



Halo 10 Year Residential Guarantee

Insurance Policy Wording

Underwritten at Lloyd's of London



SECTION 1 – INTRODUCTION

About Your Insurance

Welcome to **Your** Halo 10 Year Residential Guarantee Insurance policy document.

Please take time to read the "Important Information" section on page 2 of this policy document. It tells **You** about things **You** need to check, actions **You** need to take, and the amount **You** must contribute when **You** make a claim.

- **Your** insurance is administered by Archer Group Limited on **Our** behalf. Archer Group Limited is referred to as the **Coverholder** in this policy document and their contact details are as follows.
Level 7, Call Plus Business Centre, 110 Symonds Street, Grafton, Auckland 1010, New Zealand
Tel: +64 9 307 3346
Email: info@archergroup.co.nz
- **Your** insurance is underwritten by Lloyd's Syndicate 4444 which is managed by Canopus Managing Agents Limited. Canopus Managing Agents Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Lloyd's Syndicate 4444 is referred to as "**We**", "**Us**" and "**Our**" in this policy document.
- A claims administrator handles claims on **Our** behalf and is referred to as the **Claims Administrator** in this policy document.

Cover under this policy begins on:

Section 1.1: **Construction Period:**

The date of the signing of the **Building Contract** or commencement of the **Works** (whichever is the earlier) and will end at the **Possession Date** of the **Works**.

Section 1.2: **Defects Insurance Period:**

The **Possession Date** of the **Works** and will end on the 10th anniversary thereafter. The insurance will then terminate.

If **You** do not provide **Us** with the **Possession Date** of the **Works** when the building is completed, the **Defects Insurance Period** will commence on the **Completion Date** shown in **Your Policy Schedule**.

Some words and phrases in this policy document and in **Your Policy Schedule** will always have the same meaning wherever they appear. To make them easier to recognise when they are being used, they will be shown in **Bold**. They are all listed and explained in the "Definitions" section which can be found on pages 12-13 of this policy document.

All insurance documents and all communications with **You** about this policy will be in English.

How to Make a Claim

To make a claim, call +64 9 307 3346. Lines are open between 8.30am and 5.00pm Monday to Friday. Alternatively, please send an email to info@archergroup.co.nz or write to:

Archer Group Limited
PO Box 6981
Wellesley Street
AUCKLAND

The Insurance Contract

This policy document and **Your Policy Schedule** are **Your** insurance documents and together they make up the contract between **You** and **Us**. It is important that **You** read this policy document carefully along with **Your Policy Schedule** so **You** can be sure of the cover provided and to check that it meets **Your** needs.

This policy document and **Your Policy Schedule** are issued to **You** by Archer Group Limited in its capacity as **Our** agent. In exchange for the payment of the premium referenced in **Your Policy Schedule**, **You** are insured in accordance with the terms and conditions contained in these documents (and any amendments made to them) for the duration of **Your** policy.

SECTION 2 – IMPORTANT INFORMATION

It is important that:

- **You** check **Your Policy Schedule** to ensure the details are correct and that the cover is as **You** requested;
- **You** check the information **You** have given **Us** is accurate (see “Disclosure of Important Information” below);
- **You** notify the **Coverholder** as soon as possible of any inaccuracies on **Your Policy Schedule**, or if **You** are not eligible for the insurance;
- **You** comply with any duties detailed under each section of the policy document and under the insurance as a whole; and
- **You** read the claims conditions on page 8 of this policy document. If **You** do not meet these conditions **We** may reject a claim payment or a claim payment could be reduced.

Disclosure of Important Information

In deciding to accept this insurance and in setting the terms and premium, **We** have relied on the information **You** have given **Us** via the **Coverholder**. **You** must take reasonable care to provide complete and accurate answers to the questions **We** ask when **You** take out **Your** policy. If the information provided by **You** is not complete and accurate:

- **We** may cancel **Your** policy and refuse to pay any claim; or
- **We** may not pay any claim in full; or
- **We** may revise the premium; or
- the extent of the cover may be affected.

If **You** become aware that any information **You** have given is incomplete or inaccurate, please contact the **Coverholder** as soon as possible. Their contact details are shown on page 1 of this policy document.

Policy Excess

We will not be liable for the **Excesses** shown in the **Policy Schedule**. Where any single claim made under the **Policy** relates to **Damage** caused by more than one **Defect** then the **Excess** will only be applied once in respect of that claim.

Other Insurance

Where the **Damage** under this **Policy** is also covered by any other insurance policies or indemnity agreements, then this **Policy** shall only provide indemnity in excess of the amount which the **Building Owner** is entitled to under the other insurance policies and/or indemnity agreements.

SECTION 3 – WHAT IS COVERED

1.1 Cover During Construction Period:

If due to:

- (a) the death, disappearance or legal incapacity of the **Builder**
- (b) the cancellation or suspension of the **Builder's** registration under any statutory requirement or where the **Builder** is a body corporate, the cancellation or suspension of the registration of any tradesperson employed by the **Builder**
- (c) the early termination of the **Building Contract** due to the **Builder's** wrongful failure or refusal to complete the **Works**; or
- (d) the **Builder's** wrongful failure or refusal to rectify **Defects** to the **Works**

1.1.1 the **Builder** (as head contractor) does not start the **Works** at all, or

1.1.2 the **Builder** (as sub-contractor) does not start the **Sub-Works** at all

The **Underwriters** will refund to **You** the amount of the deposit paid (if any) by **You** to the **Builder**, or

1.1.3 the **Builder** (as head contractor) starts but does not complete the **Works**, or

1.1.4 the **Builder** (as sub-contractor) starts but does not complete the **Sub-Works**

We will, at **Our** sole discretion:

- 1) refund to **You** the amount of the deposit and progress payments paid (if any) by **You** to the **Builder**, or
- 2) pay the cost to complete the **Works** or the **Sub-Works** (as applicable), or
- 3) take over and complete the **Works** or the **Sub-Works** (as applicable)

Special Conditions Applicable to Section 1.1

1. Any refund shall be limited to the progress payments actually paid to the **Builder**, in accordance with the **Building Contract**; subject to any limitations herein.
2. Should **You** withhold, retain or receive back any part of the deposit for the **Works**, **We** will be entitled to deduct such amount from the monies **We** would otherwise be obliged to pay under this section.
3. **We** are only liable under this section in respect of the **Contract Price** as declared by **You** and any subsequent variations to the **Building Contract** which have been agreed in writing by both the **Builder** and **You**. In the event the **Works** or **Sub-Works** (as applicable) have not commenced any refund shall be limited to the value difference (if any) between the deposit actually paid (less any deposit received back) and the value of any **Work** carried out by the **Builder** including the value of any plans, permits and consents obtained.
4. In the event the **Builder** commences but does not complete the **Works** or the **Sub-Works** (as applicable) the **Underwriters'** liability under this section shall be limited to the cost of completing the **Works** or the **Sub-Works** (as applicable), after payment of the **Contract Price** by the **Building Owner**.
5. **Our** liability under this section is limited to a maximum of 20% of the **Contract Price** or \$500,000 whichever is the lesser.

1.2 Cover During Defects Insurance Period

We will indemnify **You** against **Damage** arising due to a **Defect** to the **Works**, discovered during the **Defects Insurance Period** due to the **Builder's** failure to:

- (a) supply materials that are in good order, suitable and fit for purpose for which they will be used, and new, unless stated otherwise in the **Building Contract**;
- (b) carry out the **Works** or the **Sub-Works** (as applicable) in a proper and competent manner and with reasonable care and skill, in accordance with the plans and specifications forming part of the **Building Contract** and the relevant **Building Consent**;
- (c) carry out the **Works** or the **Sub-Works** (as applicable) it has contracted to build in accordance with and in compliance with all relevant laws, and legal requirements including, inter alia the Building Act 2004 and the Consumer Guarantees Act 1993 and their regulations.

Special Conditions Applicable to Section 1.2

1. **We** will not be liable unless:
 - (i) the **Builder** has failed to rectify the **Damage** within a reasonable time frame, and/or
 - (ii) the **Builder** has withheld consent to resolve the dispute by using a disputes resolution service or other legally binding process, or
 - (iii) the **Builder** fails to comply with the decision of the disputes resolution service or other legally binding process.
2. **We** have the option of either paying the cost to repair, replace or rectify the **Damage** or arranging to have the **Damage** repaired, replaced or rectified.
3. A **Code Compliance Certificate** has been issued for the **Works** where required by the relevant building consent authority pursuant to the Building Act 2004 or any subsequent act in substitution thereof.

Additional Extensions

We will pay, in addition to the indemnity provided under this policy, but within the **Contract Price**:

4.1 Additional Costs

Such additional costs and expenses that are necessarily incurred solely in order to comply with Building Regulations or Local Authority or other Statutory Provisions, provided that **We** shall not be liable for costs that would have been incurred irrespective of the **Defect**.

4.2 Alternative Accommodation Costs

All reasonable additional costs and expenses for a period not exceeding 26 weeks in respect of removal, storage and alternative accommodation whilst the **Residential Dwelling** is uninhabitable as a consequence of a claim under Section 1.2.

4.3 Fees

Such Architects, Surveyors, Legal, Consulting Engineers' and other fees as are necessarily and reasonably incurred, by **You** in relation to the complete or partial rebuilding or rectifying the **Damage** but shall not include costs or fees incurred by **You** in preparing a claim.

4.4 Removal of Debris

Costs and expenses reasonably incurred by **You** with **Our** written consent for:

- (a) removal of debris
 - (b) dismantling or demolishing
 - (c) shoring up
 - (d) temporary protection
- of the **Residential Dwelling**.

SECTION 4 – WHAT IS NOT COVERED

We will not provide any cover for, or pay any claim resulting from:

Alterations

Any **Damage** due to, or arising from, any alteration, modification or addition, other than as part of the **Works** unless **We** have been informed, this policy has been endorsed and any applicable additional premium has been paid to **Us**.

Associated Works

Any **Defect** to landscaping, fencing, driveways or paths, patios or similar land improvements, main supply services or drains supplied by a public utility, septic tank systems or farms or solar or wind electrical generating systems.

Building Owner Delay

Any additional **Damage** caused by a delay on **Your** part in notifying both **Us** and **Your Builder** of a fact or circumstance giving rise to a possible claim under this policy.

Building Code

Any **Defect** arising from any **Works** or part thereof, which do not require a **Building Consent**, and which have not been constructed in accordance with the **Building Code** or any other legal requirements applicable at the time of construction.

Contractual Disputes

Any contractual dispute between the **Builder** and the **Building Owner**, other than those involving the **Builder's** obligations insured under this policy.

Damage Outside of The Works

Damage due to, or arising out of, any **Defect** in the design, workmanship, materials or components of the **Residential Dwelling** which do not form part of the **Works**.

Fines and Penalties

Fines, penalties, or liquidated damages.

Guide to Acceptable Tolerances

Any **Defect** that falls within the **Guide to Acceptable Tolerances**.

Hydrostatic Pressure

Damage to swimming or spa pools or saunas caused by hydrostatic pressure.

Indirect or Consequential Losses

Losses which do not result directly from a **Defect** unless expressly stated in this policy. For example, **We** will not be liable for costs arising from inconvenience or distress; loss of enjoyment; consequential losses of any kind; loss of use; loss of income or business opportunity; legal costs or expenses arising either directly or indirectly as a result of the events or circumstances that led to the **Defect**.

Insolvency or Fraud

Any financial loss which results from the voluntary or involuntary **Insolvency** of the **Builder** or any financial loss which results from any fraudulent act(s) of the **Builder**.

Neglect, Deterioration or Wear & Tear

Loss, **Damage**, or deterioration due to:

- **Your** neglect or failure to carry out normal or specific maintenance.
- Wear and tear, normal deterioration caused by aging process or otherwise, normal dampness, condensation or shrinking, change in colour, texture, opacity, staining or cosmetic blemishes to any element of the **Residential Dwelling**.
- The inability to match materials, colours or finishes in remedial works or between remedial works and existing works when remediation is being, or has been undertaken, including remediation undertaken as a result of a claim under this policy.

Non-Agreed Remedial Work

Any work to correct a **Defect** which is undertaken without **Our** consent, other than such work as is necessary to prevent further **Damage** as prescribed in Section 5 – Claims Obligations of this policy.

Non-Approved Builders

Any **Defect** due to, or arising out of **Works** that are undertaken or completed by a **Builder** who is not an **Approved Builder**, or as otherwise agreed by in writing by the **Underwriters**.

Personal Injury

Any costs, losses, expenses or damages for death, bodily injury, disease, illness or injury to mental health.

Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons

- (a) Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
- (b) The radioactive, toxic, explosive or other contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
- (c) Any weapon or device employing atomic or nuclear fission and/or fission or other like reaction or radioactive or matter.
- (d) The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.
- (e) Any chemical, biological, biochemical or electromagnetic weapon.

Significant Variations

Variations to the **Building Contract** totalling more than 10% (ten per cent) of the **Contract Price**, or otherwise expressly agreed to by the **Coverholder**.

Sonic Bangs

Pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

Spec and Builders' Own Homes

Any claim arising during any period where the **Building Owner** is also the **Builder** or any entity related to or controlled by the **Builder**.

Provided that:

1. In the case of an entity related or controlled by the **Builder** this exclusion shall only apply to the **Builder's** interest in the entity which is related to him or which he controls.
2. This exclusion shall not apply to cover provided under clause 1.2(a) relating to the **Builder's** failure to supply materials that are in good order, suitable and fit for the purpose for which they will be used.
3. The policy coverage automatically commences/recommences when the ownership of the property transfers to an unrelated party.

Special Perils

Fire, lightning, explosion, typhoon, hurricane, cyclone, volcanic eruption, earthquake, storm, tempest, flood, subterranean fire or other convulsion of nature, aircraft or other aerial devices or articles therefrom, escapes of water from tanks, apparatus or pipes, malicious persons, burglary, theft, attempted theft, impact or accidental cause.

Subsidence or Settlement

Subsidence, settlement, heave or landslip unless such loss or **Damage** is as a result of a **Defect** in the design, workmanship, materials or components of the **Works**.

Tiling

Damage to the tiling of swimming or spa pools or saunas unless in association with an independent **Defect**.

Toxic Mould

Any Pathogenic Organisms regardless of any other cause or event concurrently or in any sequence to that liability. Pathogenic Organisms mean any bacteria, yeasts, mildew, viruses, fungi, mould or their spores.

Vermin

The actions of rodents, vermin or insect infestation.

War Risks

War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction or **Damage** by any government or public or local authority.

Wilful Acts

Any **Damage** caused by the criminal act of either **Yourself** or any other party acting on **Your** behalf.

SECTION 5 – MAKING A CLAIM

Making a claim

You should contact Archer Group Limited as **Coverholder**, whose details are in Section 1, in the first instance, if **You** wish to make a claim under this policy.

Your claims obligations

1. **You** must notify both the **Builder** and the **Coverholder** in writing upon becoming aware of any circumstance that may give rise to a claim under this policy.

We will not be liable for any loss or Damage where You don't notify the Coverholder within 30 days of becoming aware of a circumstance that might give rise to a claim. In any case We will not be liable for any Damage where You don't notify the Coverholder within (6) six months of the expiry of the Defects Insurance Period.

2. In the event **You** lodge a claim under this policy **You** must:
 - 2.1 Comply with all of **Our** or the Claims Administrator's reasonable directions, and take reasonable precautions to avoid or minimise the claim.
 - 2.2 Not undertake any remedial or rectification works without **Our** or the Claims Administrator's written consent, unless such works are necessary to avoid or minimise the claim.
 - 2.3 Provide **Us** or the Claims Administrator's reasonable access to the **Building Site** to inspect and/or rectify the **Damage** or complete the **Works**.

Fraudulent Claims or Misleading Information

We take a robust approach to fraud prevention in order to keep premium rates down so that **You** do not have to pay for other people's dishonesty. If any claim made by **You** or anyone acting on **Your** behalf under this insurance is fraudulent, deliberately exaggerated or intended to mislead, **We** may:

- not pay **Your** claim; and
- recover (from **You**) any payments **We** have already made in respect of that claim; and
- terminate **Your** insurance from the time of the fraudulent act; and
- inform the police of the fraudulent act.

If **Your** insurance is terminated from the time of the fraudulent act, **We** will not pay any claim for any incident which happens after that time and may not return any of the insurance premium(s) already paid.

Recoveries From Third Parties

If **We** pay a claim under this policy **We** may wish to recover from a person or organisation some or all of the amounts **We** have paid **You**. By entering into this contract of insurance, **You** agree that **We** can, therefore, take over **Your** legal rights and remedies against anyone who is responsible for the event(s) which lead to **Your** claim, but only in relation to, and to the extent of, any payment made under this policy. If **We** choose to do this, **We** will be responsible for all costs incurred in pursuing a recovery of costs **We** have paid.

You must fully co-operate with **Us** and give **Us** any assistance **We** need to help **Us** to recover some or all of the amounts **We** have paid under this policy. This includes, but is not limited to, to the extent necessary, transferring to **Us** **Your** rights to take action but only in relation to, and up to, the amount paid by **Us** under this policy.

Underwriters' Rights

In the event of any occurrence which might give rise to a claim under this policy, **We** and **Our** agents shall be entitled to enter the **Building Site** in order to carry out remediation **Works**. If such permission is unreasonably withheld **You** will be liable for any additional costs caused by the delay in carrying out such **Works**.

SECTION 6 – HOW TO MAKE A COMPLAINT

If **You** have any questions or concerns about **Your** policy or the handling of any claim **You** should, in the first instance, contact Archer Group Limited
Level 7, Call Plus Business Centre
110 Symonds Street
Grafton
Auckland 1010
New Zealand

In the event that **You** remain dissatisfied and wish to make a complaint, **You** can do so at any time by referring the matter to either:

Scott Galloway
Lloyd's Underwriters' General Representative in New Zealand
PO Box 5639
Wellington 6145
Email: scott.galloway@hazelton.co.nz
Tel: 04 472 7582

or

Policyholder & Market Assistance Lloyd's
1 Lime Street London EC3M 7HA
United Kingdom
Email: complaints@lloyds.com
Tel: +44 (0)20 7327 5693
Fax: +44 (0)20 7327 5225

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint – How We Can Help" available at www.lloyds.com/complaints and are also available from the above address.

SECTION 7 – LEGAL, REGULATORY & OTHER INFORMATION

Arbitration

If any difference as to the amount to be paid under this policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions in force. Both parties agree to abide by the decision outcome of the arbitration process.

Fair Insurance Code

As Lloyd's is a member of the Insurance Council of New Zealand, **We** are committed to complying with the Council's Fair Insurance Code. This includes requirements for **Us** to:

- provide insurance contracts setting out in plain English what is insured, what is not insured, and what **Your** obligations are;
- settle all valid claims fairly and promptly;
- where a claim is declined, clearly explain the reason(s) for this;
- fully investigate complaints, advise **You** of the outcome, and when necessary, tell **You** about the Insurance and Savings Ombudsman Scheme.

Please contact the **Coverholder** if **You** would like a brochure detailing the Fair Insurance Code or the Insurance and Savings Ombudsman Scheme.



Lloyd's is a member of the Insurance Council of NZ and its New Zealand coverholders adhere to the Fair Insurance Code, which provides you with assurance that we have high standards of service to our customers.

Fraudulent Claim Clause

If **You** make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this contract shall become void and all claim hereunder shall be forfeited.

Law and Jurisdiction

This policy shall be governed by the laws of New Zealand and subject to the exclusive jurisdiction of the courts of New Zealand.

Lloyd's Privacy Policy Statement

Underwriters at Lloyd's, London

The certain Underwriters at Lloyd's, London, want **You** to know how **We** protect the confidentiality of **Your** non-public personal information. **We** want **You** to know how and why **We** use and disclose the information that **We** have about **You**. The following describes **Our** policies and practices for securing the privacy of **Our** current and former customers.

Information **We** Collect

The non-public personal information that **We** collect about **You** includes, but is not limited to:

- Information contained in applications or other forms that **You** submit to **Us**, such as name, address, and social security number
- Information about **Your** transactions with **Our** affiliates or other third-parties, such as balances and payment history
- Information **We** receive from a consumer-reporting agency, such as credit-worthiness or credit history

Information **We** Disclose

We disclose the information that **We** have when it is necessary to provide **Our** products and services. **We** may also disclose information when the law requires or permits **Us** to do so.

Confidentiality and Security

Only **Our** employees and others who need the information to service **Your** account have access to **Your** personal information. **We** have measures in place to secure **Our** paper files and computer systems.

Right To Access or Correct **Your** Personal Information

You have a right to request access to or correction of **Your** personal information that is in **Our** possession.

Contacting Us

If **You** have any questions about this privacy notice or would like to learn more about how **We** protect **Your** privacy, please contact the agent or broker who handled this insurance. **We** can provide a more detailed statement of **Our** privacy practices upon request.

Privacy Act and the Insurance Claims Register (ICR)

The ICR is a database of insurance claims to which participant insurers have access. The purpose of the ICR is to prevent insurance fraud. The ICR is operated by Insurance Claims Register Limited (ICR Ltd), PO Box 474, Wellington.

This policy document is issued to **You** on the condition that **You** authorise **Us** to place details of any claims made against this policy on the database of ICR Ltd, where they will be retained and be available for other insurance companies to inspect. **You** also authorise **Us** to obtain from ICR Ltd personal information about **You** that is (in **Our** view) relevant to this policy or any claim made against it. **You** have certain rights of access to and correction of this information, subject to the provisions of the Privacy Act 1993.

Sanctions

We shall not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

Service of Suit

Lloyd's General Representative in New Zealand is Mr Scott Galloway and is authorised to accept service of suit and to be sued on behalf of Lloyd's underwriters in their capacity as authorised insurers in New Zealand.

Mr Scott Galloway
Lloyd's General Representative in New Zealand c/o Hazelton Law
Level 29 Plimmer Towers
2-6 Gilmer Terrace
Wellington
New Zealand
Tel: +64 4 472 7582
Fax: +64 4 472 7571
Email: scott.galloway@hazelton.co.nz

Several Liability

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

The Insurer

This insurance is underwritten by Lloyd's Syndicate 4444 which is managed by Canopus Managing Agents Limited. Registered Office: Canopus Managing Agents Limited, Gallery 9, One Lime Street, London, EC3M 7HA. Registered in England no. 01514453.

Regulatory Details

Canopus Managing Agents Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom. Firm Reference: 204847.

Archer Group Limited is authorised and regulated by the Financial Markets Authority under Financial Service Provider no. FSP418106 in New Zealand.

SECTION 8 – DEFINITIONS

Approved Builder

A **Builder** who is a Business Member of New Zealand Certified Builders Association (NZCB).

Builder

The entity named in the **Policy Schedule** to this policy document in its capacity as either head contractor or sub-contractor to the head contractor.

Building Code

The New Zealand Building Code as set out in the Building Act 2004 including subsequent amendments and any respective Building Regulations.

Building Consent

The building consent issued by the relevant authority under the Building Act 2004 for the **Works**.

Building Contract

The contract entered into between **You** and the **Builder** for the carrying out of the **Works**.

Building Owner

The person for whom, or entity for which, the **Works** are being carried out under the **Building Contract**, and named as the policyholder in the **Policy Schedule** to this policy document, and any subsequent owner of the property whose name is registered on the certificate of title to the property on which the **Works** are carried out.

Building Site

The land where the **Works** will be undertaken.

Completion Date

The completion date shown in the **Policy Schedule** to this policy document.

Contract Price

The amount shown in the **Policy Schedule**, excluding any fees outside the **Building Contract**.

Code Compliance Certificate

The certificate issued by the local authority on the completion of the **Works**.

Coverholder

Archer Group Limited
Level 7 Call Plus Business Centre
110 Symonds Street
Grafton
Auckland 1010
Tel: +64 9 307 3346
Fax: +64 9 302 1422
Email: info@archergroup.co.nz

Damage

The cost of:

- (a) remedying the **Defect** and;
- (b) remedying any damage to the **Works** or the **Sub-Works** (as applicable) or any other structure on the **Building Site** resulting from the **Defect**.

Defect

Building **Work** that has either failed or is not in compliance with the New Zealand Building Code and the New Zealand Standards applicable at the time of issuance of the **Code Compliance Certificate** whereby the item is not fit for its intended use and does not fall within the tolerances as set out in the **Guide to Acceptable Tolerances** applicable at the **Possession Date**.

Defects Insurance Period

The period commencing from the **Possession Date** of the **Works** and ceasing on the 10th anniversary thereafter.

Excess

The part of each and every claim that **You** are responsible for.

Guide to Acceptable Tolerances

Is the "Guide to tolerances, materials and workmanship in new residential construction", issued by the Ministry of Business Innovation & Employment or any guide in substitution thereof that maybe issued from time to time, which is used to determine whether a particular issue is deemed to be a **Defect** and sets out a reasonable position on tolerances that a building professional would consider in determining whether a building element has been installed and/or constructed to an acceptable standard.

Insolvency

Means where the **Builder** becomes bankrupt, or is put into receivership, liquidation or administration, or enters into a scheme of arrangement or a New Zealand High Court sanctioned compromise of the **Builder's** creditors.

Policy Schedule

The document that names **You** as the policyholder. It also specifies the **Works** insured and confirms the start date of **Your** insurance.

Possession Date

The date the **Builder** gives possession of the **Works** to **You** or the **Practical Completion Date**, whichever is the earlier.

Practical Completion Date

Means the effective date of the certificate of practical completion, pursuant to the **Building Contract**.

Residential Dwelling

1. A building or part of a building that is used or intended to be used mainly for residential purposes but excludes any building or part of a building in excess of (3) three stories, excluding any basement, unless agreed otherwise, in writing by the **Coverholder**.
2. A swimming pool, spa pool or sauna.

Sub-Work(s)

The part of the **Works** that the **Builder** has worked on in its capacity as sub-contractor to **You**.

We, Us, Our

Lloyd's Syndicate 4444 which is managed by Canopus Managing Agents Limited.

Work(s)

The **Residential Dwelling** work and any work involving retaining structures whether associated with the **Residential Dwelling** work or otherwise, required pursuant to the **Building Contract**.

You, Your, Yourself

The person for whom, or entity for which, the **Works** are being carried out under the **Building Contract**, and named as the policyholder in the **Policy Schedule** to this policy document and any subsequent owner of the property whose name is registered on the Certificate of Title to the property on which the **Works** insured herein are situated.