

# Notification of Loss

In order to ensure that future rights to lodge a claim under a home warranty insurance policy are protected, the home owner must notify CGU Home Warranty Insurance of a loss within the periods contained in the legislation. A formal claim (with all required supporting documentation) may then be lodged at a later date.

To safeguard your position under the home warranty insurance policy, when you become aware of defective or incomplete work, you should immediately notify us, in writing, of a loss by completing the Notification of a Home Warranty Insurance Loss form.

A loss in relation to defective work should be notified to us once the loss becomes apparent. You must notify us during the period of cover (or within six months of the loss becoming apparent where the loss becomes apparent during the last six months of the period of cover).

Notification of a loss in relation to incomplete work should be notified to us within 12 months of the date provided in the contract for commencement of work or the date the work ceased, whichever is the later.

## Frequently Asked Questions

### 1. What does “loss” mean?

A loss that can be indemnified under your policy, i.e. non-completion of your building works or defects in your residential building work.

### 2. When does a loss become apparent?

A loss becomes apparent when you first become aware (or ought reasonably to have become aware) of the loss.

### 3. When am I required to notify CGU of my loss?

You are required to notify CGU of your loss within the period of cover.

### 4. The following “period of cover” is defined as follows:

For non-structural defects within 2 years of the residential building works being completed.

For a structural defect within 6 years of the residential building works being completed.

If your loss relates to non-completion of the residential building works, then your period of cover is 12 months from the date the builder failed to commence the works or from when the builder ceased work.

### 5. What must I do to notify CGU?

Please complete the Notification of a Home Warranty Insurance Loss Form and send it to us together with any required attachments.

Once the form is received we will register your notification, store all documentation received and provide you with a written acknowledgement of your notification. You will also be provided with a notification number, which you will be required to provide on any future correspondence sent to our office.

### 6. When should I notify CGU after I have become aware of a loss?

In order to make a claim under the policy you must notify us within the period of cover. In addition, in relation to defective work, you are required to notify us within 6 months of your loss becoming apparent.

### 7. What if I don't notify CGU of my loss within the period of cover?

If you have a loss that is apparent within the period of cover and you do not notify CGU of that loss you will be unable to make a claim on the policy for that loss.



## 8. When can I make a claim?

You are only able to make a claim once your builder has died, disappeared or become insolvent.

For policies issued after 19 May 2009, there is an additional trigger that applies. Therefore, you are able to make a claim if you have obtained a money order from a Court or Tribunal which the builder has not satisfied, therefore, resulting in their licence being suspended.

You should note that this is different to a rectification order. If a rectification order has been obtained from a Court or Tribunal, which has not been satisfied by the builder, you are unable to make a claim against your policy. You will still need to continue to pursue the builder through the Court or Tribunal to enforce the order.

## 9. What action should I take if a loss becomes apparent but my policy has not been triggered?

In addition to notifying CGU of your loss within the period of cover, you are required to take action against your builder to enforce the breach of statutory warranty resulting in your loss by contacting the Office of Fair Trading. Should no action be taken by you, CGU is able to reduce its liability by an amount that fairly represents the extent to which our interests have been prejudiced.

**IMPORTANT NOTE:** This information is a guide only and is not considered advice or representative of a claims assessment. You should always read the terms of your policy and if you have any questions or concerns please obtain independent advice or contact the NSW Office of Fair Trading.