

Our Insuring Promise to You

In consideration of payment of the premium, We agree to pay all costs actually, reasonably and necessarily incurred by You to repair Structural Defects in the Home, of which You become aware, or should reasonably have become aware, during the 10 years commencing on the date when the Code Compliance Certificate is issued, subject to the terms, Conditions, Exceptions, Definitions and Limits of Cover in this Policy.

Definitions

In this Policy:

"Code Compliance Certificate" means the code compliance certificate in the Schedule issued by a building consent authority under the Building Act 2004 s.95 or any subsequent equivalent or replacement statutory provision.

"Home" means the home specified in the Schedule.

"Limits of Cover" means the amounts specified in the Schedule. This is the most We will pay under this Policy in respect of any claim and all claims.

"Policy" means this wording, the Schedule and Your proposal which is incorporated into and forms the basis of this insurance.

"Structural Defects" means any defect in a Structural Element that is attributable to defective design and/or defective workmanship and/or defective materials and that:

- (a) results in, or is likely to result in, the building or part of the building being:
 - (i) required by or under any law to be closed or prohibited from being used; or
 - (ii) destroyed or physically damaged; or

- (b) prevents, or is likely to prevent, the continued practical use of the building as a home.

"Structural Element" means:

- (a) any internal or external load-bearing component of the Home that is essential to the stability of the building or any part of it, including 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.

"Schedule" means the schedule to this Policy.

"We", "Us", "Our" means the Insurers.

"You", "Your" means the home owner specified in the Schedule and any other subsequent owner to whom this home owner has transferred this Policy.

Exceptions to Our Insuring Promise to You

For the avoidance of doubt, this Policy does not cover or apply to:

1. normal wear and tear;
2. anything covered under a normal domestic insurance policy, such as but not limited to fire, flood, impact damage, earthquake etc;
3. normal settling and cracking which occurs after a house has been built;
4. deterioration in paint or coatings;
5. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;

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- 6. asbestos in whatever form or quantity;
- 7. any Structural Defect to the Home which did not exist on the date that this Policy commenced.
- (c) provide Us with all documents and information that We may reasonably require;
- (d) co-operate with Us, and provide Us with all reasonable and necessary assistance, to enable Us to recover from any other person any costs insured under this Policy.

Conditions Precedent to Our Insuring Promise to You

- 1. You must:
 - (a) notify Us as soon as possible after You become aware of any damage or defects which might be or indicate the presence of Structural Defects, and promptly take all reasonable steps to minimise or prevent any or further physical damage;
 - (b) co-operate with Us so that, as soon as possible, We can assess the Structural Defects, the application of this Policy, and the scope and costs of the necessary repairs; and so that We can ensure that covered repairs are commenced and completed as soon as possible;
- 2. You must not:
 - (a) commence repairs without Our prior written consent;
 - (b) waive, compromise or prejudice any rights that You may have against any other person in respect of the costs insured under this Policy - including but not limited to any builder, architect, engineer, materials supplier or local authority.



Home Structural Defects Warranty insurance is provided to You by:

Vero Liability Insurance Limited
Private Bag 92055
Auckland, New Zealand
www.veroliability.co.nz

Vero Liability Insurance Limited has been given an A+ Insurer Financial Strength Rating by Standard and Poor's.

The rating scale is:

AAA	Extremely Strong	BBB	Good	CCC	Very Weak	D	Default
AA	Very Strong	BB	Marginal	CC	Extremely Weak	R	Regulatory Supervision
A	Strong	B	Weak	SD	Selective Default	NR	Not Rated

Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

The rating scale above is in summary form. The full version of this rating scale can be obtained from www.veroliability.co.nz