

Lumley

General



Home Warranty Insurance Policy

**Domestic Building Work
performed by an Owner Builder**

Victoria

Underwritten by
Wesfarmers General Insurance Limited, trading as Lumley General

ABN 24 000 036 279

Level 9, 309 Kent Street Sydney New South Wales 2000

Tel: (02) 9248 1111

SECTION 1 - INTRODUCTION

This Home Warranty Insurance policy is underwritten by Wesfarmers General Insurance Limited ABN 24 000 036 279, trading as Lumley General, and consists of this policy wording and a Certificate of Insurance. They are important documents and provide proof of contract between You and Us. Please keep them in a safe place.

This policy is issued in compliance with the Order and if any term of the policy conflicts or is inconsistent with the Order then the policy must be read and be enforceable as if it complies with the Order.

Please read the policy and Certificate of Insurance carefully and together to ensure that You fully understand them and that they provide You with the protection that You need.

The policy is for the period of insurance and will not be renewed and is not of a type that is renewable nor cancellable.

If it is not completely in accordance with Your intentions or You are in doubt as to the meaning or effect of the wording, please contact Your Broker, legal representative or Us immediately for clarification.

Some of the words in the policy have specific meanings. You should refer to Section 3 for the definitions of those words.

SECTION 2 – IMPORTANT NOTICES

2.1 Your Duty of Disclosure

We rely on the truth of what the Owner Builder tells Us on your behalf in providing You with this cover and separately what You tell Us when and if You make a Claim. We must not avoid this policy or refuse to make or reduce payment under this policy solely on the grounds that the Owner Builder:

- (i) breached any duty of utmost good faith; or
- (ii) failed to comply with any duty of disclosure; or
- (iii) made misrepresentations to Us; or
- (iv) failed to comply with a provision or a requirement of the policy; or
- (v) by act or omission of any description, prejudiced Our interests, or
- (vi) failed to pay the premium or any instalment of the premium.

In the event of that We make a payment under this policy in the circumstances to which this clause applies, We are entitled to seek recovery of such payment, including any fees and charges incurred, from the Owner Builder.

2.2 Regulatory Notification

We will notify the Building Practitioners Board:

- (a) if We refuse to provide cover for Domestic Building Work at the Building Site;
- (b) if the Owner Builder is not eligible to renew or purchase insurance cover;
- (c) if in respect of Domestic Building Work performed prior to the commencement of the Order, the Owner Builder fails to purchase or maintain required insurance cover; and
- (d) if any Claim made under the policy is settled or paid.

2.3 Certificates of Insurance

When We issue this policy, We must provide You with a Certificate of Insurance stating the policy has been issued in compliance with the Order. At the request of either You or the Owner Builder, We will also provide a copy of the policy, the Certificate of Insurance and any associated document to the policy.

2.4 Privacy

We are committed to ensuring the confidentiality and security of personal information. We may disclose personal information to:

- a State or Federal Authority, an assessor or investigator (for the purpose of assessing or investigating Your Claims);
- a lawyer or recovery agent (for the purpose of defending an action bought by You, the Owner Builder and/or by a third party against You and/or Us or for the purpose of recovering Our costs);
- another insurer or a reinsurer (for the purpose of seeking recovery from them or to assist them to assess insurance risks);

- an insurance reference bureau (for the purpose of recording any Claims You make upon Us); and
- other service providers (only for a purpose in connection with this insurance).

Personal information may also be obtained about You or Your Employees from the above people or organizations. We will give You and Your Employees the opportunity to correct this personal information, or obtain access to it.

We will provide Our dispute resolution procedures to You in respect of any complaint You may have regarding Your personal information. You may request access to information held by Us about You, by contacting Us. Our Privacy statement is available on Our Website www.lumley.com.au

2.5 Our Code Of Practice

We subscribe to the General Insurance Code of Practice that sets the standards of practice and service for the insurance industry. It is Our aim to provide a quality service to You, Our customer. However We recognize that occasionally there may be some aspect of Our service or a decision We have made that You wish to query or draw to Our attention.

If after talking to Us, You wish to take the matter further, please ask for the matter to be referred to Our Internal Dispute Resolution Committee. We have a complaints and dispute resolution procedure that undertakes to provide an answer to Your matter within 15 working days provided We have all the information We need. We also undertake to inform You of Your alternatives should You still not be happy with Our answer.

You also have the right to appeal Our decision in relation to a Claim to the Tribunal. Please refer to Section 7.3.

2.6 Severability Clause

Some provisions and terms of this policy have been inserted in the policy due to the requirements of the DBC Act, the Act and the Order. Should it be found by the Tribunal or any court that any provision or term of this policy, is invalid or not in accordance with the DBC Act, the Act or the Order or that the

Order is invalid then the provision or term of the policy shall be deemed to be severed from this policy and not binding upon the Insurer or the Insured. The remainder of the policy shall remain in full force and effect.

2.7 Limitation or Exclusion of Rights Against Third Parties

You must not limit or exclude your rights against a party from whom you might otherwise be able to recover in respect of loss or damage. If you do, Our liability to You is reduced to the extent that We can no longer recover from that other party as a result of the limitation or exclusion by You.

SECTION 3 - DEFINITIONS

For the purposes of this policy, the following words have special meanings. Where also appearing in the Order made under the Act, they are consistent with the Order. If there is any discrepancy, the definition contained in the Order will apply. The defined words are shown in the policy with the first letter capitalised. Words in the singular includes the plural and vice versa. The defined word includes derivatives of the word.

Act means:
The *Building Act 1993* (Vic).

Building Practitioners Board means:
The Building Practitioners Board established under the Act.

Building Site means:
The place where the Domestic Building Work is being, has been or is about to be carried out.

Certificate of Insurance means:
The certificate We issue to You evidencing that cover for the Domestic Building Work has been issued by Us.

Claim means:
For the purposes of the policy, written notice made by You on Our Claim form of any Defect, breach of an Implied Warranty or failure by the Owner Builder to comply with the requirements of the Insurable Contract of Sale.

Common Property means:
Property in a strata, cluster or other subdivision that vests in You and other owners as tenants in common in shares proportional to Your lot entitlement as defined in the *Subdivision Act 1988* (Vic) and the *Transfer of Land Act 1958* (Vic).

Completion Date means:

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- (a) the date of issue of the occupancy permit for the Home (whether or not subsequently cancelled or varied); or
- (b) if an occupancy permit is not issued, the date of issue under Part 4 of the Act of the certificate of final inspection of the Domestic Building Work for the Construction of the Home; or
- (c) if neither an occupancy permit or certificate of final inspection is issued or required to be issued, the date of Practical Completion of the Domestic Building Work.

Condition Report means:

A report required by section 137B(2)(a) of the Act

Construct means:

In relation to a Home;

- (a) to build, rebuild, erect or re-erect the Home; or
- (b) making alterations to the Home; or
- (c) to enlarge or extend the Home; or
- (d) to cause any other person to do anything referred to in (a), (b) or (c) in relation to the Home; or
- (e) to manage or arrange the doing of anything referred to in (a), (b) or (c) in relation to the Home.

DBC Act means:

The *Domestic Building Contracts Act 1995* (Vic).

Dead means:

For the purposes of this policy Dead includes, in the case of an Owner Builder who is not a company or a body corporate, the death of the Owner Builder or all of the partners in the Owner Builder.

Defect means:

In relation to Domestic Building Work:

- (a) a breach of any Implied Warranty as defined and listed in Section 8 of the DBC Act; or
- (b) a failure to maintain a standard or quality of Domestic Building Work specified in the relevant Insurable Contract of Sale.

Developer means:

Any person for whom 3 or more Homes are being or proposed to be Constructed:

- (a) on any one Building Site; or
- (b) on more than one Building Site under one Domestic Building Contract, other than a Home that is or is to be the Owner Builder's principal place of residence.

Disappears means:

Not being able to be found after due search and enquiry.

Domestic Building Contract means:

The same as it does in the DBC Act.

Domestic Building Work means:

Any building work referred to in Section 5 of the DBC Act that is not excluded from the operation of that Act by Section 6 of the DBC Act.

Home means:

Any residential premises and includes any part of an industrial or commercial premises that is used as a residential premises but does not include:

- (a) caravan within the meaning of the *Residential Tenancies Act 1997* (Vic) or any vehicle used as a residence; or
- (b) any residence that is not intended for permanent habitation; or
- (c) or rooming house within the meaning of the *Residential Tenancies Act 1997* (Vic); or;
- (d) a motel, residential club residential hotel or residential part of licensed premises under the *Liquor Control Reform Act 1998* (Vic); or
- (e) a nursing home, hospital or accommodation associated with a hospital; or
- (f) any residence that regulations under the DBC Act state is not a Home for the purposes of the definition of "Home" in that Act.

Implied Warranty means the same as it does in Section 137C of the Act.

Insolvent means:

- (a) In the case of a natural person, insolvent under administration as defined in the *Corporations Act 2001* (Cth); or
- (b) In the case of a body corporate, subject to external administration as defined in the *Corporations Act 2001* (Cth).

Insurable Contract of Sale means:

A contract for the sale of a Home to which:

- (a) Section 137B of the Act applies; and
- (b) Domestic Building Work was carried out by, arranged or managed by or on behalf of the Owner Builder before the sale; and
- (c) the value of the Domestic Building Work exceeds \$12,000 at the time the work was carried out.

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Multi-Storey Residential Building means:

A building that:

- (a) has a rise in Storeys of more than 3; and
- (b) that contains 2 or more separate dwellings.

Non-Structural Defect means:

In relation to a building, a Defect in Domestic Building Work other than a Structural Defect.

Order means:

The Domestic Building Insurance Ministerial Order made under the Act and published in the Government Gazette No. S98 May 2003.

Owner Builder in relation to a Home means:

- (a) a person to whom Section 137B of the Act applies;
- (b) a mortgagee in possession of the Home from the person identified at subclause (a); or
- (c) the executor or administrator of the estate of that person.

It does not mean:

- (i) a registered builder or registered architect;
- (ii) the Construction of a Home under a Domestic Building Contract;

or include:

- (iii) a building that is exempt under the DBC Act;
- (iv) a building to which Part 2 of the *House Guarantee Contract Act 1987* applies.

Practical Completion Date means:

In relation to Domestic Building Work, the date when the Domestic Building Work is completed except for any omissions or Defects that do not prevent the Domestic Building Work from being reasonably capable of being used for its intended purpose.

Prescribed Building Practitioner means-

- (a) an architect registered under the Architects Act 1991; or
- (b) a building surveyor, building inspector or an engineer registered under Part 11 of the Act; or
- (c) a person recognised by the Minister under section 28 of the *House Contracts Guarantee Act 1987* by order in force immediately before the commencement of section 166 of the DBC Act.

Reasonable Legal Costs and Expenses means:

- (a) Costs incurred after the later of;

- (i) the date on which you lodged the Claim with Us together with all reasonable information and evidence (as determined by Us) in support of that Claim; and

- (ii) the expiration of 90 days following the date you lodged the Claim, and

- (b) costs calculated on a party/party basis in accordance with the appropriate scale having regard to the quantum of Your loss and damage covered by the policy.

Storey means:

The same as it does in the *Building Regulations 1994* (Vic), but does not include a space within a building if the space contains only accommodation intended only for vehicles.

Structural Defect means:

In relation to a Home, any Defect in a Structural Element of the Home that is attributable to Defective design, Defective or faulty workmanship or Defective materials (or any combination of these) and that:

- (a) results in, or is likely to result in, the Home or any part of the building, being required by law to be closed or prohibited from being used; or

- (b) prevents or is likely to prevent, the continued practical use of the Home or any part of the Home; or

- (c) results in or is likely to result in:

- (i) the destruction of the Home or any part of the Home; or

- (ii) physical damage to the Home or any part of the Home; or

- (d) results in or is likely to result in, a threat of imminent collapse that may reasonably be considered to cause destruction of or physical damage to the Home or any part of the Home.

Structural Element means:

In relation to a building,

- (a) any internal or external load-bearing component of the Home that is essential to the stability of the Home or any part of the Home including (but not limited to), foundations, floors, walls, roofs, columns and beams; or

- (b) Any component, including weatherproofing, that forms part of the external walls or roof of the Home.

Trade Practices Provision means:

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Sections 52, 53, 55A, or 74 *Trade Practices Act 1974* (Vic) or Sections 9, 11 and 12 of the *Fair Trading Act 1999* (Vic).

Tribunal means:

The Victorian Civil and Administrative Tribunal established by the *Victorian Civil and Administrative Tribunal Act 1998* (Vic).

We, Our, Us means:

Wesfarmers General Insurance Limited ABN 24 000 036 279, trading as Lumley General.

You, Your means:

- (a) the person who is the purchaser of the land on which the Construction was carried out, managed or arranged;
- (b) each person who becomes entitled to the benefit of any Implied Warranty;
- (c) any person who is a successor in title to the purchaser; and
- (d) the body corporate for land or building if the Domestic Building Work is carried out, managed or arranged on that land.

but does not mean:

- (i) the Owner Builder;
- (ii) the purchaser if the purchaser is a related body corporate (as defined in the *Corporations Act 2001*) of the Owner Builder; nor
- (iii) the purchaser, if neither the purchaser nor the Owner Builder is a public company but each has a common director or a common shareholder.

SECTION 4 - THE COVER

4.1 Our Agreement

We agree to indemnify You in the event that the Owner Builder is Dead, Disappears or becomes Insolvent during the period of insurance, subject to the terms, conditions and exclusions of this policy, in respect of:

- (a) Loss or damage arising from a breach of an Implied Warranty, implied into the Insurable Contract of Sale by Section 137C of the Act; or
- (b) The costs of alternative accommodation and removal and storage costs that are reasonably and necessarily incurred subsequent to and as a result of a breach of an Implied Warranty implied into the

Insurable Contract of Sale by section 137C of the Act;

4.2 Limit of Indemnity

- (a) We will not be liable to pay You any more than \$200,000 in the aggregate for any and all Claims made under the policy in respect of any one Home, which amount includes your Reasonable Legal Costs and Expenses associated with a successful claim against Us.
- (b) In relation to the cover provided by Section 4.1(b), We will only pay for alternative accommodation and storage costs incurred for a period not exceeding 60 days from the date of the loss or damage provided:
 - (i) those costs are incurred only by the registered proprietor of the Home; and
 - (ii) the registered proprietor is a natural person or if the Home is tenanted, the tenant is a natural person.
- (c) If Domestic Building Work is carried out on land in a plan of subdivision containing common property and if We pay a Claim in relation to the common property, then the amount of cover in respect of any one Home on land in the plan of subdivision is to be reduced by an amount calculated by dividing the amount paid under the Claim by the number of Homes on land in the plan of subdivision.

4.3 Period of Insurance

Cover is provided by the policy for:

- (a) Non-Structural Defects in respect of loss or damage, subject to the terms, conditions and exclusions of this policy, occurring during the period, starting on the date of the Insurable Contract of Sale and ending 2 years after the Completion Date of the Domestic Building Work; or
- (b) Structural Defects in respect of loss or damage, subject to the terms, conditions and exclusions of this policy, occurring during the period starting on the date of the Insurable Contract of Sale and ending 6 years after the Completion Date of the Domestic Building Work.

SECTION 5 - WHAT IS NOT COVERED

We will not pay for any loss or damage, whether direct or indirect, or Your legal liability in respect of:

- (a) (i) any Domestic Building Work performed to the remainder of the Home or Building Site other than that noted in the policy;
- (ii) any works carried out, managed or arranged or not carried out, managed or arranged by any predecessors to You, by You or by subsequent owners, to You; or
- (iii) any Domestic Building Works which are the subject of any other insurance, guarantee or indemnity issued under the Act, the *House Contracts Guarantee Act 1987* (Vic) or similar legislation;
- (b) any Defect or incomplete Domestic Building Work that is referred to in the Insurable Contract of Sale or the Condition Report by a Prescribed Building Practitioner.
- (c) Any Implied Warranty that all materials used in the Domestic Building Work were new if:
 - (i) the Condition Report referred to in clause 5(b) states that those materials were or are not new;
 - (ii) the Insurable Contract of Sale states or implies that the materials used were not new; or
 - (iii) it was or is apparent from the nature of the Domestic Building Work that the materials were not new.
- (d) Non-completion of the Domestic Building Work or Domestic Building Work which is incomplete.
- (e) Domestic Building Works:
 - (i) not the subject of the Insurable Contract of Sale and not noted in the Certificate of Insurance;
 - (ii) carried out, managed or arranged after the earlier of the date of the Insurable Contract of Sale or the Condition Report referred to in clause 5(b).
- (f) Fair wear and tear of Domestic Building Work including but not limited to normal shrinkage of materials or foundations, heave or any movement of earth, rust, corrosion,

gradual deterioration, depreciation and/or normal drying out of materials.

- (g) Your failure to maintain the Domestic Building Work or maintain the appropriate protection against pest infestation or exposure of natural timbers.
- (h) Defects relating to landscaping, paving, retaining structures, driveways or fencing works unless those works:
 - (i) are integral to the Construction of the Home, or
 - (ii) require the issue of a building permit under the Act, or
 - (iii) could result in water penetration of or within the Home, or
 - (iv) could adversely affect health or safety, or
 - (v) adversely affect a Structural Element of the Home, or
- (i) Defects which were evident or were reasonably evident or would have been evident during a reasonable inspection at or prior to the time of purchase of the Home by You or if You or a previous owner of the Home has already been compensated for that loss or damage.
- (j) Any act committed or condoned by You relating to the Domestic Building Works or Claim is dishonest, fraudulent, criminal or malicious.
- (k) Penalties, fines, liquidated damages or any other sums that relate to the delay on the part of the Owner Builder. This exclusion will not limit any increase in rectification costs caused by the effluxion of time.
- (l) Any exemplary or punitive damages awarded by the Tribunal or a Court against either the Owner Builder or You.
- (m) Consequential loss, not otherwise covered under this policy.
- (n) Bodily injury, death or illness.
- (o) Work or materials made outside the reasonable lifetime of the work or materials or the manufacturer's warranty period for the materials.
- (p) Failure or malfunction in any mechanical or electrical equipment or appliance if the

malfunction is not attributable to the workmanship of or installation by the Owner Builder.

(q) Liability imposed upon the Owner Builder if that liability would not have been imposed upon the Owner Builder in the absence of an Insurable Contract of Sale.

(r) (i) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, civil unrest, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power;

(ii) Any act of terrorism. For the purpose of this clause an act of terrorism means an act, including but not limited to the use of force or violence and/or threat thereof, of any person or groups of persons, whether acting alone or on behalf of or in connection with any organisations or governments, committed for political, religious, ideological, ethnic or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

This clause also excludes loss, damage, liability, death, injury, illness, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (i) or (ii) above.

(s) The use, existence or escape of nuclear weapons material, or ionising radiation from, or contamination by radioactivity from, any nuclear fuel or any nuclear waste from the combustion of nuclear fuel, including any self sustaining process of nuclear fission or fusion.

(t) Risks that are normally insured under a policy for public liability or contract works.

(u) An injury arising, directly or indirectly, out of inhalation or, or fears of the consequences of exposure to, or inhalation of, asbestos, asbestos fibres or derivatives of asbestos.

(v) The cost of cleaning up, or removal of, or damage to, or loss of use of, property arising out of any asbestos, asbestos fibres or any derivatives of asbestos.

(w) Domestic Building Work related to the Construction of a Multi-Storey Residential Building.

(x) (i) You if You are the Owner Builder or Developer; or

(ii) You if You are a related body corporate, as defined in the *Corporations Act 2001*, of the Owner Builder; or

(iii) You and the Owner Builder if You have a common director or shareholder although both You and the Owner Builder are not public companies.

(y) Act of God or nature.

SECTION 6 – CLAIMS SETTLEMENT

We will, at Our discretion, either make good, direct the Owner Builder to make good, or pay the amount assessed by Us as the loss or damage suffered by You subject to the following limitations:

(a) For any loss or damage You have suffered with regard to an event referred to in Sections 4 of this policy, You must pay:

(i) the first \$1,000 of each Claim made 5 years or more after the Completion Date; or

(ii) the first \$750 of each Claim made between 3 and 5 years after the Completion Date; or

(iii) the first \$500 of each Claim made between 1 and 3 years after the Completion Date; or

(iv) a Claim of \$500 or less for each Claim made between 3 and 12 months after the Completion Date.

A Claim of \$500 or more may relate to more than one Defect if the amount Claimed for any one or more defects is less than \$500.

(b) Despite Section 6(a), You do not have to pay the first part of any Claim for loss or damage that arises between the date of the Insurable Contract of Sale and the end of 3 months after the Completion Date if the Insurable Contract of Sale is entered into before the end of 3 months after the Completion Date.

(c) In the event the Domestic Building Work is carried out, managed or arranged on land in a plan of subdivision containing Common Property in any description or form, any Claim paid by Us relating to the Common Property shall be divided by a number equal

to the number of all Homes on the land and the relevant amount referred to in Section 6(b) shall be deducted from that amount for each Home.

SECTION 7 - HOW TO MAKE A CLAIM

7.1 Your Obligations

- (a) You must notify Us of any fact or circumstance that may give rise to a Claim as soon as You become aware of the fact or circumstance.
- (b) You must take all reasonable precautions to avoid or minimise loss or damage that is covered by this policy.
- (c) In order for Your Claim to have been deemed to have been validly made, You are obliged to notify Us in writing on Our Claim form as soon as You become aware of loss or damage that is insured by this policy but in any event, not later than 180 days after the date that You first became aware of or ought reasonably have been aware of the Death, Disappearance or Insolvency of the Owner Builder.

If You do not notify Us in writing on Our Claim form as required by this clause We may either refuse or limit payment of Your Claim.

- (d) Despite the requirements of clauses 7.1(b) and (c) of this policy, We acknowledge that Section 54 of the Insurance Contracts Act 1984 (We may not refuse to pay Claims in certain circumstances) applies to this policy.

However if We have been advised in writing within 180 days after You first became aware, or might reasonably expected to have become aware, of the Death, Disappearance or Insolvency of the Owner Builder, then We will not rely on Section 54 of the Insurance Contracts Act 1984 to reduce Our liability under this policy or to reduce any amount otherwise payable in respect of a Claim made only by reason of any delay in the Claim being notified to Us.

- (e) If You make a Claim under this policy:

- (i) You must comply with any reasonable directions that We give You in relation to the completion or rectification of the Domestic Building Work or settlement or resolution of Your Claim;
- (ii) You must not undertake or cause to be undertaken, any rectification works without notifying Us unless those works are reasonably necessary to prevent or minimise further loss or damage;
- (iii) You must provide Us or any Owner Builder or other person We nominate, with reasonable access to the Building Site for the purposes relating to the Claim. However You have the right on reasonable grounds, that includes loss of confidence in the Owner Builder, to refuse to provide this access.

We will not reduce Our liability to You by reason of a failure on Your part to comply with these conditions unless and only to the extent that We can prove that the failure increased Our liability under this policy.

- (f) In the event that You bring any action against the Owner Builder, You are required to notify Us within 30 days of lodging that proceeding in the Tribunal or Court, and to provide to Us all details of the action You have made against the Owner Builder in those proceedings.
- (g) In the event that the Owner Builder brings proceedings against You, You are required to notify Us within 30 days of receipt by You of advice of those proceedings from the Tribunal or Court and to provide to Us all details of the action made against You by the Owner Builder.
- (h) The period for making a Claim under the policy ceases simultaneously with the end of the Period of Insurance and We will not accept any Claim made after the expiry of the policy.
- (i) If at the time that You make a Claim, there are any monies as assessed by Us as owing by You under the relevant

Insurable Contract of Sale, those monies must firstly be applied:

- (i) toward rectification costs of any Defective and/or incomplete Domestic Building Work, and then
- (ii) toward the costs of any other loss or damage incurred of a nature which is referred to in Section 4.
- (j) You agree not to undertake or cause to be undertaken any rectification works or completion works without notifying Us or Our agent, unless such works are reasonably necessary to prevent or minimise any further loss or damage.
- (k) In the event You make a Claim under the policy, You are obliged to advise Us of all matters that may impact Our decision with regard to that Claim or to the cover provided by the policy. If You fail to advise us of a fact that does alter the cover provided or that would alter the decision We make in respect of any Claim, We may either refuse to pay that Claim or We may seek to recover part or all of the monies already paid to You.

7.2 Our Obligations

- (a) If We have not provided You with a written determination of a Claim that has been submitted to Us within 90 days from the receipt of that Claim, and We have not obtained an extension of time from You or the Tribunal, We will accept liability for that Claim, however only in line with the terms, conditions and exclusions provided by the policy.
- (b) If We are given notice of a Defect, such notice is deemed to include every other Defect that is directly or indirectly related to it, whether or not the Claim in respect of such Defect was actually notified to Us or settled.

7.3 Dispute Resolution

- (a) In the event that We make a decision on a Claim and you disagree with any part of that decision, please ask to speak to the manager in the first instance. Should this not resolve Your dispute, We also have an internal dispute resolution panel that is

available to You. You also have a right of appeal to the Tribunal. If you wish to appeal Our decision to the Tribunal You must lodge and file that application with the Tribunal no later than 28 days after receipt by You of our letter of decision for Your Claim.

- (b) Where We have notice of the relevant proceedings We will accept the decision of the Tribunal as to whether any of the events referred to in Clause 4.1 have occurred and if so, as the amount of loss or damage suffered by the purchaser as the case may be as a result thereof, however We maintain our rights to appeal any decision of the Tribunal to a Court of competent jurisdiction.

7.4 Subrogation

We are entitled to be subrogated to your rights against other persons or entities to the extent of any amount paid by Us to You and You agree to co-operate with Us in any proceedings at law which we may take under that right of subrogation.