



## PROPOSAL FORM

### Privacy

MECON respects your privacy and complies with the Privacy Act and the National Privacy Principles. A copy of MECON's privacy information brochure is available from our office or website [www.meccon.com.au](http://www.meccon.com.au)

### Average Clause

If the sum insured is less than 90% of the amount required to be insured, you will have to pay a proportion of any loss arising from loss or damage. Your proportion will be in the same ratio as the shortfall in the sum insured bears to 90% of the replacement cost.

### GST

If you are a Registered Business and the Australian Tax Office regulations permit us to settle any claims you may make, or which are made against you:

- (a) exclusive of GST, or
- (b) where MECON can recover GST amounts included in such a settlement,

then all amounts insured and all Deductibles specified in the Policy will exclude GST. In all other cases, the amounts must be GST inclusive.

### 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, that is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms (The information you provide on the Proposal Form forms a part of such matter).

### Your Duty of Disclosure (continued)

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 matter:

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

### Non Disclosure

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

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

### Policy

In order to understand the insurance you are proposing, you must read the Policy. Anything you state in this proposal form may be included in the Policy. If you propose something which MECON does not want to insure it will be excluded from the quotation we provide you.

### Contact Us

Mechanical & Construction Insurance Pty Ltd  
 A.B.N. 58 106 907 055  
 PO Box R1789 Royal Exchange NSW 1225  
 Ph (02) 9252 1040 Fax (02) 9252 1050  
[www.meccon.com.au](http://www.meccon.com.au)

Annual Projects

## Proposer's Details

Name of Insured:

Address for notices:

Registered for GST? Yes  No

Australian Business Number (ABN), if applicable

GST percentage, if it varies from 100%  %

Proposer's interest in the Projects to be insured, are you normally the Principal / Developer, Contractor or a Subcontractor?  
 (You may be more than one)

How long have you been in business?  Years

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Have you either alone or in partnership or jointly with any other party (or if a registered company) or any of your directors or office holders;

- |  |     |                          |    |                          |
|--|-----|--------------------------|----|--------------------------|
| a) made a claim for any loss, damage or liability of a type to be insured  | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| b) had an insurer decline any claim, cancel any insurance policy or impose special terms to any insurance policy | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| c) been charged with or convicted of any criminal offence  | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| d) been declared bankrupt, insolvent, had a liquidator appointed or been a defendant in any civil court case     | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

(all answers will be regarded as answers by all parties related to the proposal)  
**If 'Yes' is answered to any of the above, please provide full details below or on an attached sheet:**

## Insurance Details

Commencement Date	<input type="text"/>	Expiration Date	<input type="text"/>
Maximum Project Duration	<input type="text"/>	Maximum Defects Liability Period	<input type="text"/>

Specify exactly what type of Projects will be undertaken? (i.e. Construction and alteration of residential buildings/units. Construction of commercial buildings, roads, bridges, marinas etc)

**Basis of Insurance of Projects.** Please select either a) **OR** b) below. Note that the cover starts and ends differently for each basis and the values required for each may differ:

- a) Project Run-Off Basis** (sometimes called "projects commencing" basis)  
 Do you require insurance for the Projects that you commence during the Policy Period until they are completed? (plus Defects Liability Period)      Yes  No

If 'Yes', please provide the estimated total value of all Projects you expect to commence during the Policy Period      \$

Do you require Insurance on any Projects currently underway?      Yes  No

If 'Yes', please separately provide a list showing commencement date, location, description, value of work completed to date and total Project value for all Projects currently underway.

**OR**

- b) Annual Turnover Basis** (sometimes called 'transfer' or 'cut off' basis)  
 Do you require insurance on all Projects on-hand at the start of, and commenced during, the Policy Period to be insured until expiry of the current Policy Period?      Yes  No

(All cover ceases at expiry – even Defects Liability Period Cover).

If 'Yes', please provide the estimated total Annual Turnover of all Projects to be insured?      \$

Please separately provide a list showing commencement date, location, description, value of work completed to date and total Project value for all Projects currently underway.

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Estimated number of Projects to be insured during the Policy Period?

For the purpose of allocating the Terrorism charge please state the postcode in which the majority of work will be undertaken:

*(Note: this charge is subject to annual adjustment based upon the Projects insured. The ARPC require you to declare the postcode and total Project Value expended on each Project at the renewal date of the Policy)*

Postcode

**In the next 12 months**

Annual Turnover from 'Business' insured

No. of employees

Amount of salaries

Amount paid to subcontractors

Will any alterations or refurbishments to Existing Structures be undertaken? Yes  No

Do you require Section One (Material Damage) Insurance for those Existing Structures? Yes  No

Will Existing Structures be occupied / tenanted during any Projects? Yes  No

Approximately what percentage of the Annual Turnover provided above is derived from demolition work?  %  
*(Note: The Policy excludes any Project where payment for demolition activities forms more than 75% of your entire payment for such a Project).*

In the next 12 months, will any Projects differ in size, scope or complexity from those undertaken by you in the past 3 years? Yes  No

If 'Yes', describe the difference:

**Will any Project involve any of the following:**

(If 'Yes' has been answered to any of the below questions, please describe the work involved in the Project in the area supplied at the end of this section)

- a) Blasting or explosives (other than nail guns) Yes  No
- b) Demolition above 10 metres in height (other than internal non-structural demolition) Yes  No
- c) Actual excavation work or work in an existing excavation deeper than 10 metres Yes  No
- d) Buildings or structures of historical significance Yes  No
- e) Underground works, tunnels, shafts, mines or galleries Yes  No
- f) Road works or bridges Yes  No

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- |  |     |                          |    |                          |
|--|-----|--------------------------|----|--------------------------|
| g) Work north of the 25 <sup>th</sup> Parallel south   | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| h) Pipelines greater than 250 metres in length   | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| i) Irrigation systems, canal, reservoir, dam or syphon work  | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| j) Any work in, on, over or under a permanent body of water  | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| k) Directional drilling or boring greater than 50cm in diameter (other than piling/piers)                          | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| l) Work in or around an airport or aircraft landing area or working railways or tramlines                          | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| m) Work in oil, gas, chemical or petrochemical plants  | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| n) Work in mining processing plants  | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| o) Swimming pools  | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| p) Refurbishment or construction of schools, hospitals, universities, shopping centres, hotels or railway stations | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| q) Technology which is of a prototype nature   | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

**If 'Yes' has been answered to any of the above questions, please describe the work involved in the Project**

## Sums Insured and Insured Property

These are the maximum sums insured which will apply to each Project:  
*(If automatic amounts below are insufficient please specify another amount)*

**Section One – Material Damage**

	<b>Sums Insured</b>
1.02 Maximum contract price (Project value) of any one Project	\$ <input style="width: 90%;" type="text"/>
1.03 Maximum amount of Principal Supplied ("free issue") Materials for any one Project	\$ <input style="width: 90%;" type="text"/>
1.04 Existing Structures (maximum value for any one Project)	\$ <input style="width: 90%;" type="text"/>
1.05 Contractor's Plant, Tools and Reusable Equipment (attach list of Plant and Equipment with their values or nominate a total amount for non-specific items)	\$ <input style="width: 90%;" type="text"/>
1.06 Variations and Escalation (20% of the amount specified at 1.02 and 1.03 is automatic)	\$ <input style="width: 90%;" type="text"/>
1.07 Removal of Debris (10% of the amount specified at 1.02, 1.03, 1.04 and 1.05 is automatic)	\$ <input style="width: 90%;" type="text"/>
1.08 Professional Fees (10% of the amount specified at 1.02 and 1.03 is automatic)	\$ <input style="width: 90%;" type="text"/>
1.09 Expediting Costs (5% of the amount specified at 1.02, 1.03 & 1.04 is automatic)	\$ <input style="width: 90%;" type="text"/>
1.10 Mitigation Costs (5% of the amount specified at 1.02, 1.03 and 1.04 is automatic)	\$ <input style="width: 90%;" type="text"/>

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**Section Two – Public Liability Required?**

Yes  No

**Limits of Indemnity**

6.01 Public Liability / 6.02 Products Liability / 6.03 Vibration Weakening or the Removal of Support.

Sub Limits

6.04 Property in Care, Custody or Control

**Declaration and Signature by Proposer**

I / we declare that the answers given herein are in every respect true and correct and that I/we have not withheld any information likely to affect the acceptance of this insurance and that I/we have read and understood the Policy document. I/we have sought clarification of any aspects of the proposal form or Policy document I/we did not understand.

I/we acknowledge that MECON may give to, and obtain from, other insurers, personal information of mine/ours relating to this insurance as well as insurance claims information obtained during the course of any contract I/we have with MECON.

I/we also acknowledge that MECON are not obliged to automatically accept the insurance proposed above, however MECON will formally advise me/us of the extent to which they are prepared to offer insurance by quotation, schedule or otherwise in writing.

**IMPORTANT: If someone has completed this form on your behalf, before signing this proposal form double check the details to ensure that you agree to all answers completed by that person are true and correct.**

Signature  Date   
Name   
Position