

# Insurance:

## Commonly asked questions and answers

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This information applies where a building contract for cladding rectification works funded under the Cladding Rectification Program is executed between an owner and builder before 30 June 2021. Updated information will be provided regarding building contracts executed after that date.

### General FAQs

This FAQ is intended to be a guide in respect of the insurances that have been arranged by CSV for works funded by Cladding Safety Victoria (**CSV**) and performed under the Cladding Rectification Program (**CRP**). It is not a replacement to you reading the full terms and conditions of the policies and seeking advice as necessary from your insurance adviser or broker for your circumstances.

The insurances arranged by CSV will not cover all risks that may arise as a result of works funded by CSV and performed under the CRP. The insurances arranged by CSV will not cover works that are not funded by CSV. You should seek your own advice from your insurance adviser or broker about the possible risks, and if you need to obtain any further insurance.

Lockton is the insurance broker who has arranged the insurance policies arranged by CSV. Lockton can be contacted by email to [csvinsurance@au.lockton.com](mailto:csvinsurance@au.lockton.com).

#### Q: What insurance is CSV arranging?

A: CSV is arranging

- Construction Risks Material Damage (**Contract Works**) insurance
- General and Products Liability (**Construction Liability**) insurance; and
- Professional Indemnity insurance,

for those works that are part of the CRP and are funded by CSV (**the Policies**).

Further information about each of these Policies is provided in the FAQs for each of the Policies.

#### Q: Why?

A: CSV is arranging these Policies so that there is a consistent level of insurance cover in relation to services and works funded by CSV as part of the CRP.

This insurance is being arranged by CSV as part of a "principal-arranged insurance program", which is, essentially, insurance arranged by a party who is not necessarily an insured under the insurance-policy.

#### Q: Are Government entities named as insureds in the Policies?

A: Some Government entities are named as insured in the Policies. These entities will only be disclosed as required to ensure the confidentiality of building addresses.

#### Q: Do we get to see a copy of the Policies?

A: Yes, copies of the Policy documents will be made available to practitioners and owners corporations involved in the CRP.

**Q: Who pays the premium for these Policies?**

A: The State will pay all premiums in relation to these Policies.

**Q: What amount of insurance is provided?**

A: You should refer to the Policy documents for the full details of the policy limits. A summary is provided under the FAQs for each Policy.

**Q: What excesses or deductibles apply?**

A: This will differ depending upon the Policy and may also depend upon the type of claim that is made. You should refer to the Policy documents for full details. A summary is provided under the FAQs for each individual Policy.

**Q: Who is responsible to pay the excess or deductible?**

A: The party who seeks to make a claim for indemnity under the policy is required to pay the excess or deductible.

**Q: Do the indemnity limits under each Policy get shared with other projects in the CRP?**

A: There are limits which apply in respect of each Policy. Please refer to the FAQs for each individual Policy.

**Q: How are claims made under the Policies?**

A: Please refer to the *Claims Procedures* information at the end of this document. An Incident Report Form will also be made available to Owners Corporations and practitioners involved in the CRP.

If the contractor or consultant has not received a claim but they are aware of circumstances that could lead to a claim under any of the Policies, then that contractor or consultant must:

- take all reasonable steps to prevent the insured loss and/or liability
- immediately advise the insurer in writing (via the insurance broker, Lockton) of the circumstances of the potential insured loss and/or liability; and
- co-operate and assist the insurer with their enquiries and/or in defence of any loss and/or liability.

**Q: When is the period of cover available under each Policy?**

A: When cover for a project commences differs for each Policy. Please refer to the FAQs for each individual Policy.

**Q: What projects qualify for cover under the Policies?**

A: To qualify as a project under the Policies:

- the project must be for works funded by CSV on buildings completed under the CRP; and
- the owners corporation and the construction contractor must execute a contract for the construction contractor to perform the funded works for that project under the CRP before 30 June 2021.

**Q: Why is the construction liability policy provided by multiple insurers?**

A: In order to obtain an amount of insurance of \$50 million under the Construction Liability policy, it was necessary to utilise two insurers. A “layered” program structure has been utilised to build this limit as follows:

- Primary Layer: \$20 million
- Excess Layer: \$30 million

**Q: When were the Policies procured by CSV?**

Each of the Policies were procured by CSV on 15 December 2020.

**Q: What about projects which commenced prior to the Policies being procured by CSV?**

A: Projects under the CRP that commenced prior to 15 December 2020 and were still ongoing after that date have been specifically included as Endorsed Projects and are covered under the Policies.

Lockton will issue formal confirmation of coverage to all key project participants of the above.

Projects funded by CSV under the CRP that commenced and were completed prior to 15 December 2020 are not covered by the Policies. Projects that are not funded by CSV under the CRP are also not covered by the Policies.

**Q: What should I do if I do not understand the Policies?**

A: You should contact your own insurance adviser/broker in the first instance to obtain advice regarding these Policies.

If you or your insurance adviser/broker has any further questions or concerns regarding these Policies, you can address them in writing to Lockton to [csvinsurance@au.lockton.com](mailto:csvinsurance@au.lockton.com).

**Q: What does the Government expect from practitioners who are beneficiaries of these Policies?**

A: The Government expects that practitioners will:

- do all things necessary to ensure their ongoing disclosure and notification requirements are met
- satisfy themselves that the Policies are sufficient for the works or services they are engaged to perform under the CRP
- satisfy themselves that they hold their own insurances to the extent required by law and having regard to the scope of any works or services that are not funded by CSV under the CRP or covered by the Policies; and
- acknowledge and make allowance for any cost benefit that arises due to CSV making these Policies available to practitioners when tendering for work under the CRP.

# FAQ General – Owners Corporations

**Q: I am part of an owners corporation. What relevance do these policies have to me?**

A: The Policies have been designed to provide a consistent level of insurance cover for all participants in the CRP (including owners corporations) in relation to the services and works funded by CSV as part of the CRP.

Where design and construction works are undertaken on property that is owned by an owners corporation and are funded by CSV as part of the CRP, the owners corporation is an insured under both the Contract Works policy and Construction Liability policy. This means that the owners corporation can seek to be indemnified under these Policies subject to the Policies' terms and conditions.

Consultants and contractors engaged by CSV, owners corporations or construction firms to perform certain professional services (the details of which are set out in the Professional Indemnity insurance policy) funded by CSV as part of the CRP (including the construction firm) are an insured under the Professional Indemnity insurance policy.

Accordingly, key benefit of these Policies to owners corporations is the comfort that the majority of practitioners performing the CRP works have the benefit of insurance under these Policies for works that are funded by CSV.

**Q: I am part of an owners corporation. What do I need to do?**

A: CSV has arranged these Policies, and so there is nothing that the owners corporation specifically needs to do in respect of obtaining this insurance. However, an owners corporation needs to read and ensure that it understands the terms and conditions of the Policies and ensure that it does not take any steps which affects an insured's right to make a claim under a Policy.

An owners corporation should also seek its own advice from an insurance adviser/broker about whether the owners corporation needs to obtain any other insurance. Owners corporations should especially take care if procuring services or works which are not funded by CSV under the CRP, as these matters will not be covered by these Policies. The only exception is in the Professional Indemnity insurance policy for incidental remediation works up to a construction value of \$50,000 if those works are completed concurrently with the works funded by CSV under the CRP. However, those works need to be declared to the insurer.

# FAQ General – Contractors and Consultants

## **Q: Will contractors and consultants be an 'insured' under the Policies?**

A: The majority of the contractors and consultants engaged to perform works undertaken as part of the CRP are an 'insured' under the Policies.

You should refer to the Policy documents for full definitions of who is insured under each of the three Policies. Who is an 'insured' is dependent upon the contractual arrangements between the parties as identified in the Policies.

Under the Professional Indemnity policy, contractors or consultants who are subcontracted by a contractor or consultant of:

- CSV
- an owners corporation
- a named Government entity; or
- a contractor or consultant of the construction firm engaged by an owners corporation or named Government entity to undertake the design and construction work under the CRP; are not an 'insured'.

## **Q: Will these Policies cover any other cladding rectification work?**

A: These Policies will only provide cover for cladding rectification works undertaken as part of the CRP and which are funded by CSV for eligible residential properties or government owned buildings. The Policies do not provide cover for any works, cladding or otherwise, undertaken outside of the CRP, or any works that are not funded by CSV, with a single exception under the Professional Indemnity insurance policy which is outlined in the FAQ section for that policy.

## **Q: As a building practitioner, are workers' compensation liabilities covered?**

A: No. You will need to maintain your own compulsory workers' compensation insurance.

## **Q: What about insurance that a contractor/consultant already has in place?**

A: Each of the Policies includes a clause where the insurer has agreed that the Policy is a 'primary policy' if a contractor or consultant has their own insurance providing cover for the cladding rectification works.

Contractors and consultants need to consider whether they need to obtain any additional insurance and for their own insurance, whether they wish to provide top-up, difference in conditions, difference in excess or difference in limits cover, at their own cost. This is a matter that you should seek your own advice on from your insurance adviser/broker.

## **Q: Do I need to maintain insurances for my other work? Is that insurance irrelevant now for the purposes of cladding rectification?**

A: The Policies arranged by CSV only covers work that is funded by CSV under the CRP, with a single exception in respect of the Professional Indemnity policy which is discussed in the FAQ section for that Policy.

You will need to obtain and maintain your own insurance as required for your other work, especially in respect of services or works which are not funded by CSV that you may perform for owners corporations which are otherwise involved in the CRP.

You may also need to have your own insurance in place to satisfy any legislative requirements for your registration as a building professional.

**Q: I am performing services or undertaking works at a privately owned apartment building. What if the cladding is located on private property, rather than common property? What about if I perform services or undertake other works which are located on private property?**

A: All works funded under the CRP, including those works performed at a privately owned apartment building and/or private property, are covered under the Policies.

**Q: What works are covered under the Policies?**

A: Only works funded by CSV under the CRP (including any approved incidental remediation work as described in the FAQ section for that policy).

Under the Professional Indemnity policy, any other approved incidental remediation work completed concurrently with the funded works, which is required to enable works to be performed under the CRP, is covered up to \$50,000 subject to a declaration to the insurer. If this is the case, you should immediately inform CSV so that CSV can inform the insurer. Cover for incidental remedial work that is above \$50,000 and is not funded under the CRP will only be considered by the insurer on a case-by-case basis.

Services or works performed in respect of any other site conditions which are not funded by the CSV under the CRP are not covered under the insurance policies.

**Q: I have been engaged by CSV, an owners corporation, or a named Government entity to perform services or undertake works in relation to cladding rectification. What obligations of disclosure do I have to the Insurer? Do my obligations of disclosure differ under each Policy?**

A: You should refer to the Policy documents for specific disclosure obligations under each Policy and seek advice from your insurance adviser/broker or lawyer, as necessary. However, in general terms, parties insured under the Policies need to disclose to the insurers (via Lockton) any significant changes to a project, including where:

- Project value of works funded by CSV as part of the CRP exceeds \$10 million
- Project value increases more than 15% of the original contract value
- Construction period exceeds 24 months; and
- Incidental remediation work approved by CSV as part of CRP works exceed \$50,000.

**Q: I am providing professional services to the CRP as a consultant. I understand that the Professional Indemnity policy may apply to the professional services I provide. However, I am not undertaking any construction works – what relevance do the General and Products Liabilities and Construction Risk Material Damage policies have to me?**

A: You should refer to the Policy documents for detail of the insurance cover available to consultants.

In general terms, cover for consultants under the General and Products Liabilities and Construction Risk Material Damage policies are limited to that consultant's on-site manual activities.

Consultants need to maintain their own General Liability insurances to cover their liabilities for all other activities that may take place on-site or otherwise. This is a matter about which you should seek your own advice from your insurance adviser and/or broker.

**Q: What if I feel that the limits of liability are not sufficient to address the risks I am assuming by participation in the cladding rectification program? Should I acquire additional coverage?**

A: If the value of the CRP works that are funded by CSV that you will undertake will exceed \$10 million, then you must urgently inform both Lockton and CSV in writing so that arrangements can be made to seek the insurer's agreement to increase relevant limits for the project.

In all other circumstances, you will need to seek your own advice from your insurance adviser/broker about the adequacy of the policy limits contained in each of the Policies and, whether you need to plan for any additional cover.

**Q: As a practitioner, which of my risks are not covered by the Policies?**

A: Practitioners should seek independent insurance advice from their insurance adviser or broker on the adequacy of the Policies as they relate to their unique circumstances.

# Professional Indemnity Insurance

## Q: Who is an insured under the Professional Indemnity policy?

A: An insured under this Policy is, *'Any party contracted by the Principal or a Design and Construct Firm on an Insured Project or as listed in Attachment 1'*.

For the purposes of this Policy, 'Principal' means:

- CSV
- an owners corporation that has entered into a funding agreement with CSV as part of the CRP
- one of several named Government Entities; and
- a construction firm engaged to undertake work which is funded under the CRP.

Consultants and contractors engaged by CSV, owners corporations or construction firms to perform professional services (as those words are defined in this Policy) funded by CSV as part of the CRP (including the construction firm) are an insured under this policy.

Sub-consultants or contractors engaged by a consultant or a contractor (other than by the construction firm) are not an insured under this policy.

## Q: Who is not an insured under this Policy?

A: Neither CSV, nor owners corporations, nor Government entities, are an insured under this Policy. Sub-consultants or contractors engaged by a consultant or a contractor (other than by the construction firm) are not an insured under this policy.

## Q: What is the amount of insurance under this Policy?

A: The amount of insurance under this Policy is \$10 million for each project and \$100 million in the aggregate for all projects commenced during a policy period.

The amount available includes **Defence Costs** incurred in respect of the claim.

There are sub-limits for:

- inquiries of \$250,000;
- loss of documents of \$1 million; and
- public relation expenses of \$250,000.

This Policy has an aggregate limit of \$100 million which is shared across all projects commenced during a single policy period.

## Q: What is the excess, and who pays it?

A: The excess for this Policy is \$50,000 inclusive of costs per claim.

The party who makes a claim for cover under this policy is responsible for the excess. The insurer will only pay for any amounts above \$50,000 per claim.

## Q: What projects are covered by this Policy?

A: The projects are covered by this Policy:

- projects specifically relating to works performed under the CRP and funded by CSV, and commenced during the policy period
- all projects listed as an Endorsed Project in this Policy; and
- any specific building that has received funding by CSV under the CRP, and includes any approved incidental remediation work up to a construction value of \$50,000 completed concurrently with the funded work under the CRP, and which has been declared to the insurer.



**Q. What projects are specifically excluded by this Policy?**

A: Any project with an original total project value of greater than \$10,000,000. Project value means construction costs plus any fees or margin associated with the project. These projects should be urgently advised to CSV and Lockton to ensure coverage is arranged under the Policy.

**Q: What is the period of cover?**

A: This Policy responds when a claim is first made and notified during the period of insurance.

The period of insurance runs for 10 years from the time that a building contract is entered into between a Principal and the Design and Construct Firm (as those terms are defined in this Policy) during the policy period with respect to the works funded by CSV under the CRP.

The current policy period commenced on 15 December 2020 at 4:00pm local standard time.

**Q: What is the period of retroactivity?**

A: This Policy has an unlimited retroactive date excluding known claims and claims arising from known circumstances.

For practical purposes, this means that there is cover under this Policy for professional services provided to a Principal (as that term is defined in this Policy) prior to 15 December 2020 if the professional services are provided in respect of:

- works performed under the CRP which are funded by CSV and where such works are commenced during the policy period; or
- a project which is an Endorsed Projects under this Policy; or
- any specific building that has received funding from CSV under the CRP, and includes any approved incidental remediation work up to a construction value of \$50,000 completed concurrently with the funded works, and which has been declared to the insurer.

**Q: What if contracts were signed prior to the commencement of the Policy period?**

A: This Policy only covers projects where insured works funded by CSV commenced before 15 December 2020 at 4 pm and those projects are specifically endorsed on this Policy (described as Endorsed Projects) -this is irrespective of when individual consultant and building contracts relating to works funded by CSV as part of the CRP were signed.

**Q: What are the professional services covered under this Policy?**

A: The professional services identified in the Policy documents for this Policy are:

- (1) design or specification, including advice, oversight and supervision in respect of design
- (2) drafting, drawings and technical documentation
- (3) technical calculation
- (4) measurement, testing and/or certification of materials
- (5) project or construction management where the insured is specifically remunerated by way of a fee for service in respect of the overall control and supervision of a contract
- (6) feasibility studies
- (7) programming and time flow management
- (8) surveying (including quantity surveying)
- (9) inspections
- (10) issue of permits and certificates
- (11) tender
- (12) cost estimate
- (13) conduct of due diligence in respect of the cladding rectification program
- (14) other services declared and agreed by the insurer; and
- (15) training in respect of (a) to (n) above.

This Policy requires that the professional services be performed in relation to the project by or under the control and direct supervision of qualified professional persons employed or engaged by an insured who are currently certified, licensed, registered or authorised under any relevant legislation or industry codes of practice governing the relevant profession.

**Q: I participate in CSV's 'due diligence' activities and provide one of the above professional services. Will my services to CSV be covered?**

A: As a 'due diligence' provider, your services will only be covered under the retroactive clauses of this Policy if you and your services meet all the terms and conditions of the Policy, most notably:

- CSV ultimately provides a grant to a building owner to undertake cladding rectification works, and the owner subsequently undertakes such works, during the policy period **or** the project is an Endorsed Project **or** the project is a specific building that has received funding by CSV under the CRP, and includes any approved incidental remediation work up to a construction value of \$50,000 completed concurrently with the funded works and declared to the insurer;
- you are an insured under this Policy; and
- you are performing a professional service (as identified in the schedule of the Policy).

**Q: What is excluded under the Policy?**

A: Please refer to the full Policy documents for details of the exclusions under this Policy.

# General and Products Liability Insurance

## **Q: Who is an insured under this Policy?**

A: You should refer to the Policy documents for full policy details. However, in summary the following parties are included as “Insureds” under this Policy:

- Named Insureds (the CSV, owners corporations and specific Government entities); and
- Contractors or consultants engaged by the owners corporations or specific Government entities to undertake funded work under the CRP.

## **Q: What is the amount of insurance under this Policy?**

A: The total amount of insurance available in a layered program structure is \$50 million in respect of any one occurrence. However, if claims are made on the policy, lower limits may apply to subsequent claims. Further details are available from Lockton upon request.

## **Q: What is the excess, and who pays it?**

A: The excess for this Policy is as follows:

- Worker to Worker Claims: \$100,000; and
- All other Claims: \$50,000.

The party who makes a claim for cover under the Policy is responsible for the excess. The insurer will only pay any amounts above the excess.

## **Q: What projects are covered by this Policy?**

A: Projects undertaken specifically relating to funded works performed under the CRP and commenced during the period of insurance and projects which are specifically listed as an Endorsed Project in the Policy.

## **Q: What projects are specifically excluded by this Policy?**

A: Projects where the original Construction Period exceeds 24 months even though they can be included if agreed with the insurer by specific endorsement. Further, the exclusion does not apply to Products Liability.

## **Q: What is the period of cover under the Policy**

A: For this Policy to respond, the Personal Injury, Property Damage or Advertising Injury must have been sustained either:

- during the Construction Period: from the date that a contract, agreement or works is entered into by an insured in connection with funded works performed under the CRP and commenced during the period of insurance until the funded works have been accepted by the building owner or the time that it was taken over and put in use by the building owner; or
- during the Defects Liability Period in respect of funded works performed under the CRP; or
- during the period of insurance in respect of Products Liability claim.

You should refer to the terms and conditions of this Policy to review the definition of Personal Injury, Property Damage, Advertising Injury, Construction Period and Defects Liability Period.

**Q: What about works I have already performed for CSV?**

A: Provided the project is specifically listed as an Endorsed Project in the Policy, the project is covered by this Policy. However, any claim for Personal Injury, Property Damage or Advertising Injury arising out of the funded works will only be covered if the incident occurred after the inception of Policy.

**Q: What is excluded under the Policy?**

A: Please refer to the full Policy documents for details of the exclusions under this Policy.

# Construction Risks Materials Damage Insurance

## Q: Who is an insured under the Policy?

A: You should refer to the Policy documents for full policy details. However, in summary the following parties are included as “Insureds”:

- Named Insureds (the CSV, owners corporations and specific Government entities); and
- Contractors engaged by the owners corporations and specific Government entities to undertake funded work under the CRP.

## Q: What is the amount of insurance under the Policy?

A: The amount of insurance stated in the policy documents for this Policy are:

- |   |              |
|---|--------------|
| a) Contract Works:                      | \$10 million |
| b) Existing Property:                   | Not Insured  |
| c) Construction Plant and Equipment:    | Not Insured  |
| d) Escalation Percentage (Condition 1): | 15%          |

The Sub-Limits stated in the schedule for this Policy are:

- |  |             |
|--|-------------|
| a) 2.1(a) Removal of Debris and Other Costs: | \$1 million |
| b) 2.1(b) Expediting Expenses:               | \$500,000   |
| c) 2.1(c) Search and Locate Costs:           | \$250,000   |
| d) 2.1(d) Professionals' Fees:               | \$1 million |
| e) 2.1(e) Mitigation Expenses:               | \$500,000   |
| f) 2.1(f) Plant Hire Charges:                | Not Insured |
| g) 2.1(g) Claims Preparation Costs:          | \$50,000    |
| h) 2.1(h) Government Costs and other Fees:   | \$500,000   |
| i) 2.1(i) Inflation Protection:              | \$500,000   |
| j) 2.1(j) Sue & Labour:                      | \$500,000   |
| k) 2.1(k) Idle and Standby Costs:            | \$150,000   |

The following Sub-Limits are included within the Limit of Liability

- |  |           |
|--|-----------|
| a) Insured Property whilst in transit: | \$250,000 |
| b) Offsite Storage:                    | \$500,000 |

This Policy provides cover for any one occurrence/any one event.

## Q: What is the excess, and who pays it?

A: The excess for this Policy varies depending on the claim that is made under the Policy as follows:

- \$100,000 for each and every event for a claim made under Endorsement 1 of the Policy;
- \$50,000 or 2.5% of the loss, whichever is greater, for each and every event subject to a maximum of \$200,000; and
- \$25,000 for each and every event for all other claims.

The party who makes a claim for cover under the Policy is responsible for the excess. The insurer will only pay for amounts above the excess.

**Q: What projects are covered by this Policy?**

A: Projects undertaken specifically relating to funded works performed under the CRP, and commenced during the period of insurance and projects which are specifically listed as an Endorsed Project in this Policy.

**Q: What projects are specifically excluded by this policy?**

A: Projects where the original estimated Contract Value exceeds \$10,000,000 or where the original estimated Construction period exceeds 24 months.

**Q: What is the period of cover under the Policy?**

A: Cover is available under this Policy during the Construction Period and the Defects Liability Period. Both Construction Period, and the Defects Liability Period is defined in the Policy and you should refer to the terms and conditions of the Policy to review those terms.

In summary:

- the Construction Period commences from the date of the entering into of each contract in respect of funded works under the CRP or the commencement of funded works, whichever is earlier, provided that the contract is entered into or the funded work commenced during the period of insurance.
- the Defects Liability Period is the period described in the building contract (in respect of the works funded by CSV) where the insured contractor is liable to rectify defects.

**Q: What about works I have already performed for CSV?**

A: Provided the project is specifically listed as an Endorsed Project in this Policy, the project is covered by this Policy. However, cover is only available to incidents which occur after the inception date of the Policy.

**Q: What is excluded under the Policy?**

A: Please refer to the full policy documents for details of the exclusions under this Policy.

# Claims Procedures

While every claim is different, there are some common processes you can follow to ensure a claim is promptly notified to Lockton and your insurer(s) that will help expedite the process as quickly as possible. It is impossible to give specific guidelines for every claim, simply because of the nature of accidents claims cannot be predicted and they do not follow set patterns. However, the following general procedures for various major classes of insurance can be relied upon to cover most circumstances. For any other claim involving other classes of insurance, contact us without delay by email to [csvinsurance@au.lockton.com](mailto:csvinsurance@au.lockton.com).

## General steps, which must be taken immediately in the event of any claim:

1. Whatever the circumstances of the incident, **do not admit liability** even if you think you are at fault. Your Insurer is entitled to deny a claim or pay a reduced amount if statements made by you or your employees prejudice the Insurer's position.
2. Report the incident to us, wherever practicable, within 24 hours of the incident.
3. Immediately do whatever is necessary to prevent further loss. For example:
  - Call the fire brigade, ambulance, police or other appropriate emergency service.
  - If during business hours ensure the evacuation, if necessary, of staff and neighbours.
  - If critical machinery fails, commence investigations to locate replacement plant or services.
  - Have a security company install boarding over smashed windows and, if appropriate, employ an overnight security watchman.
  - Remove property that is exposed to further loss or damage to a more secure place if possible.
  - Providing no danger to life or limb is involved, ensure the safe removal and storage of vital business records.
4. Immediately document as many details of the incident and resulting loss as possible. If possible, take photos of damages and loss circumstances as supporting information for insurers.
5. Complete all claims documentation as soon as practicable and forward to us with any supporting documents and images.

## Professional Indemnity

An important feature of any Professional Indemnity policy is the "claims made" basis of cover. Essentially these forms of cover require immediate notification of:

1. A claim against an insured.
2. Any circumstances that may give rise to a claim under the policy.

If such circumstances are not reported to the insurer prior to expiry of the period of insurance, the insurer is not bound to provide indemnity under the policy.

In order to ensure that any entitlement to indemnity is preserved, your insurer must be advised of any incident that may give rise to a claim, immediately, when it comes to your attention and prior to the expiry date of the policy.

Notification should be given to Lockton Companies Australia personnel who will then:

1. Advise what action should be taken.
2. Notify insurers on your behalf.

## Contract Works

If something happens to cause loss of or damage to your property:

1. Take all necessary precautions to protect property from further loss or damage.
2. Call the police or other emergency services as required. Any loss by theft or wilful or malicious damage should immediately be reported to the nearest police station and details of the attending police noted.
3. If you suspect that the loss/damage may exceed the policy deductible, obtain all details you can
  - Of the incident;
  - Of the amount of loss;
  - Of any witnesses.
4. Contact Lockton Companies Australia via email to [csvinsurance@au.lockton.com](mailto:csvinsurance@au.lockton.com) immediately for instruction on how to handle the claim.
5. Complete Claim Form documentation (ensuring your ABN No. and Input Tax Credit entitlement are included) and all claims documentation as soon as possible after the occurrence whilst details of the incident is still fresh in the minds of all concerned.

## Construction Liability

Upon the happening of any incident likely to give rise to a claim, the following procedure should be implemented:

1. **Under no circumstances must liability be admitted either verbally or in writing.**
2. All reasonable steps should be taken following an occurrence to protect the person or property from any further injury or loss.
3. Obtain all details you can –
  - Of the incident (with supporting photos if possible);
  - Of the Third Party;
  - Of the witnesses.
4. In all cases, contact us immediately for advice on how to handle the matter
5. Do not give any interview or make any statement to a loss adjuster or other person investigating any accident of damage UNLESS such person is acting on behalf of your Insurer or your own organisation.
6. No correspondence should be entered into with a third party except acknowledgment of receipt of the claim. The acknowledgment letter should read as follows:

*"Without Prejudice"*

*We acknowledge receipt of your correspondence concerning the incident at <date> <location>.  
This is receiving our attention.*

Forward all letters of demand, writs/summonses immediately to Lockton Companies Australia via email to [csvinsurance@au.lockton.com](mailto:csvinsurance@au.lockton.com).



# Claim Incident Report Form



(EXCLUDING WORKERS' COMPENSATION, MOTOR VEHICLE AND MARINE HULL CLAIMS/INCIDENTS)

## *Insureds Details*

Insured Name

Division

*Details of person completing this claim/incident report:*

Name

Position Title

Telephone  Email

Signature  Date

## *General Details on Claim / Incident*

Type of claim/incident (Third party property damage, personal injury, property - may be more than one):

Where did the incident occur?

How did the incident occur?

Date of Incident  Time  AM   
PM

When did the insured first become aware of the incident?

## Action Taken

Yes ☐ No ☐

Were the police called?


Was an ambulance called?

Yes ☐ No ☐

If YES, please provide details (was anyone taken to the hospital?)


Was the fire department called?

Yes ☐ No ☐

If YES, please provide details:


Was first aid issued?

Yes ☐ No ☐

If YES, please provide details:


Were there witnesses to the incident?

Yes ☐ No ☐

If YES, please provide details:

### WITNESS ONE

Name

--

Address

State

Postcode

--	--	--

Telephone

--

Email

--

### WITNESS TWO

Name:

--

Address:

State

Postcode

--	--	--

Telephone

--

Email

--

Has a copy of this report or details of the incident been given to other Insured staff or anybody else?

Yes ☐ No ☐

(If YES, provide details eg. For: remedial action, potential litigation):


## Specific Questions for Claims involving Property

Describe the damage and/or loss suffered (eg broken window):


Names and contact details of the property owner(s):

### CONTACT ONE

Name:

--

Address:

	State	Postcode

Telephone

--

Email

--

### CONTACT TWO

Name:

--

Address:

	State	Postcode

Telephone

--

Email

--

Description of vehicle and registration number (if claim relates to vehicle damage):

Vehicle Make/Model

--

Registration No

--

Estimated cost of incident (attach separate documents if necessary):

Item(s):

Cost \$


**TOTAL**

**\$**

# Specific Questions for Claims involving Personal Injury

Name of Injured Person

Date of Birth

Injured persons contact details:

Telephone

Email

Describe the injury (left hand, right eye etc):

Names and contact details of treating medical practitioners:

## MEDICAL PRACTITIONER ONE

Name:

Position Title

Medical Clinic

Telephone

Email

## MEDICAL PRACTITIONER TWO

Name

Position Title

Medical Clinic

Telephone

Email

## MEDICAL PRACTITIONER THREE

Name

Position Title

Medical Clinic

Telephone

Email

## Other

Additional information you wish to supply:


### Please note:

1. Make sure that you give us ALL details about your claim.
2. Please send any documentation you have which may assist in verifying ownership and/or value of items.
3. Send us all original quotations and/or original invoices which you have received to repair or replace your property.
4. Tell the Police immediately about any loss or damage which has been caused by burglary/theft, vandalism/malicious damage.
5. If possible, keep damaged items available as your insurer may wish to inspect them.
6. Contact your Claims Broker should you require assistance.

## Declaration

I declare that to the best of my knowledge and belief the information in this form is true and correct and i have not withheld any relevant information.

Signature of the Insured or person with authority to sign for or on behalf of the Insured

Date

--

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Position

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*\*This consent only applies when a claim is submitted in relation to a policy issued to the individual, not a company or business*

## Collection Statement Under Privacy Act 1988

In accordance with the Privacy Act 1988 (and subsequent amendments), we, Lockton Companies Australia Pty Ltd draw your attention to the following:

We may collect personal information about you in connection with our services.

We collect the information principally for the purpose of approaching the (re)insurance market, placing insurance, assessing and advising you on your insurance needs, claims handling or risk management (depending on your requirements). Other purposes include providing you with information about other LCA products or services. If you are proposing for or renewing insurance, the information is required pursuant to your duty of disclosure under the Insurance Contracts Act 1984, the Marine Insurance Act 1909 or at common law.

The information we collect may be disclosed to third parties including but not limited to (re)insurers, insurance intermediaries, service providers, finance providers, advisers, agents and LCA related Group companies. Those entities will hold and use the data in accordance with their own privacy policies which may include disclosure to third parties located offshore.

By providing the information requested in this document you agree to us collecting, using and disclosing your personal information as outlined in this Collection Statement.

If you do not provide all or part of the information requested, we may be unable to process your application or provide other required services, your application for insurance may be declined or you may prejudice your insurance cover.

You have the right to request access to, and correct, any personal information that we hold about you, subject to the provisions of the Privacy Act 1988.

To assist us in maintaining correct records we ask you to inform us of any changes in your personal information provided, as they occur.

If you provide us with personal information about other individuals, you must ensure that those persons have been made aware of the above matters. Where the information collected relates to health, criminal record or other sensitive information as defined in the Privacy Act 1988, you must obtain any necessary consents from the person concerned.

Our Privacy Policy can be made available on request or can be accessed on our website (<https://www.locktoninternational.com/au/privacy-and-spam-policy>)

**For further information contact your account manager or Lockton's Privacy Officer:**

Attn: Privacy Officer  
Lockton Companies Australia Pty Ltd  
PO Box 270, Leederville, WA, 6902  
Ph: (+618) 9217 0800  
Email: [info@au.lockton.com](mailto:info@au.lockton.com)

