



Harry Lo &lt;harrykhlo@gmail.com&gt;

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**Application Accepted - 238598 (2 Rapere Street, Rolleston 7615)**

1 message

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**info@masterbuild.org.nz** <info@masterbuild.org.nz>

Wed, May 11, 2022 at 4:57 PM

To: Harry Kwok-hung Lo &amp; Sze Ping Jessica Lee &lt;harrykhlo@gmail.com&gt;

**Master Build Guarantee 238598 – Harry Kwok-hung Lo & Sze Ping Jessica Lee**

Dear Sir/Madam

We are pleased to advise that your Guarantee Application for the dwelling at 2 Rapere Street, Rolleston 7615 has been accepted.

Attached is the relevant documentation. Please ensure that the Notice of Practical Completion is submitted to MBS once the dwelling has reached Practical Completion.

Kind regards

Ivy Guo

**Guarantee Officer**

0800 269 119


**Registered Master Builders Association**

PO Box 1796, Wellington

[www.masterbuilder.org.nz](http://www.masterbuilder.org.nz)

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**5 attachments** **2019GteeBooklet.pdf**  
746K **Sub-trade\_List.pdf**  
426K **238598-Application Accepted - Owner-20220511-165753.pdf**  
235K **238598-NPC Form-20220511-165754.pdf**  
237K **238598-Guarantee Certificate - Before Completion-20220511-165755.pdf**  
103K

# Your **Master Build** 10-Year Guarantee

Protecting your biggest investment



# Contents

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## Disclosure information

There is debate and uncertainty as to if and when the Consumer Guarantees Act 1993 remedies apply to building work, and if and when the Fair Trading Act 1986 “extended warranty agreement” provisions apply to building guarantees. In any event, the Master Build 10-Year Guarantee does not impact on the types of remedies provided by that legislation. The purpose of the Master Build 10-Year Guarantee is that you have a third party, MBS, standing behind the builder’s obligations.

### Your rights as a consumer

The Consumer Guarantees Act 1993 guarantees you the following:

- Services are carried out with reasonable skill and care
- Services are fit for purpose
- Services are carried out in a reasonable time
- Services are charged for at a reasonable price
- Products are of acceptable quality
- Products are fit for the purpose represented
- Products match the description given
- Products arrive on time and in good condition.

### Your right to cancel

You may cancel your Master Build 10-Year Guarantee within 5 working days of receiving confirmation of Acceptance of the Guarantee, by giving notice to MBS. In the event of cancellation, the purchase price of the Guarantee will be refunded by MBS, and any cancellation refund made by MBS will be made to the person that made payment of the Guarantee purchase price to MBS. Notice of cancellation should set out your name, the address of the Property, the Guarantee Number and clearly state that you wish to thereby cancel the Guarantee. The notice of cancellation must be sent to:

- Master Build Services Limited, PO Box 1796, Wellington 6140; or
- [help@masterbuilder.org.nz](mailto:help@masterbuilder.org.nz)

Depending on the Contract Price in the Building Contract, the purchase price of the Guarantee varies from \$750 – \$5,000 and each Guarantee provides varying levels of cover over 10 years from Acceptance of the Guarantee.

All of the terms and conditions of the Master Build Guarantee and all rights and obligations of both you and MBS are set out in this Guarantee document.

# Your new build or renovation needs the protection of a Guarantee

Building a house or undertaking a major renovation is probably the biggest investment of your lifetime – the Master Build 10-Year Guarantee helps protect it.

Our Guarantee is the market leader and has been protecting homes for over 25 years. It has been developed in New Zealand for New Zealand homes, and is only available from a Registered Master Builder.

More than 140,000 New Zealanders have put their trust in the Master Build 10-Year Guarantee. Give yourself peace of mind.

Your builder will tell you about the Master Build 10-Year Guarantee so you can decide whether you would like to take advantage of the protection the Guarantee has to offer.

*"Once again, thank you for sorting all this out for us as it has been a very stressful process. We met today with our new builder to start the second part of the process so it is an amazing feeling to have things finally moving in the right direction."*  
– Brendon Bellamy

*"Many thanks for your speed and efficiency."*  
– Naven Pillay

*"Thank you so much for everything you have done for us so far. We appreciate beyond words how helpful and responsive you have been. Thank you so much for making this experience a good one for us!"*  
– Natalie McKee

# Cover to suit every type of build

**A Master Build 10-Year Guarantee protects you through the building process, and for the next 10 years. It provides much greater protection than both the Building Act and Consumer Guarantees Act.**

While the vast majority of building projects will run smoothly, sometimes things do go wrong. The Guarantee provides protection when these issues arise. It may also be that your builder is no longer working as a builder in 10 years' time. The Guarantee is there to protect your investment.

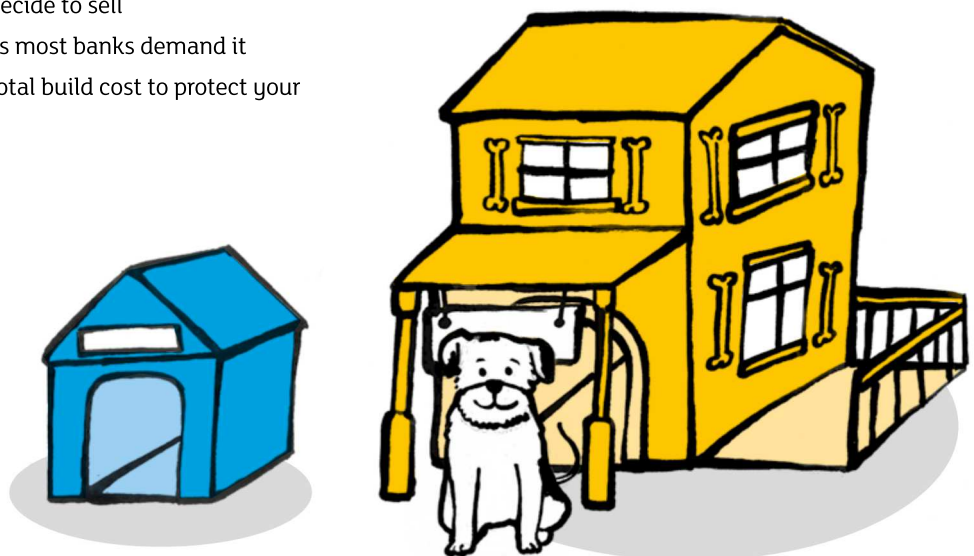
Regardless of what happens in the future, Registered Master Builders will be there to help you for the next 10 years – it's peace of mind, guaranteed.

If your building project is a multi-unit development, or a labour only build, we have Guarantees tailored specifically for your project. Check out the Multi-Unit and Labour Only Master Build 10-Year Guarantees. Make sure you apply for the correct type of Guarantee – you'll only have cover for a multi-unit development or a labour only build if you've applied for a guarantee that specifically covers that work.

## Benefits

The protection provided by our Guarantee not only gives you peace of mind – it also makes good financial sense:

- If something does go wrong with your build, your Guarantee kicks in and we will step in to help you get your home finished to the highest standard or pay you a cash settlement to enable you to do so
- It adds value to your property
- It's fully transferable if you decide to sell
- It helps finance your build, as most banks demand it
- It costs less than 1% of the total build cost to protect your biggest investment.



# How much cover do I need?

## Our Guarantee is flexible and can be tailored to your needs.

The tiered pricing structure means you get the right level of protection for your build based on the value of your Building Contract.

Plus, you have the option of opting out of cover for Loss of Deposit and Non-Completion.

**You and your builder need to ensure the completed documents are sent through to MBS, along with the applicable fees, in the required timeframes. If you haven't heard from us within 14 days please contact us on 0800 269 119.**

## What does it cost?

Generally, the cost of a Guarantee is less than 1% of the total build or renovation cost.

Value of Building Contract (inc. GST)	Full cover (inc. GST)	Opting out of Loss of Deposit and Non-Completion covers (inc. GST)
\$30,000 – \$200,000	\$750	\$600
\$200,001 – \$400,000	\$1,300	\$1,050
\$400,001 – \$600,000	\$1,550	\$1,250
\$600,001 – \$800,000	\$1,750	\$1,400
\$800,001 – \$1,000,000	\$1,950	\$1,550
\$1,000,001 – \$1,500,000	\$2,200	\$1,750
\$1,500,001 – \$2,000,000	\$2,750	\$2,200
\$2,000,001+	Call us	Call us

## Transferring the Guarantee

The cost of transferring the Guarantee when you sell your home is \$350.00 (including GST).

# The Guarantee at a glance

If you **don't want the** protection of the Master Build Guarantee – you must sign a waiver form

You can **opt out** of Loss of Deposit and Non-Completion cover – you must do so when you apply for your Guarantee

## Building stages

### Before building work begins



Send in your Guarantee Application and fee



Guarantee Acceptance: we let you know your Guarantee has been Accepted



Loss of Deposit

### While building work is under way



Non-Completion (includes remedial work)

### After building work is completed



Materials and Workmanship



Structural defects (including Rot and Fungal Decay)



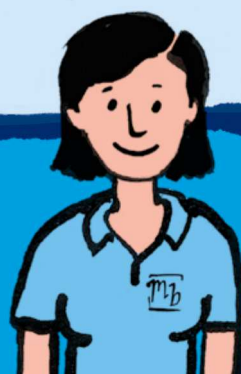
Temporary accommodation during remedial work






### Selling your property



The Guarantee may be transferred to a New Owner multiple times during the life of the Guarantee

Your builder sends the Guarantee documentation to us before work starts. The Guarantee is not valid until you and your builder have received confirmation from MBS. If you have not received confirmation within 14 days, please contact us immediately.



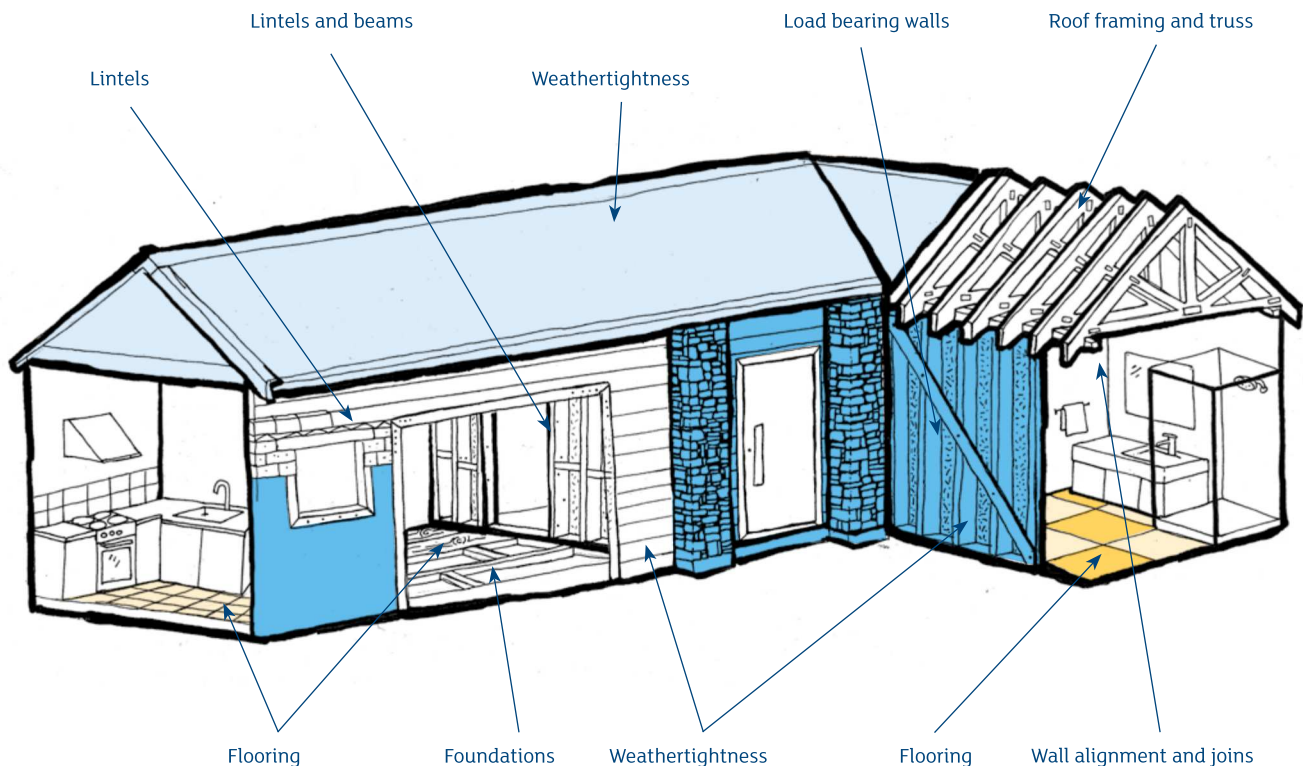
Cover timeframes	How much are you covered for?	How does the Guarantee compare with New Zealand legislation?
You must apply before building work starts		
Congratulations! You are now protected by the Master Build Guarantee		
You are covered until building work starts	<b>\$50,000</b> or <b>10%</b> of the value of the Building Contract – whichever is less	 No protection!
You are covered until building work is completed	<b>\$500,000</b> or <b>20%</b> of the value of the Building Contract – whichever is less	 No protection!
You are covered for 2 years after building work is completed	Total for all claims over the life of the Guarantee: <b>\$1,000,000</b> or <b>value of Building Contract</b> , whichever is less	 <b>Building Act:</b> 1 year implied warranty*  <b>Consumer Guarantees Act:</b> Possible limited cover*
You are covered for 10 years from Guarantee Acceptance	Total for all claims over the life of the Guarantee: <b>\$1,000,000</b> or <b>value of Building Contract</b> , whichever is less	 <b>Building Act:</b> 10 years from completion for specific items*  <b>Consumer Guarantees Act:</b> No protection!
You are only covered after all building work is completed	<b>Up to \$10,000</b>	No protection!
Transferring the Guarantee does not extend any of the timeframes above		

\*Remedies under the Building Act and Consumer Guarantees Act only apply if the building company is still around.



# A closer look at what's covered

After building work is completed, your home will continue to be protected by the Guarantee for 10 years after Acceptance of your Guarantee. Examples of the parts of your home that may be covered are illustrated in the diagram below.



**Note:** This is an illustration only. Cover will depend on the building elements involved in any claim and the Guarantee terms, including items not covered by the Guarantee (see page 16).



Find out more about:

- Materials and Workmanship cover on page 12
- Structural Defects cover on page 14
- Things that aren't covered on page 16

# Your obligations



There are certain timeframes you need to meet under the Terms and Conditions of your Guarantee. Failing to do so could mean that your claim may be declined or your Guarantee may be cancelled, so make sure you take careful note of these.

What has happened:	Tell us within:
You believe you have a claim under Loss of Deposit or Non-Completion	30 days of becoming aware of the problem
You believe you have a claim under Materials and Workmanship or Structural Defects	90 days of becoming aware of the problem
Your builder hasn't completed remedial work within the allocated timeframe	30 days of the date the work was meant to be completed
You wish to transfer the Guarantee to a New Owner	90 days of settlement of your Property
You disagree with our decision to decline your claim or part of your claim	21 days of being advised of our decision

Note that you always need to notify us directly – telling your builder, or an inspector that we have organised, does not count as notifying us.

## Other important timeframes

- You must lodge a claim **within 14 days** of notifying us of a problem
- Permanent Work needs to start **within 5 months** of Acceptance of your Guarantee
- You must make scheduled payments to your builder **within the agreed terms of your Building Contract**.

## Getting permission from us

You also need to be aware of some things that you need permission from us to do, or your claim may be declined or your Guarantee may be cancelled.

### You must not:

- make any further payments to your builder or other tradespeople once you have discovered a problem that you are going to make a claim about
- do any work to fix the problem yourself, or engage someone to do it
- cancel your Building Contract or agree to any new terms or variations.

# Need more detail?

You've come to the right place.  
In this section we'll take a closer look at:

- Definitions
- Cover before your building work is completed
- Cover after your building work is completed
  - Materials and Workmanship
  - Structural Defects
- What the Guarantee doesn't cover
- Making a claim before your building work is completed
- Making a claim after your building work is completed
- Transferring your Guarantee
- General conditions



# Definitions

## used in this document

### Definitions

**Acceptance** The decision by MBS to Accept an application for a Guarantee (see page 22).

**Application** A completed Guarantee Application Form contained in this Guarantee document, any required further documents and the Application fee (where applicable).

**Building Act** means the Building Act 2004 (and the regulations pursuant to this Act), and any subsequent amendments or re-enactments or equivalent replacement legislation. Likewise, terms used in this document that arise by reference to the Building Act and that are defined by the Building Act (including “code compliance certificate” and “building code”) shall be taken to include any equivalent certificate, form or process, or any equivalent rule or regulation, following such an amendment to or re-enactment or replacement of the Building Act.

**Building Contract** The written and signed contract between you and your builder. It includes the plans and specifications. The Building Contract must be one of the following:

- RBC1 or LOBC published by RMBA; or
- Standard Conditions of Contract (SCC) or Small Works Contract published by NZIA; or
- A recognised Building Contract approved by MBS for the purpose of the Guarantee.

**Contract Price** The price (including GST) stated in the Building Contract for the building work to be carried out by your builder.

The Registered Master Builder must give MBS a written estimate of the price of their labour. This estimate will be deemed to be the Contract Price for the purpose of the Guarantee save where it is established that the actual cost is or will be less than the estimate, in which case the actual cost will be the Contract Price.

**Defect** An inadequacy or failure as outlined in the cover for Materials and Workmanship (page 12) and the cover for Structural Defects (page 14).

**Guarantee** The Master Build 10-Year Guarantee provided on these Terms and Conditions.

**Labour Only Guarantee** The Master Build Labour Only 10-Year Guarantee. Labour only building work is where the builder is only engaged to provide labour for a particular piece of work and is not engaged to manage all the building work.

**Leaky Building** A building that has been identified as being or likely to be a building into which water has penetrated as a result of any aspect of the design, construction, or alteration of the building, or materials used in its construction or alteration.

**MBS** Master Build Services Limited.

**Multi-Unit Development** A development or building, or series of buildings, which includes six or more dwellings which are built by the Registered Master Builder, irrespective of whether they are built on separate titles, or as part of a staged development project, or concurrently or over separate time periods.

**Multi-Unit Guarantee** The Master Build Multi-Unit 10-Year Guarantee.

**New Owner** The person or people named as Transferee(s) in the Request for Transfer form or Request for Reinstatement. Where relevant, this may be the New Owner’s authorised agent.

**Permanent Work** Any completed building work that is fixed and/or permanent (see page 24).

**Practical Completion** When the building work is completed (see page 24).

**Practical Completion Date** The deemed Practical Completion Date (see page 24).

**Property** The land and any building on the land where the building work is being carried out, at the location named in the Application.

**Scope of Works** A definitive list detailing the building work to be carried out under the Building Contract.

**Storey** A level of a building that is constructed over more than one level (regardless of whether the levels are built directly above or below one another). This can include garages or basements in buildings of more than one level.

# Before

Cover before your building work  
is completed

## What you are covered for

Loss of Deposit cover protects you if your builder is unable to complete the building work and you lose your deposit.

Non-Completion cover protects you if your builder is unable to complete the building work and you have to pay more than the original contract price to get your building work completed. It can also cover you if remedial work is needed to the work done by your builder so far.

## What you are not covered for

If you have chosen to opt out of Loss of Deposit and Non-Completion covers, you are not covered by this part of the Guarantee.

Some things are not covered under the Guarantee – you can read a list of these on page 16.

## Period of cover

- Loss of Deposit cover begins on the date of Acceptance and ends when Permanent Work starts under your Building Contract.
- Non-Completion cover begins when Permanent Work starts and ends on the Practical Completion Date.

## How much you are covered for

Under your Guarantee you are covered for:

- up to \$50,000 or 10% of your Contract Price (whichever is less) for Loss of Deposit
- up to \$500,000 or 20% of your Contract Price (whichever is less) for Non-Completion.



Read the details of what the Guarantee doesn't cover on page 16.



Read about Acceptance of your Guarantee on page 22.



Read about Permanent Work and Practical Completion on page 24.



Maximum cover under Loss of Deposit is

**\$50,000.**



Maximum cover under Non-Completion is

**\$500,000.**

## Who to contact if you want to make a claim

Let us know straight away if you think you might be in a situation where you will lose your deposit, or your builder will not be able to complete your building work.

If you believe you have a claim under Loss of Deposit or Non-Completion cover, you must:

- notify us **no later than 30 days** after the date you became aware of the problem; and
- make a claim on the official claim form **no later than 14 days** after notifying us of the problem; and
- **get written approval** from us before you make **any further payment** to your builder or other tradespeople.

If you don't lodge a claim within 14 days of notifying us of the problem, we do not accept any liability and are not liable for any existing or future claim for the problem you notified us about.



You must tell us within 30 days of becoming aware of a problem.



You must make a claim under the Guarantee within 14 days of telling us about the problem.

## What happens next

We assess and calculate your claim (see page 18). If your claim is approved we will pay you either:

- before Permanent Work starts for Loss of Deposit; or
- after Permanent Work has started for Non-Completion.



Read how we calculate your claim on page 18.

# After

## Cover after your building work is completed – Materials and Workmanship

### What you are covered for

Materials and Workmanship cover protects you if there is a problem with the expected standard of the work carried out by your builder or with the materials used in the building work.

This includes where your builder has failed to:

- comply with your Building Contract and the building consent; or
- follow relevant building trade practices and standards that were in place when your building consent was issued; or
- comply with any relevant laws that apply to the building work; or
- comply with any relevant instructions or recommendations by the manufacturer or supplier of any materials used in the building work that were in place at the time the material was installed or used.

You are covered for the materials used in your building work if they have not performed according to recognised trade practice or performance expectations.

If the materials come with a manufacturer or supplier's warranty or guarantee, you need to claim under that warranty or guarantee first.

You are also covered for reasonable costs and expenses relating to removal, storage and alternative accommodation if your home is unable to be lived in as a result of the damage or Defect in your claim up to a maximum value of \$10,000.



Accommodation cover is for a maximum value of

**\$10,000.**

### What you are not covered for

Some things are not covered under the Guarantee – you can read a list of these on page 16.



Read the details of what the Guarantee doesn't cover on page 16.

### Period of cover

This cover is for Defects that have been identified after your building work is finished.

It begins on the Practical Completion Date and ends 2 years after that date.

Making a claim does not end the Guarantee.



Materials and Workmanship covers you for 2 years after your building work is completed.



Read about the Practical Completion Date on page 24.

## How much you are covered for

The maximum cover for **all** claims throughout the life of your Guarantee is the lesser of the value of your Building Contract or \$1,000,000.



Maximum total cover of

**\$1,000,000.**

## Who to contact if you need to make a claim

First, you need to contact your builder as soon you discover a Defect.

Unless your builder has completed **all work** to fix the Defect, you must:

- notify us **no later than 90 days** after the date you became aware of the Defect; and
- make a claim on the official claim form **no later than 14 days** after notifying us of the Defect.

If you don't lodge a claim within 14 days of notifying us of the Defect, we do not accept any liability and are not liable for any existing or future claim for the Defect you notified us about.



You must tell us within 90 days of becoming aware of a problem.



You must make a claim under the Guarantee within 14 days of telling us about the problem.

## What happens next

If your claim appears valid and remedial work is needed, we tell the builder to fix the Defect. We set them a timeframe to do this (sometimes we may agree to give them an extension to the timeframe).

If the builder doesn't fix the Defect within that timeframe (or any extension) you must contact us no more than 30 days after the date the work was due to be completed.

If the builder is unwilling or unable to fix the Defect, we may accept the claim and, in MBS's sole discretion, either help you fix the Defect or pay you a cash settlement for the reasonable value of the loss or damage you have incurred.



If your builder doesn't fix the Defect, you must let us know within 30 days of the deadline we gave them.



# After

## Cover after your building work is completed – Structural Defects

### What you are covered for

This cover protects you if an issue with the expected standard of the work carried out by your builder results in Structural Defects to your home, including a problem with the weathertightness of your home (Rot and Fungal Decay).

Structural Defects means damage to:

- the foundation systems and footings; or
- beams, girders, lintels and columns; or
- load-bearing walls and partitions; or
- roof framing and floor systems

in a way that makes your home unsafe, unsanitary or uninhabitable.

The repair of a Structural Defect means:

- repairing, replacing or removing the defective elements to fix the Structural Defect; and
- repairing, replacing or removing any other elements as necessary to ensure your home is safe, sanitary, weathertight and habitable.

To be covered for Rot and Fungal Decay, the design, materials and construction of your home need to achieve a score of 12 or less in the “Building envelope risk matrix” at the time the building consent was issued. The building envelope risk matrix is in the Ministry of Business, Innovation and Employment’s Acceptable Solution E2/AS1, which can be found on [www.building.govt.nz](http://www.building.govt.nz).

You are also covered for reasonable costs and expenses relating to removal, storage and alternative accommodation if your home is unable to be lived in as a result of the damage or Defect in your claim. This cover is for a maximum value of \$10,000.



Accommodation cover is for  
a maximum value of

**\$10,000.**

### What you are not covered for

Some things are not covered under the Guarantee – you can read a list of these on page 16.

Only materials and workmanship provided by the Registered Master Builder are covered under the Guarantee.



Read the details of what the  
Guarantee doesn’t cover on  
page 16.

## Period of cover

This cover is for Defects that have been identified after your building work is finished.

It starts on the date of Acceptance of your Guarantee and ends 10 years after that date. Making a claim does not end the Guarantee.



Structural Defects covers you for 10 years from the date we accepted your Guarantee Application.

## How much you are covered for

The maximum cover for **all** claims throughout the life of your Guarantee is the lesser of the value of your Building Contract or \$1,000,000.



Maximum total cover of  
**\$1,000,000.**

## Who to contact if you want to make a claim

First, you need to contact your builder as soon you discover a Defect.

Unless your builder has completed **all work** to fix the Defect, you must:

- notify us no later than **90 days** after you became aware or should have become aware of the Defect; and
- make a claim on the official claim form **no later than 14 days** after notifying us about the Defect.

If you don't lodge a claim within 14 days of notifying us of the Defect, we do not accept any liability and are not liable for any existing or future claim for the Defect you notified us about.



You must tell us within **90 days** of becoming aware of a problem.



You must make a claim under the Guarantee within **14 days** of telling us about the problem.

## What happens next

If your claim appears valid and remedial work is needed, we tell the builder to fix the Defect. We set them a timeframe to do this (sometimes we may agree to give them an extension to the timeframe).

If the builder doesn't fix the Defect within that timeframe (or any extension) you must contact us no more than 30 days after the date the work was due to be completed.

If the builder is unwilling or unable to fix the Defect, we may accept the claim and, in MBS's sole discretion, either help you fix the Defect or pay you a cash settlement for the reasonable value of the loss or damage you have incurred.



If your builder doesn't fix the Defect, you must let us know within **30 days** of the deadline we gave them.

# What the Guarantee doesn't cover

## Your Guarantee doesn't cover any of these items:

- **Any items on a multi-unit development or where the building work is completed on a labour only basis** (i.e. no cover under the Guarantee at all).
- **Any advance payment** you have made to your builder that is not a deposit or part of the Schedule of Staged Payments (see page 33), or that we have not given you approval for. This includes:
  - any payment where the value of the work that has been completed is less than the amount you have paid to your builder; or
  - any payment made before it is due; or
  - any cost or loss that happens because of the advance payment.
- **If you are both the owner and the builder** or an associate of the builder (associate has the meaning set out in section 7 of the Construction Contracts Act 2002) (i.e. no cover under the Guarantee at all).
- **Any issue or claim that is covered by insurance** (including contract works insurance, home and contents insurance and/or professional indemnity insurance).
- **Any consequential damage to your home**, including damage that has happened as a result of a Defect that is part of any claim under your Guarantee.
- **Any consequential loss**, including a loss that has happened because of a Defect that is part of any claim under your Guarantee. Examples of consequential loss include travel expenses and legal costs.
- **Any damage or Defect that you already knew about or should have known about** (including any Defect that could reasonably be expected to be discovered during an inspection before you take possession of, or move into your home).
- **Any damage or Defect that is caused by normal wear and tear** (including where the damage or deterioration could reasonably have been avoided by regular inspections and maintenance).
- **Any damage or Defect caused by use of materials outside the intended use or the manufacturer's guidelines** (such as exceeding the weight bearing capacity of walls or incorrect maintenance).
- **Any damage or Defect beyond the reasonable control of your builder** (such as subsidence, erosion or soil movement, condensation, shrinkage, contraction or expansion of any material, and act of God which may include earthquake, cyclone or volcano).
- **Anything that is not your builder's responsibility** (including work, services, materials or chattels that are not part of the Building Contract OR that you have arranged or paid for directly).
- **Any damage or Defect due to errors or omissions in the design work (including plans, specifications and drawings) or engineering work** where the design work or engineering work has been carried out by a third party.
- **Any damage or Defect where you have chosen to use paint colours** in a way that conflicts with the manufacturer's recommendations for the use of that paint.
- **Where you have chosen to use non-approved materials.** This includes:
  - materials that we believe don't comply with an appropriate Australian or New Zealand Standard
  - secondhand or recycled materials
  - earth or straw based products and materials
  - unpainted exterior cladding (except for brick veneer)
  - colours that have a non-approved light reflective value.
- **Unavoidable aesthetic variance** (such as it not being reasonably practicable to match materials).
- **Items that are not a part of or directly connected to your home** (such as swimming pools, driveways, paths, lawns, gardens or fences, external drainage and retaining walls that are not part of the building's foundation).
- **Buildings that have been moved** from their original, permanent Property.
- **Managed labour-only contracts** (where your builder is managing the building site but does not provide the materials or labour, or where the people carrying out the work are not your builder's sub-contractors or employees).
- **Agreed deviations** (where you and your builder have chosen not to follow the Building Contract, the building consent, or relevant building trade practices and standards during the building work).
- **Claims for Loss of Deposit or Non-Completion** if you have chosen to opt out of these covers in your Guarantee Application.

# Before

## Making a claim before your building work is completed

### What you need to do

If you believe you have a claim under Loss of Deposit or Non-Completion covers, you must:

- notify us **no later than 30 days** after you became aware of the problem; and
- make a claim on the official claim form **no later than 14 days** after notifying us of the problem; and
- **get written approval** from us before you make any further payment to your builder.

If you don't lodge a claim within 14 days of notifying us of the problem, we do not accept any liability and are not liable for any existing or future claim for the problem you notified us about.



You must tell us within 30 days of becoming aware of a problem.



You must make a claim under the Guarantee within 14 days of telling us about the problem



You must not cancel your Building Contract without our approval (see page 23).

### What happens next

If we accept your claim for Loss of Deposit or Non-Completion:

- we find you a replacement Registered Master Builder to finish the uncompleted work; and
- you enter into a new Building Contract with the replacement builder; and
- we pay you any money due to you under your claim (see 'How your claim is calculated' on page 18).

If we can't secure a replacement builder, we will pay you the money due to you under your claim (see 'How your claim is calculated' on page 18).

## How we calculate your claim

### Under Loss of Deposit cover the amount we pay you is the lesser of:

- a) the difference (if any) between the amount of the deposit you paid to your builder and the value of any products or services you have already received under the uncompleted Building Contract (this includes the value of any plans you have received and the cost of any building consent that has been obtained for your building work); **and**
- b) the difference (if any) between what is left to pay on your uncompleted Building Contract and the lowest price for completing the work under the new Building Contract. If more than one replacement Registered Master Builder has provided a price, the lowest price will be used.

#### Example:

The price in the Building Contract was \$368,514.00 and the owner paid a deposit of \$20,000.

The owner received a set of plans and drawings and a building consent with a total value of \$8,000.

We approved the claim and paid the owner \$12,000 – the difference between the deposit paid, and the value that they have received from the plans and drawings and the building consent.

### Under Non-Completion cover the amount we pay you is:

- a) the lowest price for completing the work under the new Building Contract (if more than one replacement Registered Master Builder has provided a price, the lowest price will be used), **minus**
- b) the value of the uncompleted work under the original Building Contract (including any valid Contract Variations). If the original Building Contract did not provide for staged payments, the value of the uncompleted work is calculated using the Schedule of Staged Payments (see page 33).

#### Example:

The building owner has so far paid \$147,520.42 on a Building Contract of \$1,068,841.87. There is therefore \$921,321.45 remaining to be paid.

Due to personal circumstances, the builder is now unable to complete the building work and we have found a replacement builder. The replacement builder has provided a price of \$1,033,000.00 to complete the building work.

The difference between the price provided by the replacement builder (\$1,033,000.00) and the amount remaining to be paid by the owner on the original contract (\$921,321.45) is \$111,678.85.

We approved the claim and made a payment to the owner of \$111,678.85.

# After

## Making a claim after your building work is completed

### What you need to do

As soon as you discover a Defect that may lead to a claim under the Guarantee, you must notify your builder in writing. You must then notify us about the Defect and let us know that you have contacted your builder.

Unless your builder has completed **all work** to fix the Defect, you must:

- notify us **no later than 90 days** after you became aware or should have become aware of the Defect; and
- make a claim on the official claim form **no later than 14 days** after notifying us about the Defect.

These timings apply regardless of any agreement you have come to with your builder about fixing the Defect.

If you don't make a claim within 14 days of telling us about the Defect, we do not accept any liability and are not liable for any existing or future claim for the Defect.



If you are planning to make a claim you must not:

- do any work to fix the Defect (see page 25)
- hire someone else to fix the Defect (see page 25)



You must tell us within 90 days of becoming aware of a Defect.



You must make a claim within 14 days of notifying us of the Defect.

### What happens next

First we investigate your claim. If your claim appears valid and remedial work is needed, we tell your builder to fix the Defect. We set them a timeframe to do this (sometimes we might agree to extend this timeframe).

If your builder agrees to fix the Defect, we'll let you know and give you a date for the work to be completed. If your builder doesn't make good the Defect within that timeframe (including any extension) you must tell us no later than 30 days after the date the work was due to be completed.

If your builder can't or will not comply with our instruction to fix the Defect, we may accept the claim. We'll notify you whether your claim has been accepted or declined.

If we accept your claim you must agree to:

- hand over to us any rights and remedies against any person or organisation involved in the building work, whether or not they are named in your Building Contract
- assist us with any reasonable request for help with enforcing those rights and remedies.



We do not take any action under your Guarantee until we are satisfied that you have taken all reasonable steps to have your builder make good the Defect.



If your builder doesn't carry out any agreed work to fix the Defect, you must tell us within 30 days of the date the work was due to be completed.

## How your claim is calculated

If your claim is accepted we work with you either to select a replacement Registered Master Builder to fix the Defect or to pay you a cash settlement for the reasonable value of the loss or damage you have incurred. MBS has sole and absolute discretion as to whether to select a replacement Registered Master Builder or pay a cash settlement.

We agree with you the work that needs to be done, and then we decide whether to repair or replace the Defect and how the work will be carried out.

Where we choose to select a replacement Registered Master Builder to fix the Defect, the replacement builder provides a price for the work, and you enter into a new Building Contract with them. Once the new Building Contract is entered into, we are not liable for any additions or changes to the work, unless we have given you written approval for these.

If we choose to pay you a cash settlement, then we will pay you the reasonable value of the loss or damage you have incurred.



Once a new Building Contract is in place, we are not liable for any changes to the work to be carried out that we have not given our approval for.

# Transferring your Guarantee

## Your Guarantee can be transferred to a New Owner

If you sell your Property, your Guarantee can be transferred any time within the period covered by the Guarantee. Transferring the Guarantee does not extend the period covered by the Guarantee.

All transfers need our approval and you can only transfer the Guarantee to someone else if it is currently in your name.

A Request for Transfer form must be completed and sent to us.

The New Owner of your Property must fill out and sign a Request for Transfer form. By doing so, they will be deemed to:

- have made a full inspection of the home; and
- have accepted that we will not be liable for any Defects that could have reasonably expected to be discovered during that inspection.

The completed Request for Transfer must be sent to us within 90 days of settlement of the purchase accompanied by the transfer administration fee.

We'll notify you whether the Request for Transfer has been accepted or declined.

**Note:** As part of our administration process the transfer administration fee may be banked when we receive it – this does not mean your Request for Transfer has been accepted. If your Request for Transfer is declined, we will refund the fee.



Transferring the Guarantee does not extend the Guarantee timeframe.



The Request for Transfer form is filled out by the New Owner, not by you.



We must receive the Request for Transfer within 90 days of settlement.



## Acceptance of your Guarantee

Once your builder has let us know that you have decided to take up the benefits of a Master Build 10-Year Guarantee, and you have completed the Guarantee Application Form and paid the Guarantee fee, we decide whether to accept your Application (this includes a late Application if we receive your Application after Permanent Work has started, but before the Practical Completion Date).

Your Guarantee comes into force ("Acceptance") when we have sent notice of Acceptance to you and your builder. You are now covered by the Guarantee in accordance with the Terms and Conditions of the Guarantee (as published on [www.masterbuilder.org.nz](http://www.masterbuilder.org.nz)) and the Contract and Commercial Law Act 2017.

Sometimes a Building Contract can cover multiple homes. However, the Guarantee only applies to one home.

**Note:** As part of our administration process the Guarantee fee may be banked when we receive it – this does not mean Acceptance of your Application. If your Application is declined, we will refund the fee.

### **Pre-approval required for some types of building work**

The Guarantee is intended for residential building work. Your builder needs to get specific prior approval from us in the following circumstances:

- Any building work on a building over three Storeys; or
- Any building work on a building that is part of a Multi-Unit Development; or
- Any building work on a Leaky Building; or
- Any building constructed that is going to be moved to another location; or
- Any building where the intended purpose is not residential.

Where prior approval has not been given, the Guarantee will be cancelled.

## Limitations on our liability

### **Opting out of Loss of Deposit and Non-Completion**

If you have chosen to opt out of the Loss of Deposit and Non-Completion covers in your Application, you are not covered by these parts of the Guarantee and any reference to them in the Guarantee Terms and Conditions does not apply.

### **Investigations into claims**

Any investigations we do into your claim are done solely to enable us to assess whether you have a valid claim. We are not liable for anything that comes out of our investigations apart from our existing liability under your Guarantee.

### **Cover is limited to 10 years**

Your Guarantee expires 10 years from the date of Acceptance.

There are no extensions to this timeframe under any circumstances, including where remedial work has been done, the Guarantee has been transferred to a New Owner, or we've received Notice of Practical Completion from you outside this timeframe.

## Terminating the Building Contract

### **If you want to terminate your Building Contract**

If you want to terminate your Building Contract, you must first get written consent from us or your Guarantee will be cancelled.

### **If your builder terminates your Building Contract**

If your builder terminates your Building Contract because you have breached the Building Contract, and we are satisfied from the evidence that they have a valid case for doing so, your Guarantee will be cancelled. Any payments you have made to us will be refunded to whoever paid the Guarantee fee (either you or your builder).

If your builder terminates your Building Contract and we are not satisfied from the evidence that they have a valid case for doing so, you can make a claim under Loss of Deposit or Non-Completion cover (unless you opted out of these covers in your Guarantee Application). If you have opted out of Loss of Deposit and Non-Completion the Guarantee will be cancelled and any payments you have made to us will be refunded. The refund will be made to whoever paid the Guarantee fee (either you or your builder).

### **If a receiver or liquidator terminates your Building Contract**

If a receiver or liquidator validly terminates your Building Contract, you can make a claim under Loss of Deposit or Non-Completion cover (unless you opted out of these covers in your Guarantee Application). If you have opted out of Loss of Deposit and Non-Completion the Guarantee will be cancelled and any payments you have made to us will be refunded. The refund will be made to whoever paid us the Guarantee fee (either you or your builder).

### **If we ask you to terminate your Building Contract**

If we ask you to terminate your Building Contract, you must do so promptly in accordance with the terms in your Building Contract (for example, to allow us to organise for any remedial work or completion work to be done).

## Getting building consents for your building work

If your building work requires a building consent under the Building Act, we may require you to provide proof that you have one.

We will not be liable for any claim under Structural Defects cover if the building work in the claim does not have any required building consents.

## Getting a Code Compliance Certificate for your building work

As soon as the building work is complete, you must apply for a Code Compliance Certificate if one is required under the Building Act.

We will not be liable for any claim under Structural Defects cover if the building work in the claim does not have any required Code Compliance Certificate.

## Permanent Work and Practical Completion

Once your Guarantee has been issued we would normally expect:

- Permanent Work to start soon after Acceptance of your Guarantee; and
- Practical Completion to take place within 5 months of Acceptance of your Guarantee.

### Timeframe for starting Permanent Work

Permanent Work is any building work that will be a fixed or permanent part of your home.

If Permanent Work hasn't started within 5 months of the date of Acceptance, you or your builder must let us know. You can request an extension to the timeframe for starting permanent work and we will decide whether to grant you an extension.

After the 5 month period is up, your Guarantee may be cancelled if Permanent Work hasn't begun or you haven't been granted an extension by us.

If you've been granted an extension, you or your builder need to write to us before the extension is up to let us know that Permanent Work has started, or your Guarantee may be cancelled.

### Timeframe for Practical Completion

Practical Completion is when the building work on your home is finished, except for any minor Defects or incomplete work that don't prevent you from living in and using your home, and that can be remedied or completed without causing you any unnecessary inconvenience.

Note that the Practical Completion Date is not the same as the date you are issued your Code Compliance Certificate. The date of Practical Completion is when your building work is finished, while the Code Compliance Certificate is issued once your local council has done their final inspection and is satisfied that the building work has been completed in accordance with the building consent that was issued for the work.

As soon as Practical Completion has taken place, you or your builder need to notify us and tell us the date Practical Completion occurred.

If we receive notice of Practical Completion within 5 months of the date of Acceptance, and we are satisfied that Practical Completion has taken place, the date you've given us will be the Practical Completion Date.

If we haven't received notice of Practical Completion from you or your builder within 5 months of the date of Acceptance, or we are not satisfied that the date of Practical Completion you or your builder have given us is accurate, we may decide to adopt a different Practical Completion Date (a deemed Practical Completion Date). The deemed Practical Completion Date might be:

- 5 months from the date of Acceptance of the Guarantee; or
- 5 months from the date Permanent Work started; or
- a date we decide that Practical Completion took place; or
- the date you took possession of your home (you must provide proof of this if we request it); or
- the date specified in a certificate of Practical Completion issued by an architect.

We may agree to change a deemed Practical Completion Date if we later receive notice of Practical Completion from you or your builder.

## Access to your home

You must allow us, our inspectors, your builder and any replacement builder reasonable access to your home to inspect the building work, investigate any Defects and carry out any agreed completion work or remedial work.

## Access to information

You and the builder must each provide us with any information we need to assess your claim and meet our obligations under your Guarantee. This may include (but is not limited to):

- any financial arrangement you have made with your builder; and
- any payments you have made or not made to your builder under the Building Contract; and
- copies of any Contract Variations; and
- copies of drawings, plans, consent documents, specifications, pricing calculations, payment schedules, and quotations; and
- a list of any sub-trades and suppliers.

## Agreeing whether a Defect can be claimed under the Guarantee

We have accepted and approved the Ministry of Business, Innovation and Employment's "Guide to tolerances, materials and workmanship in new residential construction 2015". Where agreement cannot be reached on whether a Defect can be claimed under the Guarantee, you, your builder and MBS must use this Guide to come to a decision.

To view the Guide, which may be updated from time to time, visit MBIE's website.

## You must not do or organise any work yourself

Your Guarantee will be cancelled if you do any work yourself (or engage someone to do any work) to either complete the building work or fix any Defects, except in an emergency.

An emergency is a problem that could endanger either your home or its occupants if it isn't dealt with immediately.

If an emergency happens while you are covered by the Guarantee, contact your builder immediately. If you are unable to get hold of your builder, contact us immediately on 0800 269 119 so we can give you permission to get emergency repairs done. We will meet the reasonable costs of any authorised emergency repairs (the amount is at our discretion) **only if** we have first given you permission.

## Receiving notifications

Any notifications we send to you will be deemed to be received by you if they are:

- handed to you; or
- delivered to the postal addresses provided in the Guarantee Application Form; or
- sent to the email addresses provided in the Guarantee Application Form.

If no postal address is provided, the notice may be delivered to the last known place of residence or business or registered office.

Any notifications you or your builder send to us will be deemed to be received if delivered to MBS, PO Box 1796, Wellington 6140.

## Failing to comply with the terms and conditions of the Guarantee

If you don't comply promptly with any of the Guarantee Terms and Conditions and this prevents us from dealing efficiently with your claim or with the Defect under your claim, then we may decline the claim, even if we have previously accepted it.

## Making scheduled payments to your builder

If you don't make a scheduled payment to your builder that is due under the Building Contract (including releasing any retentions), your Guarantee will be cancelled unless the payment is overdue because of a genuine dispute.

A genuine dispute is where:

- you have begun legal proceedings against the builder; or
- your builder has begun legal proceedings against you; or
- you or your builder have begun action under the dispute resolution provisions in your Building Contract;
- you or your builder have begun action under the Construction Contracts Act 2002.

You must also promptly send us copies of any relevant notices and documents about the dispute.

## Cancellation of your Guarantee

Whenever this document states that if certain actions or events occur, your Guarantee **will** be cancelled, this means your Guarantee will be cancelled and will be deemed to be cancelled, regardless of any notice we have sent to you or your builder. We will not be liable for any existing or future claims under your Guarantee.

Whenever this document states that if certain actions or events occur your Guarantee **may** be cancelled, we have the right to decide to cancel your Guarantee. We will notify you of this decision and we will not be liable for any existing or future claims under your Guarantee.

## Builders and inspectors are not agents of MBS

Your builder is not an agent of MBS for any matter relating to this Guarantee. This means that except where allowed for in these Terms and Conditions, we are not bound by or liable for anything your builders says, does or fails to do.

It also means that any statement or claim or notification you make to your builder does not count as being made to MBS. You always need to notify us directly.

If we have appointed an inspector (such as an RMBA Service Manager) as part of our investigations into a claim or dispute or to review any completion or remedial work, we are not bound by or liable for anything the inspector says or does, or any recommendation they make during the investigations.

It also means that any statement or claim or notification you make to an inspector does not count as being made to MBS. You always need to notify us directly.

## Managing disputes

### Disputes between you and your builder

If there is a dispute between you and your builder (or your replacement builder) about your respective rights and obligations under the Building Contract, we can require you to resolve this dispute before we decide to decline or accept a claim under the Guarantee.

### Disputes about the value of a claim

If we cannot agree with you the value of your claim under the Guarantee, then we may engage a registered quantity surveyor to decide the value of the work. This value might include:

- the contract price for any remedial work; or
- the reasonable value of replacing or repairing a Defect; or
- the reasonable value of finishing uncompleted work under the Guarantee Schedule of Staged Payments (see page 33).

Both parties must accept the valuation provided by the quantity surveyor and the cost of engaging the quantity surveyor will be shared equally by both parties.

### Disputing our decision to decline a claim

If you disagree with our decision to decline your claim or part of your claim, you must notify us within 21 days of being advised of our decision. Once we've received notice of the dispute, both parties must communicate in good faith to try to resolve the dispute.

If the dispute can't be resolved within 21 days of MBS receiving notification of the dispute, either party can notify the other that they would like the dispute to go to mediation. The other party must consider the request in good faith and may not unreasonably refuse the request.

If the dispute is still not resolved either 42 days after MBS received notification of the dispute (or 21 days after the mediation process has finished if the dispute has gone to mediation), then either party may notify the other that they would like the dispute to be referred to arbitration (under the Arbitration Act 1996).

If the parties can't agree on the mediator or the arbitrator, a mediator or arbitrator will be appointed by the current President of the Arbitrators and Mediators Institute of New Zealand.

We have the right to reinspect your home and any building work that is the subject of the dispute before any dispute resolution process begins.

## No waiver

No failure or delay on our part to enforce any of our rights or remedies under the Guarantee can be taken as a waiver of that right or remedy.

## Guarantee booklet

All the documents in this booklet form part of the Guarantee. Where there is a conflict between these documents, the Guarantee Terms and Conditions will prevail.

# Checklist

## for the Guarantee Application Form

### Your checklist for the Guarantee Application Form

Please use this checklist to make sure you have answered all the questions correctly on this form that relate to you and your building work. We can only process your application if you complete the form accurately.



If you miss out any details we may need to contact you and there may be a delay in processing your application.

Have you specified the type of work you are planning on doing?

#### BUILDER

Have you specified your **legal entity name** not your trading or personal name?

Have you specified the correct address for the building work?

You must select a contract type. Please see reverse for Contract Type definitions.

#### OWNER

Have you listed all your contact details correctly?

#### BUILDER

Have you signed and dated this section?

You **must** provide a contract price. If you are using a charge up schedule, please provide an estimate. For Spec/Showhome or Builder's Own Home applications please provide the build cost only (excluding land and margin).

Please remember to include the **size** of the dwelling or works in m<sup>2</sup>.

Please list here any work or materials being supplied by the owner or by separate contract

#### OWNER

Only complete this section if you **do not** wish to take out cover for Loss of Deposit and Non-Completion. If so, has the **owner** ticked both boxes and signed and dated the section?

Payment must be made at the time of submitting an application. You can pay by direct credit or by credit card by providing the details on the bottom of the form. If paying online, please include your **Member ID** and the **address** of the property as a reference.

**Master Build Guarantee**

**GUARANTEE APPLICATION FORM** Guarantee No. \_\_\_\_\_

This is an application only. MBS is not liable for any claim unless this Guarantee Application has been accepted by MBS. Both you and your Registered Master Builder should read all the Terms and Conditions (including Definitions) of the Guarantee prior to completing and signing this Guarantee Application.

**TYPE OF BUILDING WORK**

New home ☐ Renovation ☐ If a renovation, does the building work include Leaky Building repairs? Yes ☐ No ☐

**REGISTERED MASTER BUILDER:** (the name of your company, NOT YOUR OWN name or a trading name)

RMBA Name: \_\_\_\_\_ ID No: \_\_\_\_\_

**DWELLING OR WORKS TO BE GUARANTEED**

Address/Location: \_\_\_\_\_ Lot No: \_\_\_\_\_

DP No: \_\_\_\_\_

**CONTRACTED WORK**

Contract Price: (see definition) \$ \_\_\_\_\_ Size: (area of Dwelling or Works in m<sup>2</sup>) \_\_\_\_\_

Estimated Start Date: \_\_\_\_\_ Estimated Completion Date: \_\_\_\_\_

Type of Contract: Full Contract ☐ Labour Only ☐ Spec/Showhome ☐ Builder's Own Home ☐

List any work being carried out either by the owner or by separate contract: (continue on extra page if necessary)

**OWNER (names MUST match exactly with those in the Building Contract)**

Name(s): (Please list all owners or trustees, as per Building Contract) \_\_\_\_\_ Is the owner a developer? Yes ☐ No ☐

Trust Name (if applicable): \_\_\_\_\_

Postal Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

**OPTIONAL REMOVAL OF LOSS OF DEPOSIT AND NON-COMPLETION COVERS** (only the owner can complete this section)

The optional Loss of Deposit and Non-Completion components are to be **excluded** from the Terms & Conditions of the Guarantee. Tick and sign here **only if opting out of this cover**. Yes, please remove this cover ☐ I understand and have read the Terms & Conditions ☐

**Signed by the owner(s):** \_\_\_\_\_ Date: \_\_\_\_\_

**ACKNOWLEDGEMENT AND REPRESENTATION**

This Application form is part of the Guarantee. The owner must not sign below unless they have received and read the Guarantee, including the Terms and Conditions. By signing, the owner acknowledges that they have been given a copy of and have read the Guarantee and accept the Terms and Conditions set out in the Guarantee.

Both the owner and the Registered Master Builder acknowledge and represent that all details included in this Application Form are true and correct and that there are no pending claims or unresolved disputes between the owner and the builder.

In signing this Guarantee application, the Registered Master Builder declares they are solvent, and able to meet all their debts and obligations for the duration of the contract.

**Signed by the Registered Master Builder:** (or authorised signatory)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Signed by the owner(s):** (each owner or trustee named above and in the Building Contract must sign)

Owner 1: \_\_\_\_\_ Date: \_\_\_\_\_

Owner 2: \_\_\_\_\_ Date: \_\_\_\_\_

Other Owners: \_\_\_\_\_ Date: \_\_\_\_\_

**PAYMENT** (Please ensure ALL information required above has been supplied)

Total Fee Paid: \$ \_\_\_\_\_ MBS Bank Account No: 03 0518 0144 \_\_\_\_\_ Building Contract attached ☐

Card No: \_\_\_\_\_ Payment made ☐

Name on Card: \_\_\_\_\_ Expiry Date: \_\_\_\_\_ Late Application Fee ☐

Please email this application and supporting documents to: [help@masterbuilder.org.nz](mailto:help@masterbuilder.org.nz) I authorise Master Build Services Limited to debit my card the total fee payable above.

Or post to: PO Box 796, Wellington 6140 Signed: \_\_\_\_\_ Date: \_\_\_\_\_

\*When making payment, please include as reference the member ID of the Registered Master Builder and the address of the Property.

The Master Build 10-Year Guarantee 29

#### OWNER

Have you signed and dated this section?

If credit card details are provided, have you signed and dated this section?



GUARANTEE APPLICATION FORM		Guarantee No.
<b>This is an application only.</b> MBS is not liable for any claim unless this Guarantee Application has been accepted by MBS. Both you and your Registered Master Builder should read all the Terms and Conditions (including Definitions) of the Guarantee prior to completing and signing this Guarantee Application.		
<b>TYPE OF BUILDING WORK</b>		
New home <input type="checkbox"/>	Renovation <input type="checkbox"/>	If a renovation, does the building work include Leaky Building repairs? Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>REGISTERED MASTER BUILDER</b> (the name of your company, NOT YOUR OWN name or a trading name)		
RMBA Name:		ID No:
<b>DWELLING or WORKS TO BE GUARANTEED</b>		
Address/Location:		Lot No:
		DP No:
<b>CONTRACTED WORK</b>		
Contract Price: (see definition) \$		Size: (area of Dwelling or Works in m <sup>2</sup> )
Estimated Start Date:		Estimated Completion Date:
Type of Contract: Full Contract <input type="checkbox"/> Spec/Showhome <input type="checkbox"/> Builder's Own Home <input type="checkbox"/>		
List any work being carried out either by the owner or by separate contract: (continue on extra page if necessary)		
<b>OWNER</b> (Names MUST match exactly with those in the Building Contract)		
Name(s): (Please list all owners or trustees, as per Building Contract)		Is the owner a developer? Yes <input type="checkbox"/> No <input type="checkbox"/>
Trust Name (if applicable):		
Postal Address:		
Phone:	Email:	
<b>OPTIONAL REMOVAL OF LOSS OF DEPOSIT AND NON-COMPLETION COVERS</b> (only the owner can complete this section)		
The optional Loss of Deposit and Non-Completion components are to be <b>excluded</b> from the Terms & Conditions of the Guarantee.		
Tick and sign here <b>only if opting out of this cover:</b> Yes, please remove this cover <input type="checkbox"/> I understand and have read the Terms & Conditions <input type="checkbox"/>		
✕ Signed by the owner(s):		Date:
<b>ACKNOWLEDGEMENT AND REPRESENTATION</b>		
This Application form is part of the Guarantee. <b>The owner</b> must not sign below unless they have received and read the Guarantee, including the Terms and Conditions. By signing, the owner acknowledges that they have been given a copy of and have read the Guarantee and accept the Terms and Conditions set out in the Guarantee.		
<b>Both the owner and the Registered Master Builder</b> acknowledge and represent that all details included in this Application Form are true and correct and that there are no pending claims or unresolved disputes between the owner and the builder and that they are not aware of any circumstance which could give rise to a claim under the Guarantee.		
In signing this Guarantee application, the <b>Registered Master Builder</b> declares they are solvent, and able to meet all their debts and obligations for the duration of the contract.		
Both the owner and the Registered Master Builder acknowledge that the truth of the representations set out above are essential to Master Build Services Limited.		
<b>Signed by the Registered Master Builder:</b> (or authorised signatory)		
✕ Signature:		Date:
<b>Signed by the owner(s):</b> (each owner or trustee named above and in the Building Contract <b>must</b> sign)		
✕ Owner 1:		Date:
✕ Owner 2:		Date:
✕ Other Owners:		Date:
<b>PAYMENT</b> (Please ensure ALL information required above has been supplied)		<b>CHECKLIST</b>
Total Fee Paid: \$	MBS Bank Account No: 03 0518 0144252 00*	Building Contract attached <input type="checkbox"/>
Card No:		Payment made <input type="checkbox"/>
Name on Card:	Expiry Date:	Late Application Fee <input type="checkbox"/>
Please email this application and supporting documents to: help@masterbuilder.org.nz Or post to: PO Box 1796, Wellington 6140	I authorise Master Build Services Limited to debit my card the total fee payable above.	
	Signed:	Date:
*When making payment, please include as reference the member ID of the Registered Master Builder and the address of the Property.		





**REQUEST FOR TRANSFER (to be completed by the New Owner of your Property)****YOU MUST READ: The clauses relating to the Transfer of the Guarantee's Terms and Conditions**

- This is a Request for Transfer only and is not an offer to transfer the Guarantee.
- The New Owner (Transferee) should read all the Terms and Conditions of the Guarantee prior to completing and signing this application.
- The following document is required to process this transfer:
  - this Request for Transfer completed by the New Owner.
- Please fill in all applicable areas. (Please Print Clearly)

**REQUEST FOR TRANSFER**

Guarantee Number:

Address of Property:

Date of Settlement:

**TRANSFeree**

The New Owner (Transferee) warrants that all of the information they have provided in this form is true and correct and acknowledges that any omission or misrepresentation will result in the transfer being declined. If an error or omission is discovered after a transfer has already been approved, the Guarantee will be cancelled.

- I, the undersigned Transferee, hereby confirm that I am the New Owner of the Property specified by the Guarantee Number above.
- I hereby certify that I have no knowledge of any existing damage or Defect that may give rise to a claim on the Guarantee.
- I hereby acknowledge acceptance of all the Terms and Conditions of the Guarantee.

**Transferee Name(s):** (please list all New Owners and trustees)☒ **Transferee Name 1:**☒ **Transferee Name 2:**☒ **Other Transferees:**

Trust Name: (if applicable)

Postal Address:

Phone:

Email:

Send notifications to: Email ☐ Postal ☐**Signed by the New Owner(s):** (each New Owner or trustee named above and in the Sale and Purchase Agreement **must** sign)☒ **New Owner 1:****Date:**☒ **New Owner 2:****Date:**☒ **Other New Owners:****Date:****PAYMENT****CHECKLIST**

Total Fee Paid: \$

MBS Bank Account No: 03 0518 0144252 00\*

Sale and Purchase Agreement attached ☐

Payer Name:

Payment made ☐

Card No:

Form completed and signed ☐

Name on Card:

Expiry Date:

Please email this Request for Transfer and supporting documents to:

help@masterbuilder.org.nz

Or post to: PO Box 1796, Wellington 6140

I authorise Master Build Services Limited to debit my credit card the total fee payable above.

**Signed:****Date:****\*When making payment, please include the Guarantee Number and the address of the Property.**



## SCHEDULE OF STAGED PAYMENTS (all amounts are GST inclusive)

**\*Required\*** Contract Price: \$

### (A) CONTRACT DEPOSIT

Guarantee Covered Deposit Value: \$ Agreed Deposit: \$

Payable on the date the Contract is executed Deposit: \$

### (B) OTHER ITEM (as listed in the Special Conditions)

Excavation or Site Works	\$
Drainage + Power + Water	\$
	\$
	\$
	\$
	\$

*Note: An 'Other Item' will be payable at any stage of the contract upon Substantial Completion of the Item*

**Total Of Other Items (B) = \$**

**\*Required Calculation\*** Sub-Total: Contract Deposit (A) + Total of Other Items (B) = \$

### (C) DWELLING COST Contract Price (at top of page) – (minus) Sub-Total (above)

**Staged Payments:** are a percentage of the (C) Dwelling Cost (above) **Only** \$

Upon **Substantial Completion** of the following:

(i) Foundations and floor structure	10%	\$
(ii) All wall framing	15%	\$
(iii) All roof framing	5%	\$
(iv) The roof and fascia	8%	\$
(v) All exterior doors and windows	9%	\$
(vi) All exterior wall linings and/or veneers	10%	\$
(vii) All exterior decoration or coatings	2%	\$
(viii) Installation of pre-wire, pre-plumb and insulation	6%	\$
(ix) All interior linings	5%	\$
(x) Interior doors, architraves and scotia	3%	\$
(xi) Internal stopping, completed and sanded	3%	\$
(xii) All interior decoration or coatings	4%	\$
(xiii) Kitchens and bathrooms	6%	\$
(xiv) Plumbing and electrical	6%	\$
(xv) Hardware and tiling	3%	\$
(xvi) <b>Final Payment</b>	5%	\$

Upon completion of the Works, the balance of the Contract Price is payable before the owner takes possession.

*Note: Failure to make the final payment may invalidate any Master Build Guarantee.*

**\*Check Calculation\*** Contract Price \$ = Sub-Total \$ + 100% Dwelling Cost \$

**Due Dates** Payments: All payments are due within seven (7) Working Days of the payment invoice.

Payment Schedule: Where a payment claim is served under the Construction Contracts Act 2002, the payment schedule and payment of the final payment are due within seven (7) Working Days of the date of the payment claim.

### (D) ADJUSTMENTS

The Registered Master Builder may include the cost of adjustments provided for in the Building Contract with any staged payment. In the event that any adjustments have not been invoiced at the time possession of the Works is given to the owner, such adjustments shall be paid by the owner within seven (7) Working Days of the date of the Registered Master Builder's invoice for such adjustments.

### IMPORTANT NOTE

*The percentages referred to under (C) may be inappropriate and are based on a single-storey house, using standard construction materials, built on flat stable land in an urban location. The suggested percentages may be inappropriate in your contract.*

# Getting in touch

At any point during your Master Build cover,  
we'd be happy to hear from you.



**Call:**  
0800 269 119 or  
(04) 385 8999  
(Monday to Friday 8.30am to 5pm)



**Write to:**  
Master Build Services Limited  
PO Box 1796  
Wellington 6140



**Visit:**  
[masterbuilder.org.nz](http://masterbuilder.org.nz) or  
**Email:**  
[help@masterbuilder.org.nz](mailto:help@masterbuilder.org.nz)



Please list the contact details of all sub-trades that are working on this dwelling:

[illegible]

# BUILDING EXCELLENCE

11 May 2022

Harry Kwok-hung Lo & Sze Ping Jessica Lee  
109 Suva Street  
Upper Riccarton  
Christchurch, 8041

**Acceptance of Master Build Guarantee No 238598**

Dear Sir/Madam

We are pleased to advise that your 10 Year Master Build Guarantee Application for the Dwelling at 2 Rapere Street, Rolleston 7615, submitted by JSR Construction Limited, has been accepted.

Attached are the Guarantee certificate and a copy of the Guarantee terms and conditions.

It is important that you have read and understood the Guarantee terms and conditions as there are a number of obligations you must fulfill to ensure the Guarantee on this property remains valid.

**Practical Completion**

To ensure that the Guarantee on this property remains valid, Master Build Services must receive the Notice of Practical Completion once the dwelling has reached Practical Completion.

If you have any queries regarding your Guarantee please contact us on 0800 269 119 or [help@masterbuilder.org.nz](mailto:help@masterbuilder.org.nz).

Thank you for choosing to build with a Registered Master Builder.

Kind regards

Ivy Guo  
Guarantee Officer  
**Email:** [help@masterbuilder.org.nz](mailto:help@masterbuilder.org.nz)

## Notice of Practical Completion

**Guarantee number:** 238598

**Dwelling address:** 2 Rapere Street, Rolleston 7615

**Registered Master Builder:** JSR Construction Limited

**Client:** Harry Kwok-hung Lo & Sze Ping Jessica Lee

**Postal address:** 109 Suva Street, Upper Riccarton, Christchurch, 8041

**Email address:** harrykhlo@gmail.com

*(Please amend the Client's contact details if required)*

### Practical Completion

Notice of Practical Completion is required by Master Builders Services to show the Works is about to be completed.

*Practical Completion occurs when the Works and any Contract Variations are completed, except for minor defects and omissions that can be remedied or carried out without causing unnecessary inconvenience to the Client.*

**Actual date of Practical Completion:**

Date:

**Proposed date of final payment or possession:**

Date:

**Signed by:**

**The Registered Master Builder:**

**Or**

**The Client:**





# Master Builders New Zealand 10 Year Master Build

Master Build

10 Year Master Build Guarantee

Certificate

*Before Completion of the Building Contract*

Master Build Guarantee No **238598**

for the dwelling at 2 Rapere Street, Rolleston 7615

**Owner**

Harry Kwok-hung Lo & Sze Ping Jessica Lee

**Builder**

JSR Construction Limited

**Acceptance Date of Guarantee**

11 May 2022

**Guarantee cover before completion of the Building Contract:**

- **Loss of Deposit** to a maximum of \$50,000.00, Any amount paid as a deposit in excess of this is not covered under the Master Build Guarantee.
- **Non-Completion** and remedial works cover to a maximum of \$119,121.00

**This cover will expire upon completion of the Building Contract. A further Certificate will be issued upon acceptance of the Notice of Practical Completion.**

**Maximum Aggregate Cover**

The maximum aggregate cover provided for the duration of this guarantee is \$595,605.00.

**Transferring your guarantee: Upon sale of your property, the guarantee must be transferred to the new owner(s). This must be completed within 90 days of the settlement date.**

*This is a summary only and does not provide all inclusions and exclusions of the Guarantee. Please refer to the Terms and Conditions for more detailed information.*