

Construction Insurance Proposal for Residential, Commercial and Industrial Buildings (not exceeding \$5,000,000 cost)

Proposal No _____

Policy No _____

1. THE PROPOSED INSURED

Name and address of:

a) Principal(s) _____

b) Contractor _____

and all subcontractors

c) Other interested parties (give name, address and nature of interest)

NOTE: This insurance will only cover the interests of named parties included here.

2. THE CONTRACT WORKS

a) Describe type of building _____

b) Location of site _____

c) Construction period: from ____/____/____ to ____/____/____ plus Maintenance _____ (weeks) to ____/____/____

d) Size of building: Number of storeys _____ Length _____ Width _____

e) i) Describe construction methods and materials used _____

ii) Indicate subsoil conditions rock gravel sand clay filled ground
 other (describe) _____

iii) Indicate foundation type pad strip slab raft
 other (describe) _____

iv) Is there any excavation, piling, shoring, underpinning or blasting Yes No
 If answered Yes, state details (with dimensions, including maximum depth of excavation) _____

v) Are there any alterations and/or additions to existing structures Yes No
 If answered Yes, state details _____

vi) Are existing structures to be insured for damage arising from the construction work Yes No
 If answered Yes, give description and replacement value of existing structures (excluding contents and land)

f) Is the construction site subject to the action of the sea, cyclone, flood, inundation, landslip, earthquake, or any other adverse exposure or hazard? Yes No
 If answered Yes, state details _____

g) Are extra charges for overtime, nightwork, work on public holidays, express freight in the event of a claim to be insured? Yes No

h) State details of contractor's previous building experience _____

i) Describe the site security measures to be taken _____

3. GENERAL

- a) Is there any other insurance cover in respect of the contract works? Yes No
- b) Have there been any claim(s) made by the principal(s) or contractor during the past five years, related to any construction project? Yes No
If answered Yes, state details _____
- c) Have you or any company or partnership in which the principal(s) or contractor has been involved, been declined construction insurance, or had a construction insurance policy issued subject to special terms, conditions or restrictions? Yes No
If answered Yes, state details _____
- d) Have effects of the Adequacy of Sum Insured (or Average) Clause been explained to you? Yes No
NOTE: Failure to fully insure may result in you having to bear part of a loss yourself.
- e) Have Statutory Notices been given to you and your obligations drawn to your attention? Yes No

4. SPECIFICATION OF ITEMS TO BE INSURED

State the amounts to be insured for each item: (state 'NIL' for items not to be covered)

Insured Items	Sums Insured
1. Contract works (permanent and temporary works, including all materials—sum insured must be the estimated full value at completion of construction)	
1.1 Contract price	
1.2 Materials or items supplied by the principal(s) (as described in attached list)	
1.3 Escalation allowance (_____%)	
Sum insured for Item 1	
2. Tools, equipment, temporary buildings, scaffolding, hoardings, formwork and falsework (sums insured must be the new replacement value)	
3. Demolishing, clearance and removal of debris, including dewatering (costs incurred following insured loss or damage)	
4. Architects', engineers', surveyors' and consultants' fees (incurred in connection with rectification of insured loss or damage)	
5. Construction machinery (as described in attached list—sums insured must be the new replacement value)	
Total Sum Insured	\$

5. PERIOD OF INSURANCE AND PREMIUM

Period of Insurance from _____/_____/19_____	Premium	\$
to 4 pm on _____/_____/19_____	F.S.L.	\$
including _____ weeks Maintenance	Stamp Duty	\$
	Total	\$

Deductibles:	Items 1 to 4	Item 5	
a) earthquake, storm, tempest, windstorm, hurricane, cyclone, flood, inundation, landslip, subsidence, collapse, water			
b) any other cause			

6. DECLARATION

I/We hereby declare that the information and answers given in this proposal are in every respect true and correct and that I/we have not withheld any information within my/our knowledge likely to affect the acceptance of this proposal. I/We hereby agree that this proposal and declaration shall be the basis of the contract.

Executed at _____ this _____ day of _____ 19_____

Signature of Proposer _____

7. PUBLIC LIABILITY

Do you require Public Liability? Yes No

Sum insured required \$ _____

Deductable (Excess, the amount of each claim not paid by the insurer) \$ _____

PREMIUM \$ _____

STAMP DUTY \$ _____

TOTAL \$ _____

AVERAGE CLAUSE

If the Sum Insured at the time of the loss or damage is less than ninety per cent (90%) of the full insurable value of the property insured, we will pay the proportion of the claim the Sum Insured bears to ninety per cent (90%) of the value.

STATUTORY NOTICES

YOUR DUTY OF DISCLOSURE

Before you enter into a contract of insurance with us, you have a duty under the Insurance Contracts Act 1984 to disclose to us every matter that you know, or could reasonably be expected to know, is relevant to our decision whether to accept the risk of insurance and, if so, on what terms.

You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate the insurance.

Your duty does not require disclosure of matter:

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

NON DISCLOSURE

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the contract in respect of the claim or may cancel a contract.

If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from the beginning.

IMPORTANT INFORMATION RELATING TO THIS PROPOSAL

YOUR 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, in 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 his business, ought to know;
- As to which compliance with your duty is waived by the insurer

EFFECTS OF AVERAGE OR UNDER-INSURANCE

When your policy contains an average insurance clause this means that you are required to insure for the full value of the property. If you do not do so, and you are under-insured, the insurer will pay you less in the event of a claim in proportion to the amount of under-insurance, and you will be responsible for the other part of the loss you actually suffer.

CONSTRUCTION LIABILITY

Public Liability for construction must be taken in conjunction with contract works insurance – private/church insurance does not cover large scale building or renovation work. Please ensure construction liability is included in all quotes.