

Lumley

General



Home Indemnity Insurance Policy

**Residential Building Work
performed by a Registered Builder**

Western Australia

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, trading as Lumley General ABN 24 000 036 279, 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 Act and the Regulations and if any term of the policy conflicts or is inconsistent with the Act and the Regulations then the policy must be read and be enforceable as if it complies with the Act and the Regulations.

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 is it cancellable except in those circumstances detailed in Section 4.4

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 Builder tells Us in providing You with this cover and separately what You tell Us when and if You make a Claim. We will not avoid Your Claim or refuse to make or limit payment under Your Claim solely on the grounds that the Builder:

- (i) failed to comply with any duty of disclosure;
- (ii) made misrepresentations to Us;

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

2.2 Certificates of Insurance

When We issue this policy, We will provide You with a Certificate of Insurance stating the policy has been issued in compliance with the Act and the Regulations. At Your or the Builders request, We will also provide a copy of the policy, the Certificate of Insurance and any associated document to the policy.

2.3 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 by a third party, the builder or You against You 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.

2.4 Goods and Service Tax (GST)

If this policy is subject to payment of Goods and Services Tax in relation to the premium then You will pay that tax.

2.5 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 the 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 7.2.

2.6 Severability Clause

Some provisions and terms of this policy have been inserted in the policy due to the requirements of the Act and the Regulations. Should it be found by a Tribunal or any court that any provision or term of this policy, is invalid or not in accordance with the Act and the Regulations or that the Act and the Regulations are 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 Act and the Regulations made under the Act, they are consistent with the Act and the Regulations. If there is any discrepancy, the definition contained in the Act 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 *Home Building Contracts Act 1991 (WA)*.

Associated Work means:

The same as it does in the Act, namely:

- (a) site works; and
- (b) swimming pools and spas; and
- (c) pergolas, carports, garages and sheds; and
- (d) fences, retaining walls, paving, driveways and landscaping; and
- (e) other like works as those detailed in (a) to (d) inclusive.

BR Act means:

The *Builders' Registration Act 1939 (WA)*.

Builder means:

A person who or a partnership which carries out or intends to carry out or manages, arranges or intends to manage or arrange Residential Building Work for others or a person who is registered under the BR Act.

Builders' Registration Board means:

The Builders' Registration Board constituted under the BR Act.

Building Licence means:

A Building Licence issued under section 374 of the *Local Government (Miscellaneous Provisions) Act 1960 (WA)*.

Building Owner means:

The person for whom the Residential Building Work has been or is being carried out, managed or arranged.

Building Site means:

The place where Residential 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 Residential Building Work has been issued by Us.

Claim means:

For the purposes of this policy, written notice made by You on Our Claim form of any alleged Defect or alleged failure by the Builder to comply with the requirements of the Residential Building Work Contract.

Commencement Day means:

The earlier of:

- (a) the date the relevant Residential Building Work Contract was entered into; or
- (b) the date of issue of the Building Licence for the relevant Residential Building Work.

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 *Strata Titles Act 1985 (WA)*.

Completion Date means:

The date of Practical Completion of the Residential Building Work.

Construct means:

In relation to a Dwelling the Performance of any Residential Building Work commencing from the preparation of the Building Site to the completion of the Dwelling (including Associated Work) and includes;

- (a) painting where that is part of the Residential Building Work required by the Residential Building Work Contract; and
- (b) the provision of lighting, heating, water supply, drainage, sewage, gas and other like services.

Cost Plus Contract means:

A contract under which a Builder is entitled to recover an amount excluding prime cost items and provisional sums that is not determined at the time when the contract is entered into, being an amount that includes the actual cost to be incurred in —

- (a) acquiring materials; and
- (b) performing work,
- (c) specified in the contract, together with an additional amount that comprises either;
 - (i) a sum calculated as a percentage of that cost; or

- (ii) a specified sum,
- (iii) or both.

Dead means:

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

Defects means:

In relation to Residential Building Work:

- (a) unsatisfactory Residential Building Work as determined pursuant to an order made by the Disputes Tribunal under section 12A of the BR Act; or
- (b) a failure to maintain a standard or quality of Residential Building Work specified in the relevant Residential Building Work Contract.

Developer means:

Any person for whom 4 or more Dwellings are being or proposed to be Constructed under one Residential Building Work Contract,

Disappears means:

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

Disputes Tribunal means:

The Building Disputes Tribunal established under section 26 of the BR Act.

Dwelling means:

The same as it does in the Act, namely building occupied or intended for occupation solely or mainly as a place of residence.

Home Building Work means:

The whole or part of the work of;

- (a) constructing or re-constructing a dwelling including an existing dwelling and/or strata-titled dwelling;
- (b) placing a dwelling on land;
- (c) altering, improving or repairing a dwelling, including a strata-titled dwelling; or
- (d) constructing or carrying out any associated work in connection with —
 - (i) any work referred to in paragraph (a) or (b); or
 - (ii) an existing dwelling, including a strata-titled dwelling;

Insolvent means:

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- (a) in relation to a natural person, Insolvent under administration as that expression is defined in the *Corporations Act 2001* (Cth); or
- (b) in relation to a body corporate, subject to external administration under the *Corporations Act 2001* (Cth);

Practical Completion Date means:

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

Reasonable Legal Costs and Expenses means:

- (a) Costs incurred after the later of:
 - (i) the date 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.

Regulations means:

The *Home Building Contracts Regulations 1992* (WA).

Residential Building Work means:

Home Building Work that is:

- (a) Home Building Work described in paragraph (a), (b) or (c) of the definition of that term in this policy; or
- (b) Home Building Work described in paragraph (d) of the definition of that term in this policy, when —
 - (i) it is to be performed under a Residential Building Work Contract which also includes the performance of Home Building Work described in paragraph (a), (b) or (c) of that definition in this policy; or
 - (ii) it is associated work of a prescribed kind;

But does not include Home Building Work where the cost of the building work is less than \$20,000 or such other sum as prescribed by the Act and Regulations.

Residential Building Work Contract means:

A contract, other than a Cost Plus Contract, between a Builder and another person for the Performance by the Builder of Residential Building Work but does not include a contract for the Performance by a Builder of Residential Building Work for another Builder who is in turn obliged to Perform Residential Building Work under another contract.

Variation means:

A document altering the price or scope of Residential Building Work signed by and agreed between the Building Owner and the Builder under an Residential Building Work Contract, however for the purposes of this policy, only a written Variation signed by both the Building Owner and the Builder shall be deemed to be a Variation.

We, Our, Us means:

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

You, Your means:

- (a) the Building Owner; or
- (b) any person insured under the policy; or
- (c) any person who becomes entitled to enforce or recover under, a remedy under section 12A of the BR Act; or
- (d) any person who is the owner for the time being of the land on which the Residential Building Work is or was being carried out, managed or arranged;

but does not mean:

- (i) the Builder;
- (ii) the Building Owner if the Building Owner is a related body corporate (as defined in the *Corporations Act 2001* (Cth)) of the Builder; nor
- (iii) the Building Owner, if neither the Builder nor the Building Owner 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 cover You if the Builder is Dead, Disappears or becomes Insolvent during the period of insurance, subject to the terms, conditions and exclusions of this policy:

- (a) If You are not a Developer, for loss other than indirect, incidental or

consequential loss resulting from the non-completion by the Builder of Residential Building Work referred to in the Residential Building Work Contract by reason of the Insolvency, Death or Disappearance of the Builder; or

- (b) if You are not a Developer, for the loss of a deposit (or part of a deposit) under the Insurable Residential Building Work Contract by reason of the Insolvency, Death or Disappearance of the Builder; or
- (c) For loss resulting from the loss of entitlement to enforce or recover under a remedy under section 12A of the BR Act by reason of the Insolvency, Disappearance or Death of the Builder.

4.2 Limit of Indemnity

- (a) We will not be liable to pay You any more than the lesser value of:
 - (i) \$100,000 or such other sum as prescribed by the Act; or
 - (ii) the cost of the Residential Building Works Performed by the Builder as set out in the Residential Building Works Contract at the time the Residential Building Works were Performed,

which amount is the total sum in the aggregate for any and all Claims made under the policy in respect of any one Dwelling, and which amount covers Reasonable Legal Costs and Expenses.

- (b) Where the Residential Building Work relates to the placing of a dwelling on land, the cost of Residential Building Work for the purpose of subparagraph (a)(ii) above is only the cost of:
 - (i) placing the dwelling on the land including siting, stumping and any work in connection with that placement; and
 - (ii) any building work to the dwelling after placement.
- (c) Where the Residential Building Work relates to the placement of a transportable dwelling on the land for

the first time after its construction, the cost of the Residential Building Work for the purposes of subparagraph (a)(ii) above is the cost of:

- (i) the dwelling;
 - (ii) placing the dwelling on the land including siting, stumping and any other work in connection with that placement; and
 - (iii) any building work to the dwelling after placement.
- (d) If Your Claim relates to the indemnity provided by clause 4.1(b) We will not be liable to pay You more than \$20,000 or such other sum as prescribed by the Act.

4.3 Period of Insurance

Cover is provided by the policy, subject to the terms, conditions and exclusions of this policy in respect of claims made by You for loss or damage during the period starting on the Commencement Day and ending 6 years after the earlier of:

- (a) the Completion Date of the Residential Building Work, or
- (b) the date of termination of the Residential Building Work Contract.

4.4 Cover Cancellation

The policy when issued cannot normally be cancelled, however in the event that:

- (a) it can be proven that no Residential Building Works have been performed by the Builder under the Residential Building Work Contract; and
- (b) the Residential Building Work Contract has been terminated, abandoned or ended by mutual agreement; and
- (c) no Residential Building Works will be performed by the Builder under the Residential Building Work Contract, and
- (d) We receive written confirmation from both You and the Builder requesting that the policy be cancelled and no reliance will be placed on it by either You or the Builder in the future,

the policy may be cancelled. In the event all of the requirements of 4.5(a) to (d) inclusive are not satisfactorily completed, the policy

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will not be cancelled even if We do not have any known liability under the policy.

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 Residential Building Work Performed to the remainder of the Dwelling or Building Site other than that noted in the policy, or
 - (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, or
 - (iii) any Residential Building Work which are the subject of any other insurance, guarantee or indemnity issued under the Act; or
 - (iv) Residential Building Work which was not required to be carried out, managed or arranged under the relevant Residential Building Work Contract.
- (b) Non-completion of Residential Building Work where the Builder's Death, Insolvency or Disappearance occurred before the Builder commenced any Residential Building Work on the Building Site (other than the removal of vegetation) that required the use of any tools or building materials, however this exclusion or limitation is subject to Your right to recover:
 - (i) any money paid in relation to the relevant Residential Building Work Contract; and
 - (ii) all Reasonable Legal Costs and Expenses incurred by the Building Owner in relation to the relevant Residential Building Work Contract.
- (c) Money paid to the Builder that exceeds the amount that should have been paid to the Builder in accordance with the relevant Residential Building Work Contract.
- (d) Related to non-completion of the Residential Building Work or loss of deposit (or part of deposit) where You are a Developer.
- (e) Normal wear and tear of Residential 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.
- (f) Your failure to maintain the Residential Building Work or maintain the appropriate protection against pest infestation or exposure of natural timbers.
- (g) Defects relating to landscaping, paving, retaining structures, driveways or fencing works unless those works:
 - (i) are Associated Works that form part of the Residential Building Work Contract, or
 - (ii) require the issue of a Building Licence under the Act, or
 - (iii) could result in water penetration of or within a Dwelling, or
 - (iv) could adversely affect health or safety, or
 - (v) adversely affect the structural element of a Dwelling, or
 - (vi) are not completed and the Builder is Dead, has become Insolvent or Disappeared.
- (h) 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 Dwelling by You or if You or a previous Building Owner of the Dwelling has already been compensated for that loss or damage.
 - (i) Any act committed or condoned by You relating to the Claim or the Residential Building Works which is dishonest, fraudulent, criminal or malicious.
 - (j) Penalties, fines, liquidated damages or any other sums imposed against the Builder that relate to the delay on the part of the Builder. This exclusion will not limit any increase in rectification costs caused by the effluxion of time.
 - (k) Any exemplary or punitive damages awarded by the Disputes Tribunal or a Court against either the Builder or You.
 - (l) Consequential loss, not otherwise covered under this policy.
 - (m) Bodily injury, death or illness.

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- (n) 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 Builder.
- (o) Work or materials made outside the reasonable lifetime of the work or materials or the manufacturer's warranty period for the materials.
- (p) Liability imposed upon the Builder if that liability would not have been imposed upon the Builder in the absence of a Residential Building Work Contract
- (q)
 - (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.

For the purposes of this clause, an act of terrorism is an act that, having regard to the nature of the act, and the context in which the act was done, it is reasonable to characterise as an act of terrorism.

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.
- (r) 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.
- (s) Risks that are normally insured under a policy for public liability or contract works.
- (t) 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.
- (u) 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.
- (v) Events that gave rise to a Claim that:
 - (i) occurred prior to the Commencement Day; or
 - (ii) which might give rise to a Claim and which were known to You prior to the Commencement Day.
- (w) Claims by:
 - (i) You, if you are the Builder;
 - (ii) You, if you are a related body corporate, as defined in the *Corporations Act 2001*, of the Builder, or
 - (iii) You and the Builder if You have a common director or shareholder although both You and the Builder are not public companies.
- (x) This policy provides no indemnity for the cost of alternative accommodation and or storage of any kind, whether bought about as a result of an event referred to in section 4 of the policy or not.
- (y) Claims made more than 6 years after the earlier of the Completion date of the Residential Building Work or the date of termination of the Residential Building Work Contract.

SECTION 6 – CLAIMS SETTLEMENT

We will, at Our discretion, either make good, direct the 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) If Your Claim relates to loss and damage suffered as a result of the non-completion of the Domestic Building Works, We may elect to settle Your Claim in full by way of a single payment.
- (b) For any loss or damage You have suffered with regard to an event referred to in Sections 4.1(a) to (c) inclusive of this policy,

You must pay the first \$500 or such other sum as prescribed by the Act of each Claim made

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

For the purpose of this clause, the date when a Claim is made is the earlier of the date the Claim is made or the date when You first notify Us, in writing, of a circumstance that may give rise to a Claim.

(c) Despite Section 6(b), You shall only be required to pay the first part of Your Claim once, where:

- (i) Your Claim comprises more than one Defect; or
- (ii) two or more Claims that relate to the same Defect.

(d) In the event the Residential Building Works 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 Dwellings on the land and the relevant amount referred to in Section 6(b) shall be deducted from that amount for each Home.

The cover so provided extends only to the registered proprietor of the Dwelling identified in the policy and that registered proprietor's lot entitlement within the land in the plan of subdivision. No cover is provided to the body corporate, strata scheme or Common Property manager.

(e) In the event of a Claim made on land in a plan of subdivision containing Common Property, the Strata Scheme, Body Corporate or other Common Property management body shall be entitled to make a Claim only in the capacity as Your agent and the other owners with regard to the Common Property.

(f) Where a successful Claim is made by You and We agree to make payment to an alternate Builder to remedy the loss or damage suffered by You, the amount identified in Section 6 (b) and payable by You, must firstly be paid by You to the alternate Builder before We will authorise the alternate Builder to commence those rectification works.

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, within a reasonable period of time after the date that You first became aware of or ought reasonably have been aware of the Claim or event that gave rise to the Claim.

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 a reasonable period of time after You first became aware, or might reasonably expected to have become aware, of the Claim or event that gave rise to the Claim, 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 Residential Building Works 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 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 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 Builder, You are required to notify Us within 30 days of lodging that proceeding in the Disputes Tribunal or Court, and to provide to Us all details of the Claim You have made against the Builder in those proceedings.
- (g) In the event that the 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 Disputes Tribunal or Court and to provide to Us all details of the Claim made against You by the 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 Residential Building Works Contract, those monies must firstly be applied:

- (i) toward rectification costs of any Defective and/or incomplete Residential Building Works, 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 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 a court of competent jurisdiction. If you wish to appeal Our decision You must lodge and file that application with a court of competent jurisdiction within a reasonable period of time 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 a court of competent jurisdiction when any of the events referred to in Clause 4.1 have occurred and if so, are liable for the amount of loss of damage suffered by

the Building Owner, or purchaser as the case may be as a result thereof. We maintain our rights to appeal any decision of a court.

7.3 Subrogation

In the event that We have the right to recover monies paid or payable under this policy from any other person or entity, You agree to subrogate Your rights to Us to the extent We make payment to You with respect to a Claim and agree to co-operate with Us in any proceedings at law which We may take under that right of Subrogation.