



PRESS RELEASE

JLT launches Australia's first termite insurance PestWISE as risk of termite damage on homes rises.

Sydney, 5 May 2008 – Insurance broking and risk management firm, Jardine Lloyd Thompson Pty Limited (JLT) has announced the launch of JLT PestWISE, Australia's first and only **termite insurance**. JLT PestWISE is designed to fill the current gap in coverage that exists under most residential Home Building insurance policies, which generally exclude the risk of damage to property caused by timber pests such as termites or wood borers. Owners of free standing homes can now insure against this rising risk which, between 2000 and 2004, is estimated to have cost Australians \$3.9 billion for treatment and repair of the resultant damage.*1

At an average cost of around **\$3.50** a week, owners of free standing homes can now purchase up to \$100,000 coverage via the JLT PestWISE product, which covers, subject to the policy excess, all reasonable repair and replacement cost claims for damage caused by termites, wood borers, fungal decay and chemical delignification during the 12 month policy period.

"JLT worked with leading pest industry specialists to ensure that JLT PestWISE offers comprehensive coverage at a reasonable price – it not only covers the repair costs but also has an option to include cover for the treatment cost of active timber pests, following the discovery of timber pest damage," said Debbie Gibson, Brokers Services Manager, Jardine Lloyd Thompson.

Termite damage can become an emotional and financial burden to homeowners. "Home owners can go through a traumatic time when termites are discovered in their homes, especially when they call their insurance company and are told this sort of damage is not covered and is a standard industry exclusion. Apart from having to pay for termite treatments, they are also faced with the additional costs to repair the damage to the family home, and potential devaluation of their home, which is a major concern, especially if the home is for sale when the damage is discovered," Debbie said.

Home owners alert - all types of homes are at risk of timber pest attack

Home owners should consider JLT PestWISE insurance as early as possible, as all types of homes are at risk of termites, including new homes built with termite susceptible materials and termite barriers in place. “The Australian Standard 3660 makes it clear that a termite barrier will not eliminate the risk of termite attack, but can only reduce the risk. A termite barrier is not designed to totally exclude termites, but rather to make the termite more visible to regular competent inspection,” explained Peter Allen, who has been in the pest inspection industry for over 10 years explained. “Last year, a demolition order was issued on a Naremburn home that was structurally damaged beyond repair by termites, to the horror and disbelief of its owners.”

JLT PestWISE is not a service guarantee or warranty attached to a termite treatment product or service, it is a stand alone retail insurance policy designed to cover the home should it be attacked despite a well managed termite treatment barrier or programme.

“JLT PestWISE coverage gives our clients the peace of mind they deserve - that their most important physical asset is well protected at an affordable rate. Plus, the application process is simple. Once your property has been inspected by an accredited timber pest inspector and achieves an acceptable risk score in the inspection report, the application can be all completed online at www.jlta.com.au/pestwise,” added Debbie.

Home buyers alert – pre purchase inspection cannot guarantee no future termite risks

Most prospective home buyers will get a pre-purchase inspection report done before they buy their home but not all pre purchase inspection reports are the same. A pre purchase pest inspection report on its own is good on the day the report is carried out, but cannot prevent any future termite or other timber pest attacks. In fact, termites could move in even before you do and cost you large amounts of money. If the home has a PestWISE policy attached to it – when you buy the home, the insurance cover transfers to you as the new owner and provides ongoing protection for the policy period.

A trademark product of Jardine Lloyd Thompson, JLT PestWISE is underwritten by Calliden Limited, an authorised Australian insurer. To find a PestWISE accredited consultant, please contact Peter Allen on 02 8251 0004 or email peter@termitewise.com.au. For more information on PestWISE insurance please visit: www.pestwise.com.au or call Shirley Kerr from JLT on Tel no: (02) 9290 8022.

*1 - CSIRO Forestry and Forest Products (CFFP) (2005 <http://www.csiro.au/news/ps2s6.html>).

PRESS PHOTO

TERMITE TRAGEDY on a Naremburn home



About Jardine Lloyd Thompson Pty Limited (JLT) Australia:

Jardine Lloyd Thompson Pty Limited (JLT) Australia is a wholly owned subsidiary of Jardine Lloyd Thompson Group plc which is quoted on the London Stock Exchange and is the largest European headquartered company providing broking, risk management and consultancy services in more than 30 countries worldwide. JLT Australia operates out of more than 15 offices across all states and territories and employs more than 700 industry professionals. Backed by its global risk groups, JLT Australia is uniquely structured to provide innovative insurance and other risk solutions to companies and individuals in Australia. Website: www.jlta.com.au

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