operations)	any good(s), product(s) or property of the Named Insured (after they have ceased to be in Your possession or under Your control), which are deemed to have been manufactured, extracted, produced, processed, constructed, assembled, erected, installed, repaired, serviced, treated, sold, supplied or distributed by You, including the Insured Contract upon Practical Completion.
Property Damage	(a) physical damage to, loss or destruction of tangible property including any resulting loss of use of that property; or (b) loss of use of tangible property which has not been physically damaged, lost or destroyed provided such loss of use is caused by an Occurrence.
Referral Contract(s)	any contracts that do not fall within the description of Insured Contract(s) outlined in the Schedule including but not limited to those Referral Contracts detailed in the Schedule.
Replacement Value	(a) where property is lost or destroyed: (i) in the case of a building, the rebuilding thereof, or (ii) in the case of property other than a building, the replacement thereof, by similar property, to in either case a condition equal to but not better or more extensive than its condition when new. (b) where property is damaged; (i) the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.
Schedule	the policy schedule or any endorsement attaching thereto issued by Us.
Speculative Building	a completed habitable sealed structure consisting of a roof and walls, awaiting sale to a party not defined as You, Your, Insured within this Policy.
Sum Insured	the value insured for each of the insured items specified in the Schedule.
Territorial Limits	anywhere within Australia or its territories unless otherwise specified in the Schedule.
Testing and Commissioning Period	the period which commences when live load is introduced, including the use of gas, electricity, water, utilities, feedstock or other materials for processing or other media to simulate working conditions and ends: (a) at the completion of testing and commissioning under the Insured Contract; or (b) at the expiration of the maximum Testing and Commissioning Period; or (c) at the expiration of the Construction Period specified in the Schedule for each Insured Contract; whichever occurs first. Simple functional testing without the application of live load or simple functional checks of components of individual machines which do not involve any loading are not considered part of the Testing and Commissioning Period.
Turnover	where Runoff cover is selected and detailed in the Schedule: the total value of all Insured Contracts (excluding GST) commenced including all materials components and principal supplied items on contracts indemnifiable under this Policy during the Period of Insurance; or Where Transfer basis is selected and detailed in the Schedule: the total expended value of all Insured Contracts (excluding GST) including all materials components and principal supplied items on contracts indemnifiable under this Policy during the Period of Insurance.
Watercraft	any vessel, hovercraft, craft or thing made or intended to float on or in or travel on or through or under water.
We, Our, Us	QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.
You, Your, Insured	the person or entities described in (a) to (d) below. (a) the Named Insured in the Schedule (b) additional Insured(s) with whom the Named Insured has entered into a contract for the performance of any part or parts of the Contract Works, but only to the extent required by the Insured Contract including: (i) any Principal (ii) any head contractor (iii) any project manager (iv) any sub-contractors not being specified in the Schedule as the Named Insured but with whom the Named Insured has entered into a contract provided that: (i) their interests are required by such contract to be insured jointly by the Named Insured, and (ii) only to the extent required by the contract, and (iii) in respect of work performed as a part of the Contract Works whilst at the Contract Site. (c) any office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with the consent of the insured parties shown in paragraphs (a) and (b) in respect of claims arising from their duties connected with the activities of any such club, organisation or service, (d) any professional consultants, engineers, architects, manufacturers, suppliers or distributors required by the Insured Contract to be included as an insured party, but solely for their manual on site activities associated with the Contract Works while at the Contract Site.

Section A - Material Damage

What You are insured against

Contract Works

We will indemnify You, in accordance with the basis of settlement, for Damage, not otherwise excluded:

- (a) to the Contract Works, whilst You are undertaking the Insured Contract and happening at the Contract Site during the Construction Period.
- (b) during testing and commissioning of the Contract Works (where specified in the Schedule) by their own electrical or mechanical breakdown, failure or derangement, provided that such Damage:
 - (i) arises out of testing or commissioning at the Contract Site; and
 - (ii) occurs during the Testing and Commissioning Period.
- (c) to the Contract Works, which manifests itself during the Maintenance Period provided such Damage originates from a cause arising out of the:
 - (i) Contract Works carried out by You during the Construction Period at the Contract Site, or
 - (ii) course of operations carried out by You in complying with the requirements of the maintenance clause(s) of the Insured Contract at the Contract Site.

Provided always, that Our liability for any one loss in respect to (a), (b) and (c) above will not exceed the total Sum Insured specified in the Schedule.

Major and Minor Plant

We will indemnify You, in accordance with the basis of settlement, for Damage not otherwise excluded, occurring during the Period of Insurance to:

- (d) Major Plant owned by the Named Insured and/or hired in whilst on or about the Contract Site, which either belong to the Named Insured or the Named Insured has a contractual obligation to insure;
- (e) Minor Plant owned by the Named Insured and/or hired in and used in the performance of the Business anywhere within the Territorial Limits and provided that such plant, equipment and tools are, when not in use, kept out of sight and in a locked secure receptacle.

Provided always, that Our liability for any one loss in respect of (d) and (e) above will not exceed the sub-limits in the Schedule for Major Plant and Minor Plant respectively.

Additional Insured Benefits

Following Damage to the Contract Works indemnified within this Policy, We will indemnify You for the Additional insured benefits as defined below, up to the amount specified in the table below, or such amount specified in the Schedule, whichever is greater;

Additional Insured Benefit	Definition	Maximum Total Sum Insured or percentage of Contract Value (unless otherwise specified in the Schedule)
Access Costs	the cost of de-watering, demolition or removal of undamaged parts of the Contract Works necessary to: (a) provide initial access to; and (b) allow repairs to be effected to the completed sections of the Contract Works whether damaged or undamaged solely as the result of Damage.	\$25,000
Expediting Expenses	the costs of express delivery within Australia, overtime rates of wages, the hire of additional labour and equipment and the costs of purchasing resources necessary to reinstate, repair or replace Damage to any item of the Contract Works indemnified within this Policy. express delivery shall include carriage by air freight within Australia by use only of licensed airline(s) operating a regular scheduled service, but not aircraft chartered specifically for such carriage. expediting expenses will not include reimbursement solely to compensate for a delay in completion of the Contract Works.	10 percent of the Contract Value.
Mitigation Expenses	the costs and expenses necessarily and reasonably incurred by You, in containing, mitigating, suppressing, protecting or preventing imminent or further Damage (indemnifiable under this Policy, or would be indemnifiable but for the suppression, containment or protection from such Damage) to the Contract Works.	5 percent of the Contract Value
Professional Fees	architects, engineers, surveyors, consultant's fees necessarily incurred by You for the replacement or repair of any item of the Contract Works due to Damage, but excluding any fees incurred for the preparation of a claim or estimation of a loss.	10 percent of the Contract Value.
Removal of Debris	the demolition and disposal of Contract Works and the removal of debris as a result of Damage to the Contract Works, where necessary to enable the Contract Works to be restored or replaced.	10 percent of the Contract Value
Search and Locate Costs	leak search costs incurred following irregularities discovered during hydrostatic or similar testing procedures. such costs include, (a) the necessary cost of leasing or hiring special apparatus, cost of operation thereof and transport of such apparatus; (b) the cost of all associated earthworks and are payable notwithstanding that Damage may not have occurred to the Contract Works.	\$50,000

Additional Insured Items

We will indemnify You up to the limits as specified in the table below for the Additional items as defined.

Additional Item		Maximum Total Sum Insured or percentage of Contract Value (unless otherwise specified in the Schedule)
Contract Value Increase	where during the Construction Period there is an increase in the value of an Insured Contract, the Contract Value as specified in the Schedule will automatically increase	15 percent of Contract Value
Display Building(s)	Damage to Display Buildings and/or contents occurring during the Period of Insurance. contents shall include fine art, painting, works of art, antiques or curios. provided always that the cover provided under this Additional Item will only apply where Display Buildings are kept in a locked and secure manner with appropriate smoke alarm and firefighting facilities in place.	(a) \$500,000 each and every Display Building (b) \$50,000 for contents contained within an individual Display Building (c) \$1,000 for any one article up to a maximum of \$10,000 for fine art, painting, works of art, antique or curios arising from any one event The total aggregate amount payable during any one Period of Insurance for all Claims shall not exceed \$1,500,000.
Materials in storage	Damage to materials in storage away from the Contract Site but within the Territorial Limits and to be used in the Contract Works whilst awaiting transit to the Contract Site. provided that cover will cease under this Additional Item once materials are loaded for transit to the Contract Site.	Contract Value
Materials in Transit	Damage to materials to be used in the Contract Works whilst in transit arising from fire, Flood, collision and overturning of the conveyance or by theft or malicious damage. provided that cover: <ul style="list-style-type: none"> (a) is for materials Damaged whilst being transported to the Contract Site; (b) is for materials loaded in an undamaged condition; (c) is for damage arising within Territorial Limits; (d) commences from when the materials are loaded; (e) continues during transit by road, rail, internal waterway or by a licensed airline operating a regular scheduled service (including trans-shipment incidental thereto); and (f) ends with the unloading at the Contract Site. 	Contract Value
Speculative Building(s)	Damage to the Contract Works occurring after Practical Completion until the Contract Works are sold. Provided this cover will only apply for a maximum period of 90 days after the earlier of either the expiry of the Period of Insurance or Practical Completion. this Additional Item shall only apply to Speculative Buildings awaiting sale to a third party not otherwise defined as You under this Policy.	Contract Value
Undamaged Foundations	where the Contract Works are <ul style="list-style-type: none"> (a) destroyed but the foundations are not destroyed, and (b) due to the exercising of statutory powers and/or delegated legislation and/or authority by any government or authority the reinstatement or replacement of the Contract Works is required to be carried out upon another site, the abandoned foundations will be considered as being lost or destroyed. (c) where the presence of the abandoned foundations increases the resale value of the original Contract Site, then such increase in resale value shall be regarded as salvage and the amount thereof shall be deducted from the payment to You. 'foundations' are deemed to include services such as, but not limited to, conduits, pipes, cables and wiring built into the footings and foundations (including concrete floor slabs).	

Basis of Settlement

The Basis of Settlement for Damage:

- (a) to the Contract Works, Existing Buildings(s) and Display Building(s):
 - (i) where there is Damage which can be repaired, the cost of repairs necessary (including a reasonable margin for overhead costs and profit) to restore the damaged section to the condition immediately before the Occurrence of the Damage, less any salvage; or
 - (ii) in the case of a total loss, the Replacement Value of the damaged section of the Contract Works, Existing Building or Display Building.
- (b) to Major Plant and Minor Plant (if specified in the Schedule as insured)
 - (i) in the case of repairable Damage We will pay;
 - (i) the reasonable cost to repair the damaged item(s) to its former state of serviceability, and
 - (ii) the cost(s) of dismantling, re-erection, ordinary freight to and from a repair workshop, custom duties or other imposts levied when incurred for the purpose of effecting repairs provided that the Sum Insured is not otherwise exhausted.
 - (iii) the cost of material and wages incurred for the purpose of the repairs, plus a reasonable amount to cover overhead charges where repairs are carried out in a workshop owned by You.
 - (ii) no deduction will be made for depreciation of parts replaced, but the value of any salvage will be taken into account;
 - (iii) if the estimated cost of repairs equals or exceeds the Current Value of the insured item immediately before the Damage occurred, then We will regard the item as destroyed, and the Basis of Settlement will be made on the basis provided for in (c) below;
 - (iv) in the case where an item is destroyed or lost We will pay the value of the item at the time of Damage, including the reasonable costs of ordinary freight and erection if they have been included in the Sum Insured.
 - (v) the value of the item will be calculated by reference to the Current Value of the item having regard to its state of repair and condition, less the value of any salvage.

The Basis of Settlement detailed in (a) and (b) is subject to:

- (c) the costs claimed having been borne by You and to the extent to which they are included in the Sums Insured;
- (d) all Damage which can be repaired must be repaired, but if the cost of repairing any Damage equals or exceeds the Replacement Value of the damaged section or the Current Value of the item immediately before the Occurrence of the Damage, the Basis of Settlement will be as provided for under (a) (ii) and (b) (iv) above.

We will not be liable to make any payment under this Policy unless You have produced to Our reasonable satisfaction, all accounts, invoices, receipts and other documentation, indicating that repairs have been effected or replacement has taken place.

The amount of each claim will be reduced by the amount of the Deductible.

Conditions which apply to Section A - Material Damage

The following Conditions apply to this Policy Section A - Material Damage. There are also General conditions which apply to all sections of this Policy and are detailed separately.

Adequacy of Sum Insured

Where specified in the Schedule or Policy wording, the Sums Insured selected by You, for the following insured items must not be less than:

- (a) the Replacement Value for Existing Buildings located on or about the Contract Site,
- (b) the Replacement Value for individual Display Buildings within the Territorial Limits,
- (c) the Current Value for Major Plant and Minor Plant used on or about the Contract Site.

If in the event of Damage it is found that the Sums Insured are less than ninety percent (90%) of the amounts required to be insured as per (a), (b) and (c) above, the amount recoverable by You under this Policy in respect of these Additional insured benefits and Additional insured items will be reduced by such proportion as the Sums Insured bears to ninety percent (90%) of the amounts required to be insured.

Provided that the above will not apply if the cost to repair or replace the Damage does not exceed five percent (5%) of the Replacement Value of (a), (b) or (c) above.

Reinstatement of Contract Value or Sum Insured

Following any Damage, the Contract Value or the Sum Insured will be automatically reinstated, after You pay an additional Premium calculated on the amount of Damage applied to a rate not less than pro-rata of the rate agreed for the Period of Insurance calculated from the date of such Damage to the expiry of the Period of Insurance.

Loss accumulation

For the purpose of the application of the Deductible any Damage arising during any one period of seventy two (72) consecutive hours caused by a Major Peril or Named Cyclone will be deemed to be a single event and constitute one loss. You may select the time from which any such period will commence but no two such selected periods will overlap.

Exclusions which apply to Section A – Material Damage

The following exclusions apply to this Policy Section A – Material Damage.

There are also exclusions which apply exclusively to Section B – Legal Liability and General Exclusions which apply to all sections of this Policy and are detailed separately.

We will not be liable for:

Breakdown

Damage caused by electrical or mechanical breakdown to the Contract Works, machinery, plant or equipment, Major Plant or Minor Plant unless indemnified during the Testing and Commissioning Period.

Cash or bank notes

Damage to cash, bank-notes, treasury-notes, cheques, postal-orders, money-orders, stamps, deeds, bonds, bills of exchange, promissory notes or securities

Consequential Loss

consequential loss or loss of use, penalties, fines, liquidated damages or aggravated, punitive or exemplary damages,

Corrosion and Deterioration

Damage caused by corrosion, oxidation, wear and tear or any form of non-sudden deterioration or change in atmospheric conditions.

Design, material and workmanship

any costs rendered necessary by defects of material, workmanship, design, plan, or specification.

Should Damage occur to any portion of the Contract Works containing any of the said defects, the cost of replacement or rectification which is hereby excluded is that cost which would have been incurred if replacement or rectification of the Contract Works had been put in hand immediately prior to the Damage.

For the purpose of this Policy and not merely this exclusion, it is understood and agreed that any portion of the Contract Works shall not be regarded as damaged solely by virtue of the existence of any defect of material workmanship, design, plan or specification

Electronic Data

Damage to Electronic Data.

Provided this exclusion does not apply to Damage arising out of:

- (i) fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption,
- (ii) impact, aircraft and/or other aerial device and/or articles dropped therefrom,
- (iii) sonic boom,
- (iv) theft which is a consequence of theft of any computer and/or computer hardware and/or firmware and/or microchip and/or integrated circuit and/or similar device containing such Electronic Data,
- (v) breakage of glass,
- (vi) the acts of persons taking part in riots or civil commotions or of strikers or of locked out workers or of persons taking part in labour disturbances which do not assume the proportions of or amount to an uprising,
- (vii) storm and/or tempest and/or rainwater and/or wind and/or hail,
- (viii) water and/or other liquids and/or substances discharged and/or overflowing and/or leaking from any apparatus and/or appliance and/or pipes,

Inventory

Damage discovered only at the time an inventory is taken unless such Damage can be attributed to burglary

Legal Liability

legal liability resulting from any event.

Pests, Vermin and Biological contaminants

Damage caused by biological contaminants, mould, mildew, fungus, vermin, termites, moths or other pests or insects

Registered Vehicles

Damage to vehicles registered for general road use, unless such vehicles are in use on or about the Contract Site in direct connection with the Contract Works.

Temporary repairs

any temporary repairs, unless such repairs are necessary to prevent further Damage to the Contract Works and are insured elsewhere in the Policy.

Testing and commissioning

Damage caused during testing and /or commissioning:

- (a) by intentional overloading, overheating or experimental operation;
- (b) for which the supplier or manufacturer is responsible by law or under contract; or
- (c) to the Contract Works which is second hand or prototypical in nature;

Transit

Damage to materials in transit outside of the Commonwealth of Australia

Upkeep

the normal upkeep or routine making good of the Contract Works.

Section B - Legal liability

What You are insured against

Legal Liability

We will indemnify You for all sums which You become legally liable to pay by way of Compensation, and all costs awarded against You, in respect of Personal Injury or Property Damage caused by an Occurrence within the Territorial Limits happening:

- (a) during the Construction Period and, where applicable, the Maintenance Period, in connection with the carrying out of the Insured Contract(s) specified in the Schedule; and
- (b) during the Period of Insurance in connection with the Named Insured's Business and Product(s).

Limit of Liability

Our maximum liability in respect of any claim or any series of claims for Personal Injury or Property Damage caused by or arising out of one Occurrence will not exceed the Limit of Liability specified in the Schedule.

Our total aggregate liability during the Period of Insurance for all claims arising out of Your Product(s) will not exceed the Limit of Liability specified in the Schedule.

Defence of claims

In addition, We agree to:

- (a) defend in Your name and on Your behalf any claim or legal action against You seeking damages on account of Personal Injury or Property Damage even if the action is groundless, false or fraudulent, and We will investigate, negotiate and settle any claim or legal action as We see fit,
- (b) pay all legal costs and expenses incurred by Us and all interest accruing after judgement until We have paid, tendered or deposited in court such part of the judgement as does not exceed the Limit of Liability,
- (c) reimburse You for all reasonable expenses, other than loss of earnings, incurred in connection with the defence of a claim or legal action with Our consent,
- (d) pay reasonable expenses incurred by You for first aid to others at the time of Personal Injury caused by an Occurrence (other than medical expenses prohibited by Section 126 of the Health Insurance Act 1973 (Cth))

Provided that:

- (a) We will not be obliged to pay any claim or judgement or to defend any claim or legal action if the Limit of Liability has been exhausted by payment of judgements or settlements,
- (b) if a payment exceeding the Limit of Liability has to be made to dispose of a claim, Our liability to pay any costs, expenses and interest under this Policy Section B will be limited to that proportion of those costs, expenses and interest as the Limit of Liability bears to the amount paid to dispose of the claim.

The costs incurred in the defence of claims are payable by Us in addition to the Limit of Liability.

Exclusions which apply to Section B - Legal Liability

The following exclusions apply to this Policy Section B - Legal Liability. There are also General Exclusions which apply to both Section A and B of the Policy detailed separately.

We will not provide indemnity in respect of claims directly or indirectly for:

Asbestos

asbestos in whatever form or quantity including claims arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos.

Contractual liability

any obligation assumed by You under any agreement or contract which requires You to:

- (i) effect insurance over property, either real or personal;
- (ii) assume liability for Personal Injury or Property Damage regardless of fault.

However, this exclusion shall not apply to liabilities that would have been implied by law in the absence of such contract or agreement.

Contract Works (Insured Contracts)

- (a) damage to Contract Works, Minor Plant, Major Plant, Existing Buildings, Display Buildings, Speculative Buildings or Your Products or work completed by or for You; or
- (b) any costs or expenses incurred in repairing, replacing, making good any of Your Products; or
- (c) making any refund in respect of Your Products or such work.

Dial Before You Dig

any claim arising from the presence of pre-existing underground services, cables, pipes property and/or structure of any kind unless prior to the commencement of any work You or others on Your behalf:

- (a) have enquired by written request with the relevant public authorities or "Dial Before You Dig" information service or owners of such pre-existing underground services;
- (b) have obtained from relevant public authorities or "Dial Before You Dig" information service or the owners of such underground services written confirmation of the exact position of such services; and
- (c) have subsequently verified the location of such underground services and indicated the location in situ.

Electronic Data

- (a) communication, display, distribution or publication of Electronic Data, provided that this exclusion does not apply to Personal Injury resulting therefrom;
- (b) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;
- (c) error in creating, amending, entering, deleting or using Electronic Data;
- (d) total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all;

from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

Employment liability

- (a) Personal Injury to any of Your Employees arising out of, or in the course of their employment in Your Business for Your Business activities.
- (b) Personal Injury to any person who is deemed to be Your Employee pursuant to any legislation relating to workers' compensation.
- (c) which You are entitled to seek indemnity under any policy of insurance required to be taken out pursuant to any legislation relating to workers' compensation, whether or not You are a party to such policy of insurance.
- (d) the provisions of any workers' compensation legislation or any industrial award or agreement or determination.
- (e) Employment Practices.

Faulty workmanship

the cost of performing, completing, restoring, repairing, correcting or improving any part or parts of the Contract Works, Business or Products

Fines, penalties

fines, penalties, liquidated damages or aggravated, punitive or exemplary damages.

Hot works, cutting, heating or welding

Personal Injury or Property Damage caused by, resulting from or in connection with cutting, welding and/or heating or similar activity where such activity is not carried out in strict compliance with the requirements of Australian Standard's - Safety in welding and allied processes Fire precautions AS 1674.1:1997 or any other current Australian Standard in relation to such activities.

Loss of use

the loss of use of property which has not been physically damaged, lost or destroyed resulting from a delay in or lack of performance of any agreement by You or by someone on Your behalf.

Pollution

- (a) Personal Injury or Property Damage arising from the discharge, dispersal, release, seepage, migration or escape of Pollutants into or upon land, the atmosphere, or any water course or body of water, but this exclusion does not apply if the discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place.
- (b) any costs and expenses incurred in the prevention, removing, nullifying or clean-up of such contamination or pollution but this Exclusion does not apply to clean-up, removal or nullifying expenses only, which are consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place which results in Personal Injury and/or Property Damage.
- (c) the actual, alleged or threatened discharge, dispersal, release, seepage, migration or escape of Pollutants caused by any Product that has been discarded, dumped, abandoned or thrown away by You or on Your behalf.

Our liability under (a) and (b) above in respect of any one discharge, dispersal, release, seepage, migration or escape and for all discharges, dispersals, releases, and escape of Pollutants during any one Period of Insurance will not exceed the Limit of Liability specified in the Schedule.

Product guarantee

Personal Injury or Property Damage occurring as a consequence of the failure of any of Your Product(s), or any part thereof, to fulfil the purpose for which it was intended to perform as specified, warranted, guaranteed or contractually required by You or which is imposed by law or statute.

Product recall

any costs, expenses or damages for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of Your Product(s) or work completed by You or on Your behalf or any property of which Your Product(s) or work form a part, if such Product(s), work or property are recalled from the market or from use because of any known or suspected defect, deficiency, inadequacy or dangerous condition therein.

Professional liability

the rendering of or failure to render professional advice or service by You or on Your behalf or any related error or omission.

Provided that this exclusion shall not apply to qualified medical persons employed by You to provide first aid and other emergency medical services at the Contract Site or Your premises provided Your Business is not involved in the provision of medical services.

Property in custody or control

Property Damage to:

- (a) property owned by or leased or rented to You; or
- (b) property in Your physical or legal control.

But this exclusion does not apply to liability for Property Damage to other property temporarily in Your physical or legal control for use in connection with the Insured Contract(s) described in the Schedule.

Provided that Our liability with respect to this liability for property temporarily in Your control does not exceed \$100,000 for any one Occurrence and in the aggregate for any one construction.

Vehicles

any claim arising from the ownership, possession, operation, maintenance or use by You of any vehicle:

- (a) which is registered or which is required under any legislation to be registered; or
- (b) in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not that insurance is effected).

Provided that (a) and (b) above do not apply to vehicles whilst being on or about any Contract Site in direct connection with Your Business.

Conditions which apply to Section B - Legal Liability

The following conditions apply to this Section B of the Policy. There are also General Conditions which apply to both Sections A and B of this Policy detailed separately.

Cross Liability

Where more than one party comprises the insured each of the parties will be considered as a separate and distinct unit and the word 'insured' will be considered as applying to each party in the same manner as if a separate Policy had been issued to each of them provided that nothing in this clause will result in an increase of the Limit of Liability in respect of any Occurrence or Period of Insurance specified in the Schedule.

Discharge of liabilities

We may at any time pay to You in respect of all claims arising from an Occurrence the balance of the Limit of Liability or any smaller sum for which the claim or claims can be settled.

Upon that payment We will relinquish conduct or control of and be under no further liability under this section in connection with those claims except for costs, charges and expenses:

- (a) recoverable from You for all or part of the period to the date of such payment,
- (b) incurred by Us,
- (c) incurred by You with Our written consent prior to the date of such payment.

General Exclusions

The following General exclusions apply to this Policy. There are also exclusions which apply exclusively to Section A - Material Damage and Section B - General Liability which are detailed separately.

This Policy does not provide indemnity in respect of claims directly or indirectly for

Cessation of work

Damage or liability where there has been abandonment of the Contract Works or cessation of the work (other than delay due to insured Damage) exceeding thirty days.

Radioactivity

liability directly or indirectly caused by, contributing to or arising from:

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the Combustion of nuclear fuel.
- (b) the radioactive, toxic, explosive or other perilous properties of any nuclear assembly or nuclear component thereof

For the purpose of this exclusion "Combustion" shall include any self-sustaining process of nuclear fission.

Sanction

a claim payment that breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

Terrorism

loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This Exclusion also excludes loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism.

War

invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, confiscation or nationalisation or requisition or destruction or damage to property by or under the order of any government or public or local authority.

Water and Aerial Craft

claims arising out of:

- (a) Watercraft exceeding 8 metres in length,
- (b) Aircraft; or
- (c) any aerial device

General Conditions

The following General conditions apply to the Policy.

Assistance and co-operation

At all times when You deal with Us You must:

- Provide Us with all reasonable assistance We may need
- Be truthful and frank
- Not behave in a way that's abusive, dangerous, hostile, improper or threatening
- Co-operate fully with Us, even after We've paid a claim.

Care and maintenance

You must take reasonable care to prevent damage, injury or loss. We won't pay for damage, injury, loss or Your liability to which Your failure to take reasonable care is a contributing factor. At all times, You must:

- Prevent damage to property insured
- Minimise the cost of any claim under Your Policy

Changes to risk

If there is any material change in the risk, or the nature of the risk:

- You must notify Us, by providing us full details of the change.
- You must, at your own expense:
 - take such additional precautions to minimise the risk that are reasonable in all the circumstances; and
 - comply with Our reasonable directions or requirements.
- We may adjust the indemnity and/or the premium accordingly.

We will not pay for damage, injury, loss or Your liability if you make or allow any material alteration that increases the risk, that we have not agreed.

Contracts covered

We will only indemnify You for the type of Insured Contract(s) specified in the Schedule. Contract(s) that are outside the Insured Contract(s) description specified in the Schedule or have an estimated Contract Value at commencement greater than that stated in the Schedule may be subject to revised terms & conditions or cancelled in full as We see fit, unless notified to Us and agreed by Us.

Declaration, premium and adjustment

The declaration and premium adjustment will be in accordance with the Construction Period specified in the Schedule.

Within thirty days of expiry of the Period of Insurance specified in the Schedule or thirty days from cancellation or non-renewal You will provide Us with a declaration in the form We request setting out:

- (a) the actual Turnover; and
- (b) if applicable, the actual value Major Plant and Minor Plant during the Period of Insurance and in accordance with the basis of settlement; and
- (c) if applicable, the total value of payments made to contractors, sub-contractors or labor hire engaged during the Period of insurance and under Your direct supervision.

Subject to the minimum and deposit premium, the premium will be adjusted by applying the rates specified in the Schedule to (a) above and if applicable, (b) and (c) above. The actual premium calculated will be compared to the estimate premium paid at the beginning of the Period of insurance and You must pay or We will refund the difference as the case may be.

You will pay the difference as calculated by Us within thirty days of the date that a request for payment is given to You.

Interests of other parties

We will not insure the interests of any third party under this Policy unless notified to Us and agreed by Us.

Jurisdiction

Any dispute(s) arising out of or in relation to this Policy must only be subject to determination by a competent court of jurisdiction within Australia.

Minimum and Deposit Premium

Unless otherwise specified in the Schedule this Policy is subject to a minimum and deposit premium based on 85% of the Turnover declared by You prior to the commencement of the Period of insurance being applied to the agreed rate as specified in the Schedule.

Our right of inspection

We will be permitted, but not obliged, to inspect Your property and operations at any time. Neither Our 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.

You will allow Us to take possession of any damaged property and deal with it in a reasonable manner. If We do not take possession of the damaged property, You cannot abandon Your responsibilities for the property.

Partial occupation of works

If the whole or any part of the Contract Works insured by this Policy is taken over, occupied, or put into use by You or others prior to completion, We will not be liable for any Damage or liability in respect of the occupants or their property, arising from the taking over, occupancy or use of any part of the Contract Works.

Reasonable care and precautions

You shall take all reasonable care and precautions:

- (a) to prevent Personal Injury and 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 Employees;
 - (d) to maintain all premises, fittings and plant and everything used in the Contract Works in sound condition; and
 - (e) to ensure that the operations at the Contract Site are at all times carried out, so as to minimize the risk of any claim being made under this Policy.
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Claims Conditions

This section describes what You must do, as well as conditions that apply when You make a claim and at the time loss or damage occurs which is likely to give rise to a claim.

What You must do

If anything happens that gives rise to or is likely to give rise to a claim You must:

- (a) tell Us about it as soon as practicable,
- (b) take reasonable steps to prevent further loss,
- (c) in the event of damage caused by theft or burglary, inform the police,
- (d) if required, carry out repairs or make good any minor damage, but in all other cases You must preserve the damage or defective parts for inspection by Our representatives, and at all reasonable times permit Us or Our agents to enquire into, investigate and examine the circumstances of any loss,
- (e) furnish all such proof, information and declarations with respect to the claim as We may reasonably require,
- (f) send Us immediately on receipt any writ, summons or notice of other proceedings, which may be commenced against You or the principal, and
- (g) give us all information and assistance to enable Us to settle any claim or institute proceedings.

What You must pay when You make a claim (Deductible)

This is the amount shown in the Schedule under 'Deductible' for which We will have no liability in respect of each and every type of loss shown in the Schedule.

Such amounts will not be cumulative in respect of any claim or series of claims arising from one Occurrence or event. If more than one Deductible applies for any claim arising from one original source or cause, such amounts will not be aggregated within each Policy Section, and the highest single level of Deductible only will apply. Only one Deductible will apply for Section A and one Deductible will apply for Section B.

For claims under Section A, the amount We pay will be reduced by the amount of the Deductible. For claims under Section B, You will be required to pay to Us the amount of such Deductible prior to Us making any payments to any other parties.

Other Insurance and Contribution

You must notify Us of any other insurance which will or may, whether in whole or in part, cover any loss insured under Your Policy.

If at the time of any loss, damage or liability there's any other insurance (whether effected by You or by any other person) which covers the same loss, damage or liability You must provide Us with any reasonable assistance We require to make a claim for contribution from any other insurer(s).

Preventing our right of recovery

If You've agreed not to seek compensation from any person liable to compensate You for loss, damage or liability covered by Your Policy, We won't cover You for that loss, damage or liability.

Subrogation and recovery action & uninsured loss

We may at any time, at Our expense and in Your name, use all legal means available to You of securing reimbursement for loss or damage arising under your Policy. In the event We do so, You agree to give all reasonable assistance for that purpose.

If You've suffered loss that wasn't covered by Your Policy as a result of the incident, We may offer to attempt to recover this. You may also specifically ask Us to recover this for You. You'll need to give Us documents supporting Your loss. Before We include any uninsured loss in the recovery action We'll also ask you to agree to the basis on which We'll handle your recovery action. You may need to contribute to legal costs in some circumstances.

Waiver of Subrogation Rights

We agree to waive Our rights of subrogation under this Policy where contractually required against You, Your, Insured by any of the parties defined as You, Your, Insured.

Other Terms

These Other Terms apply to how Your Policy operates.

Canceling Your Policy

How You may cancel this Policy

- (a) You may cancel this Policy by giving Us thirty days' notice in writing that You want to cancel it. After cancellation by You the premium for the period up to the date of cancellation will be adjusted on a pro-rata basis plus ten per cent of the premium for the unexpired period, subject to retention of the minimum premium We charge.
- (b) Where 'You' involves more than one party, We will only cancel the Policy when a written request to cancel the Policy is received from the insured stated in the Schedule.

How We may cancel this Policy

- (a) We may cancel this Policy in any of the circumstances permitted by law by informing the insured stated in the Schedule. Our notice of cancellation takes effect the earlier of the following times:
 - (i) the time when another policy of insurance between You and Us or some other insurer, being a policy intended by You to replace this Policy is entered into; or
 - (ii) 4.00 o'clock in the afternoon of the thirtieth business day after the day on which notice was given to You.
- (b) We will send it to Your address last known to Us.
- (c) If We cancel this Policy We will repay a rateable proportion of the premium for the unexpired period of insurance from the date of cancellation.

Changing Your Policy

Changes to this Policy only become effective when We agree to them and send You a new Schedule detailing the change.

Notices

Any notice We give You will be in writing, and will be effective once it's delivered to You personally, to Your insurance broker or to Your last known address (including when it's an electronic one).

It's important for You to tell Us of any change of address as soon as possible.

Endorsements to the Policy wording

The Schedule lists the Endorsement Clauses that are applicable to this Policy. Where the reference in the first column below is noted on the Schedule, the Endorsements Clauses appearing in the second column will apply:

A01 Employees Personal Effects	We will indemnify You for Damage to Employees' personal effects whilst at the Contract Site to the maximum limit specified in the Schedule
A02 Incomplete Trenches	<p>We will indemnify You for Damage to incomplete trenches, shafts and any pipes, ducts or cables laid therein. Provided Our maximum liability under this endorsement shall not exceed the cost of repair to an aggregate length specified in the Schedule.</p> <p>For the purposes of this endorsement the following word(s) with special meaning applies: Incomplete trench means: partially or completed excavated trench with or without pipes laid therein and including any shafts or pits, or at any stage of construction prior to completion of backfill. Aggregate length of incomplete trench means: the total length of all sections of the incomplete trench anywhere on the Contract Site at the time of Damage.</p> <p>As a consequence of the above the following exclusions are applicable and are in addition to Section A Material Damage - exclusions and the General exclusions applying to all sections.</p> <p>We will not be liable for:</p> <ul style="list-style-type: none"> (a) the cost of rectification of subsidence of completed backfill regardless of the cause of subsidence; (b) the costs of removal of water, silt, other debris or collapsed trench wall material in excess of the amount specified in the Schedule as the Sum Insured for the cost of removal of debris; (c) displacement of pipes or ducts by water unless the pipes have been secured immediately after laying by backfilling in a manner calculated to counteract pipe buoyancy (d) clearing and cleaning pipes, the ends which have not been sealed immediately after leaving to prevent penetration by water and other details; (e) any Flood or silting Damage to the pressure tested section of pipeline or trench occurring after completion of the test before completion of the backfill
A03 Dewatering Partial Exclusion	<p>We will not be liable for any costs associated with:</p> <ul style="list-style-type: none"> (a) additional expenses incurred for dewatering because the quantities of water to be removed exceed the quantities allowed for in the Insured Contract (b) repairing insured Damage arising out of the failure of dewatering plant if such insured Damage could have been avoided by the provision of additional standby dewatering plant (c) additional expenses incurred for the discharge of run-off or groundwater (d) any expenses incurred for grouting or other measures necessary to prevent the leaking of water into excavations, foundations or basements.
A04 Dewatering Total Exclusion	We will not be liable for any costs associated with dewatering.
A05 Vegetation	<p>We will not be liable for Damage to vegetation which forms part of the Contract Works which arises directly or indirectly from:</p> <ul style="list-style-type: none"> (a) disease; (b) lack of water; (c) excess water; (d) replanting operations or replanting operations after theft; (e) the action of moths, termites, or other insects, vermin, mildew, mould or wet or dry rot (f) transportation operations <p>For the purpose of this exclusion vegetation includes but is not limited to, flowers, plants, trees, grasses and turf.</p>
A06 Unsealed Roadworks	<p>We will indemnify You for Damage to unsealed roadworks up to a maximum length as specified in the Schedule in the aggregate for any one loss during the Construction Period.</p> <p>We will not be liable for Damage caused or aggravated by the passage of road vehicles or Major Plant or Minor Plant over incomplete or unsealed roadworks.</p> <p>For the purposes of this endorsement the following word(s) with special meaning applies: Unsealed roadworks means: partial or completed works that have not received a minimum of one application of a weatherproof course or substance.</p>
A07 Re-stumping of dwellings	We will not be liable for Damage to the dwelling, Existing Building or Contract Works as the result of the raising from and/or replacing of the dwelling on any form of foundation, such as re-stumping.
A08 Hand Tools	<p>We will not be liable for Damage to hand tools.</p> <p>For the purpose of this exclusion, hand tools mean: small portable hand held tools including battery or electric powered tools, portable computers and mobile telephones belonging to You or for which You have assumed responsibility to insure.</p>

A09 Heritage Listed Building Basis of Settlement	<p>In the event of Damage to an Existing Building with architectural features and/or structural materials possessing an ornamental historical character or for which the original materials are not readily available and where Existing Buildings is specified in the Schedule as insured:</p> <p>(a) the basis of settlement will be the cost necessary to repair, replace, restore or rebuild the building to a reasonably equivalent appearance and capacity using the original design and suitably equivalent locally available materials;</p> <p>(b) We will be liable for no greater proportion of such Damage than the Sum Insured for Existing Buildings bears to the sum representing 80% of the actual value of the Existing Building on the day of commencement of the Period of Insurance, but not exceeding Sum Insured.</p> <p>Provided this amendment is subject to all other terms, conditions and exclusions of this Policy.</p>
A10 Glazing Deductible	<p>Where glazing forms part of the Contract Works and suffers Damage during the Construction Period from cleaning operations, You will bear 20% of the cost of the Damage and We will only be liable for 80% of the Damage. Provided this condition is subject otherwise to all other terms, conditions and exclusions of this Policy.</p>
A11 Damage to Piling, Foundations or Retaining Walls	<p>It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, We shall not indemnify You in respect of expenses incurred</p> <p>(a) for replacing or rectifying piles or retaining wall elements</p> <p>(i) which have become misplaced, misaligned or jammed during construction;</p> <p>(ii) which are lost or abandoned or damaged during driving or extraction;</p> <p>(iii) which have become obstructed by jammed or damaged piling, piling equipment of casings;</p> <p>(b) for rectifying disconnected or declutched sheet piles;</p> <p>(c) for rectifying any leakage or infiltration of material of any kind;</p> <p>(d) for filling voids or for replacing lost bentonite;</p> <p>(e) as a result of any piles or foundation elements which failed to pass load bearing test or otherwise not having reached their designed load bearing capacity;</p> <p>(f) for reinstating profiles or dimensions.</p>
A12 Reactive Soils Exclusion	<p>This Policy does not cover Damage, cost or expense directly or indirectly caused by, arising from or contributed to by any changes in properties of and characteristics of soils, ground conditions and excavated materials. Including but not limited to indemnifiable Damage, cost and expense caused by, arising from or contributed to by:</p> <p>(a) Swelling of soils, soil heave or ground heave</p> <p>(b) Drying out of soils and excavated materials,</p> <p>(c) Excavation, replacement, removal, disposal, treatment, processing or remediation of soil and excavated materials because their chemical and physical properties render them less suitable or unsuitable for use in or incorporation into the Contract Works</p> <p>However the above exclusion does not apply to swelling, soil heave, ground heave or drying out of soil conditions resulting from the escape of water from part of the Contract Works designed to hold or convey water.</p>
A13 Occupy and Operate Extension	<p>Where the Contract provides for staged works and allows for partial occupation thereof pending Practical Completion of the Insured Contract as a whole, permission is granted by Insurer(s) for the principal and/or owner, to occupy and operate any separable part of the Contract Works, and such occupancy or operation shall not constitute final acceptance of the Contract Works, with such separable part remaining insured under the Policy in advance of Practical Completion being achieved for the Insured Contract as a whole.</p> <p>However this endorsement will only apply to Section A of the Policy.</p>
A14 Claims Preparation Costs	<p>In addition to the Sum Insured We will indemnify You against the cost and expenses necessarily incurred and not otherwise recoverable elsewhere, in connection with or incidental to preparing, collating, auditing or qualifying actual Loss or Damage, being the subject of a claim under this Policy.</p> <p>This endorsement is subject to a maximum of \$5,000 Sum Insured unless otherwise specified in the Schedule.</p>
A15 Declaration Conditions	<p>The following amendments are made to this Policy:</p> <p>General Condition headed "Declaration, Premium and Adjustment" is hereby deleted and replaced with the following:</p> <p>Within (30) days You shall declare to Us in writing and pay the premium within terms agreed for all new contracts commenced notwithstanding cancellation or non-renewals of this Policy. Cover shall continue for all Contracts commenced and declared (as required) prior to date of cancellation or non-renewal until expiry of any Maintenance Period, subject to payment within agreed terms.</p> <p>This endorsement is subject otherwise to the terms, conditions and exclusions of this Policy.</p>
A16 Existing Building - Annual	<p>We will indemnify you for Damage occurring during the Construction Period to Existing Buildings located on or about the Contract Site for which You are contractually responsible.</p> <p>Provided that We will not indemnify You for Damage to:</p> <p>(a) the building(s) where they have not been made waterproof and secured at the close of each day's work; and/or</p> <p>(b) wall and floor finishes or covering or any contents therein;</p> <p>Subject to:</p> <p>(a) the limit specified in the Schedule for Existing Buildings Limit any one building</p> <p>(b) A total annual aggregate limit specified in the Schedule for all claims under this endorsement</p>

B01 Blasting and/or Explosives	<p>This Section B does not provide indemnity in respect of claims directly or indirectly for Personal Injury or Property Damage arising from or contributed to by:</p> <ul style="list-style-type: none"> (a) any blasting; and/or (b) the use, detonation, transportation or storage of explosives. <p>For the purposes of this exclusion, 'explosives' shall include substances, goods or items which have or could conceivably have a mass explosion or projection peril.</p>
B02 Failure to Supply	<p>This Section B does not provide indemnity in respect of claims directly or indirectly for any costs, expenses or damage incurred for any variation in the supply of, or any complete or partial failure to supply electricity, gas, petroleum, petroleum based products, liquid petroleum (LPG) and/or water.</p>
B03 Roads, Road Surfaces and Underground Services	<p>This Section B does not provide indemnity in respect of claims directly or indirectly for Property Damage to roads, road surfaces or underground services arising from or attributable to truck, vehicle and/or construction machinery movements. For the purposes of this exclusion the following word(s) with special meaning applies: Underground services shall mean: sewers, water pipes, gas pipes, fuel pipes, electric, fibre optic or telecommunication wires or cables or their supports and/or any other underground property or structure.</p>
B04 Vibration or Weakening of Supports	<p>This Section B does not provide indemnity in respect of claims directly or indirectly for Property Damage to any fixed property arising directly or indirectly from vibration, subsidence, sinking, setting, slipping, falling away, caving in, shifting, rising, eroding, mud flow, tilting, removal, weakening and/or interference with support to land, buildings or any other property.</p>
B05 Demolition	<p>This Section B does not provide indemnity in respect of any claim directly or indirectly for Personal Injury or Property Damage resulting from demolition of buildings or structures.</p>
B06 Products Liability	<p>The following amendment is made to Section B Legal Liability: What You are insured against 'Legal liability' is deleted and replace with the following: Legal Liability We will indemnify You for all sums which You become legally liable to pay by way of Compensation, and all costs awarded against You, in respect of Personal Injury or Property Damage caused by an Occurrence within the Territorial Limits happening:</p> <ul style="list-style-type: none"> (a) during the Construction Period and, where applicable, the Maintenance Period, in connection with the carrying out of the Insured Contract(s) specified in the Schedule; and (b) during the Period of Insurance in connection with the Named Insured's Business. <p>This Section B does not provide indemnity in respect of any claim directly or indirectly for Personal Injury or Property Damage resulting from Your Product(s).</p>
B07 Vacant Land	<p>The following amendment is made to Section B Legal Liability: Cover is extended in regards to Personal Injury or Property Damage arising out of the ownership of vacant blocks of land for a period of twelve months, commencing on the date of possession for each block, which are purchased by the Insured and are to be put into use as part of an Insured Contract. Cover under this Endorsement is subject to each location being declared to Us in writing prior to the commencement of such cover.</p>
B08 Excavation and Underpinning	<p>We will not indemnify You for any sums You shall become legally liable to pay, as compensatory damages (including costs awarded against You) in respect of Personal Injury or Property Damage as the result of an Occurrence happening in conjunction with any excavation or underpinning work carried out. However, this exclusion shall not apply where the excavation or underpinning work is carried out in accordance with the plans, specifications and geotechnical report for such work and as approved by the design, structural or consulting engineer.</p>



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