

## **Queensland Electrician Consumer Protection Insurance**

Where the Insured is an electrician operating in Queensland, this Endorsement applies to the Insured's activities required to be insured pursuant to Section 51 of the Electricity Safety Regulation 2013 (Qld), including any amendments thereto.

### 1. Insuring Clause

We will indemnify You against:

- 1.1 Consumer Protection Liability under "Section 1: Broadform Liability Cover" of this Labour Force Liability Policy;
- 1.2 Trade Practices Liability under "Section 1: Broadform Liability Cover" of this Labour Force Liability Policy;
- 1.3 Advice or Design Liability under "Insuring clause 8: Labour Hire Professional Indemnity" under "Section 2: Management Liability and Professional Indemnity Cover" of this Labour Force Liability Policy; and
- 1.4 Testing Liability under "Insuring clause 8: Labour Hire Professional Indemnity" under "Section 2: Management Liability and Professional Indemnity Cover" of this Labour Force Liability Policy.

### 2. Costs and Expenses

If We agree to indemnify You under this Endorsement in respect of any Claim against You, We will also pay all reasonable costs and expenses (including legal costs) incurred, by Us or with Our prior written consent, in the defence or settlement of such Claim.

### 3. Limit of Indemnity

Our maximum liability under this Endorsement, inclusive of costs and expenses (pursuant to Clause 2. Costs and Expenses of this Endorsement), shall not exceed:

- 3.1 \$50,000 in total in connection with each Domestic Residence, in respect of Consumer Protection Liability;
- 3.2 \$50,000 in total for the Period of Insurance in respect of Trade Practices Liability;
- 3.3 \$50,000 in total for any one Claim or series of Related Claims (as per Related Claims clause on page 31 of this Labour Force Liability Policy), in respect of Advice or design Liability; and
- 3.4 \$50,000 in total in connection with each Domestic Residence, in respect of Testing Liability.

Amount referred to in 3.1 and 3.2 above, shall form part of, be subject to and contribute towards the depletion of the Aggregate Limit of Indemnity for all claims arising out of Products, under "Section 1: Broadform Liability Cover" of this Labour Force Liability Policy.

Amounts referred to in 3.3 and 3.4 above shall form part of, be subject to and contribute towards the depletion of the Professional Indemnity Limit of Liability applicable to "Insuring clause 8: Labour Hire Professional Indemnity" under "Section 2: Management Liability and Professional Indemnity Cover" of this Labour Force Liability Policy.

### 4. Deductible and Excess

Any indemnity under this Endorsement:

- 4.1 in respect of Consumer Protection Liability and Trade Practices Liability is subject to the Deductible applicable to "Section 1: Broadform Liability Cover" of this Labour Force Liability Policy; and

- 4.2 in respect of Testing Liability and Advice or Design Liability is subject to the Excess applicable to “Insuring clause 8: Labour Hire Professional Indemnity” under “Section 2: Management Liability and Professional Indemnity Cover” of this Labour Force Liability Policy.

5. Exclusions applicable to this Endorsement

The following exclusions apply in addition to other exclusions (except those as specified under 1. Insuring Clause of this Endorsement) applicable to this Labour Force Liability Policy

Indemnity provided under this Endorsement does not apply to any liability:

- 5.1 caused by, arising out of, in respect of or in connection with any:
- (a) vessel or craft made or intended to be air borne; or
  - (b) vessel or craft made or intended to be water borne.
- 5.2 caused by, arising out of, in respect of or in connection with any wear and tear or depreciation of Your Domestic Electrical Work.
- 5.3 to pay fines, penalties or liquidated damages (or other damages for delay).
- 5.4 in respect or in connection with any Claim against You first notified to Us after the expiration of seven (7) years from the date that the Certificate of Testing was first issued in respect of the Domestic Electrical Work.

6. Conditions applicable to this Endorsement only

Notwithstanding the conditions contained in the Policy, The following additional conditions apply to this Endorsement only. If there is any conflict between a condition specified below and other terms of the Labour Force Liability Policy, the condition below shall prevail.

6.1 Cancellation

We may cancel this Policy in accordance with the law. If We cancel this Policy, We agree that cancellation of this Endorsement:

- (a) will only take effect 30 days after We give notice to You and the Electrical Licensing Committee of the proposed cancellation; and
- (b) has no effect on any of Our obligations under this Endorsement in relation to Domestic Electrical Work, where the Certificate of Testing was first issued prior to the cancellation taking effect.

6.2 Claimant may claim directly

Any person who is entitled to make a Claim against You, in respect of:

- (a) Consumer Protection Liability resulting from any Defect; or
- (b) Trade Practices Liability;

for which You are indemnified under this Endorsement, may enforce a claim for indemnity under this Endorsement directly for their own benefit if:

- (c) You decline or refuse to submit a claim under this Endorsement; or
- (d) There is an irresistible breakdown of communication between You and Us.

For the purposes of such enforcement, the person has the same rights and entitlements as You would have under any legislation.

In such cases, We will pay the person enforcing the claim despite any failure by You to account for any Deductible but the amount of the applicable deductible is a debt that We can recover from You.

### 6.3 Claims Co-Operation

You must make all reasonable efforts to inform Us as soon as possible about any event or circumstances that may result in a Claim against You.

In relation to any Claim or prospective Claim, You agree:

- (a) to make reasonable efforts to assist Us in the defence or settlement of the Claim; and
- (b) to attend the relevant building site for the purpose of inspecting, rectifying or completing Domestic Electrical Work the subject of the Claim, unless the Customer or any person acting on their behalf refuses You access to the site.

We may reduce the amount of any claim under this Endorsement by an amount that reasonably represents the cost resulting from an unreasonable refusal by the Customer or any person acting on their behalf to give You access to the building site, when We have requested you to attend the site for the purpose of inspecting, rectifying or completing the Domestic Electrical Work.

### 6.4 Compliance with legal orders

We agree to comply with any order to pay compensation made against You by a court or any other competent judicial body in respect of liability for which You are indemnified under this Endorsement.

### 6.5 Legislation amendment

A reference to a specific Act, Regulation or legislation in this Endorsement also means any amendment, revision or replacement of that specific Act, Regulation or legislation.

### 6.6 Misrepresentation, fraud or non-disclosure

With respect to Consumer Protection Liability and Trade Practices Liability only, We will not refuse to pay any person to whom You are legally liable, on the grounds of misrepresentation, fraud or non-disclosure by or on behalf of You, but We may bring a claim for recovery of such amount that You are legally liable to pay directly against You or anyone acting on Your behalf.

### 6.7 Notification of settled Claims

We and You agree that We will notify the electrical licensing committee in writing of the settling or payment of any claim made under this Endorsement, as required by the Electrical Licensing Committee.

### 6.8 Notice of Defect

For the purposes of this Endorsement, when a person gives notice of Defect in writing to You or Us, that person is deemed to have given notice of every Defect, of which the notified Defect is directly or indirectly related, whether or not the Claim in respect of the notified Defect has been settled.

### 6.9 Period of Insurance

Notwithstanding the provisions of:

- (a) "Liability" clause applicable to "Section 1: Broadform Liability Cover" (page 6);  
or

- (b) "Insuring clause 8: Labour Hire Professional Indemnity" under "Section 2: Management Liability and Professional Indemnity Cover" (page 19);

and regardless of when:

- (c) the Personal Injury, Damage to Property and/or Pecuniary Loss happened; or
- (d) the Claim is first made against You;

indemnity under this Endorsement applies to Your legal liability in connection with a Domestic Electrical Work, where the Certificate of Testing was first issued during the Period of Insurance.

**Where We indemnify You under this Endorsement in respect of any Claim (as the Certificate of Testing was first issued during the Period of Insurance), You cannot submit a claim and We will not indemnify You under any other policy of insurance or indemnity issued by Us for any other period, regardless of whether:**

- (i) **Personal Injury, Damage to Property or Pecuniary Loss, resulting in that Claim happens during the period of such other policy; or**
- (ii) **that Claim against You is first made during the period of such other policy.**

#### 6.10 Recovery from You

Without limiting Condition 6.1 above, if We pay any amount pursuant to Condition 6.1 above or pay any amount for indemnify under this Endorsement, We may recover:

- (a) such amount We paid from You if Your legal liability:
  - (i) arose from Non-Completion, other than by reason of Your death;
  - (ii) arose from a Defect, other than Defect arising from the use of materials (other than materials supplied by or on behalf of the Customer) in the Domestic Electrical Work that are not new and where the contract for the Domestic Electrical Work expressly permitted the use of materials that are not new; or
  - (iii) arose from Non-Completion or a Defect as a result of Your fraudulent or dishonest act or behavior; and
- (b) the amount of the applicable Deductible and/or Excess, if We paid directly to the Customer.

#### 6.11 Requirements under Section 43 of the Electrical safety Regulation 2002 (Qld)

Where the combined effect of the terms of this Endorsement and the other parts of this Labour Force Liability Policy conflict or are inconsistent with the insurance requirements under Section 43 of the electricity Safety regulation 2002 (Qld), then this Endorsement together with this Labour Force Liability Policy insures You in accordance with those requirements.

### 7. Definitions applicable to this Endorsement

For the purposes of this Endorsement:

- 7.1 Advice or Design Liability means Your legal liability to pay compensation in respect of any Personal Injury, Damage to Property and/or Pecuniary Loss arising from

incorrect advice or design given performed for a fee by You in connection with any Domestic Electrical Work performed by others, where the Certificate of Testing was first issued during the Period of Insurance.

7.2 Certificate of Testing means the certificate of testing required under Section 15 of the Electrical Safety Regulation 2002 (Qld)

7.3 Consumer Protection Liability means Your legal liability to pay compensation in respect of any Pecuniary Loss resulting from any Defect or Non-Completion in connection with any Domestic Electrical Work performed by You, where the Certificate of Testing was first issued during the Period of Insurance.

7.4 Customer means the person who owns or resides in a Domestic Residence, for whom the Domestic Electrical Work was performed.

7.5 Defect means:

(a) failure to perform Domestic Electrical Work:

- (i) to a standard required by any applicable laws, Australian or other relevant standard or code of practice;
- (ii) in accordance with any plans and specifications set out in the contract for the Domestic Electrical Work; and/or
- (iii) to a standard or quality specified in the contract for the Domestic Electrical Work;

(b) failure to use materials in the Domestic Electrical Work (other than materials supplied by or on behalf of the Customer) that are of merchantable quality and fit for purpose;

(c) failure to ensure that the Domestic Electrical Work and the materials used (other than materials supplied by or on behalf of the Customer) are:

- (i) fit for purpose; and
- (ii) of such quality and nature to achieve the stated result;

if the contract for the Domestic Electrical Work states the particular purpose for which the Domestic Electrical Work is required or the result that the Domestic Electrical Work is intended to achieve and the Customer relies on Your skill and judgment;

(d) use of materials in the Domestic Electrical Work (other than materials supplied by or on behalf of the Customer) that are not new, unless expressly permitted in the contract for the Domestic Electrical Work;

(e) failure to perform Domestic Electrical Work with due care and skill; and/or

(f) failure to complete Domestic Electrical Work:

- (i) by the due date or within the period specified in the contract for the Domestic Electrical Work; or
- (ii) within a reasonable period of time if no date or period of time is specified;.

7.6 Domestic Electrical Work means Electrical Work performed for or on behalf of the Customer in connection with a single Domestic Residence in Queensland, in respect of which a Certificate of Testing is required.

The term Domestic Electrical Work includes:

- (a) any advice or design in connection with; and
- (b) the Certificate of Testing issued in relation to:

the Domestic Electrical Work.

7.7 Domestic Residence means a building or structure, or a part of a building or structure, that:

- (a) is used, or designed to be used, as a single dwelling; and
- (b) is not used, or designed to be used, for temporary accommodation.

*Examples for paragraph (a):*

- *dwelling house*
- *flat*

*Examples of temporary accommodation for paragraph (b)—*

- *boarding house*
- *motel*

Domestic Residence does not include any common areas under the control of a body corporate of any residential complex comprising individual unit owners.

7.8 Electrical Work has the meaning defined in the Electricity Act 1994 and the Electrical Safety Regulation 2002(Qld) collectively.

7.9 Non-Completion means the failure to complete Domestic Electrical Work as a result of:

- (a) Your death or incapacity;
- (b) Your disappearance, where You cannot be found after due search and inquiry;
- (c) Your becoming bankrupt, insolvent, subject of any resolution or petition for winding up or going or entering into receivership, administration or composition of arrangement with Your creditors;
- (d) the cancellation or suspension of Your licence to operate as an electrical contractor; or
- (e) the early termination of the contract for the Domestic Electrical Work by or on behalf of the Customer as a result of Your wrongful failure or refusal to complete the Domestic Electrical Work.

7.10 On-Hired Services shall mean the services provided by the Company's Employees or contractors for or on behalf of the Company's clients and under the Company's clients' direction, supervision and/or control.

7.11 Pecuniary Loss means any monetary or financial loss including but not limited to:

- (a) any loss of deposit, progress payment or part of progress payment; and
- (b) alternative accommodation, removal and/or storage costs reasonably and necessarily incurred.

Pecuniary Loss does not include Personal Injury or Damage to Property.

- 7.12 Testing Liability means Your legal liability to pay compensation in respect of any Personal Injury, Damage to Property and/or Pecuniary Loss arising from a Certificate of Testing first issued by You during the Period of Insurance in connection with any Domestic Electrical Work performed by others.
- 7.13 Trade Practices Liability means Your legal liability to pay compensation in respect of any Pecuniary Loss arising out of Your unintentional conduct in contravention of the Competition and Consumer Act 2010 (Cth) or sections 38, 40 or 45 of the Fair Trading Act 1989 (Qld), except liability to pay any fine or penalty imposed, in connection with any Domestic Electrical Work performed by You, where the Certificate of Testing was first issued during the Period of Insurance.
- 7.14 You or Your means:
- (a) the Company; and/or
  - (b) the electrician Employee or contractor provided by the Company on On-Hired Services.

Other than as amended by this Endorsement, terms, definitions, exclusions and conditions applicable to this Labour Force Liability Policy shall continue to apply.