



## **Master guarantee**

Master Plumbers, Gasfitters & Drainlayers NZ Inc (Master Plumbers) provides a 12-month Master Guarantee (the Guarantee) to Consumers for:

- a) Protection of Advance Payments; and
- b) Protection against Substandard Workmanship.

The Guarantee applies only to residential plumbing, gasfitting and drainlaying Work carried out by a Member of Master Plumbers and their licensed plumbers, gasfitters or drainlayers.

### **Part A Protection of Advance Payments**

Where a Member is unable to fulfil its contractual obligations due to liquidation or bankruptcy, Consumers are protected from the loss of an Advance Payment for Labour Costs and/or Product Costs up to the total value of \$20,000 including GST. Once the claim is accepted, Master Plumbers will arrange for the contracted work to be completed.

The Guarantee covers:

- Incomplete plumbing, gasfitting and drainlaying Work to the value of the amount prepaid by a Consumer or Consumers; and/or
- Replacement (if necessary) of any product purchased by the Member from payment made by a Consumer or Consumers:

Up to a maximum amount of \$20,000 including GST for all claims from any and all Consumers for loss of an advance payment arising from the liquidation or bankruptcy of a Member.

Any claim under this part must be supported by appropriate documentation and proof of liquidation or bankruptcy, and each Consumer must have received the distribution to creditor's advice issued by the bankruptcy administrator or the liquidator.

Any payment received by a Consumer from the bankruptcy administrator or liquidator will be deducted from the amount payable.

Master Plumbers will have the same rights to claim in any liquidation or bankruptcy as each Consumer. If required by Master Plumbers, each Consumer will transfer or assign its rights to claim to Master Plumbers.

If more than one Consumer makes a claim under this part of the Guarantee in respect of the same Member, Master Plumbers may apportion any payment at its sole discretion.

## **Part B Protection against Substandard Workmanship**

A Consumer is protected against Substandard Workmanship by a Member of Master Plumbers and his or her licensed plumbers, gasfitters and drainlayers.

*The Guarantee covers:*

Substandard Workmanship up to a maximum of \$20,000 including GST for Labour Costs, Product Costs and any investigation and remedial costs of Master Plumbers.

Note that a maximum of \$5000 including GST may be paid for products.

Any claim under this Guarantee must be brought within 12 calendar months from the date of invoicing the Work.

A claim may be made even:

- If all the contracted Work is not completed; or
- Where the Work has not been paid for where the unpaid amount relates solely to the specific Work in dispute.

Master Plumbers may arrange for the Work to be remedied by the original Member or an alternative Member at their discretion.

### **General terms and conditions**

The Guarantee issued by Master Plumbers is subject to the terms and conditions set out below.

1. In this Guarantee, unless the context requires otherwise:

**Act** means the Plumbers, Gasfitters and Drainlayers Act 2006.

**Advance Payment** means a payment made by a Consumer to a Member for Labour Costs and/or Product Costs prior to Work commencing.

**Consumer** means a person who enters into a contract for Work performed, or to be performed, by a Member.

**Labour Costs** means the labour costs relating to the Work.

**Licensed Tradespersons** means all employees and contractors of Members who:

- In respect of plumbing services, hold either a current practising licence or a provisional licence under section 8 of the Act;
- In respect of gasfitting services, hold either a current practising licence, a provisional licence, or an employer licence under section 9 of the Act;
- In respect of drainlaying services, hold either a current practising licence or a provisional licence under section 10 of the Act; and

- Have been granted an exemption to perform any plumbing, gasfitting or drainlaying services under section 12 of the Act.

**Member** means a Master Plumbers member of the Society as defined in the Rules.

**Product Costs** means the cost of replacing Products damaged as a result of Substandard Work or as a result of remedying Substandard Work but excludes defective products where the Consumer or Member can seek a remedy (either by replacement or repair of the Product) from the manufacturer/Product supplier.

**Products** means all plumbing (including roofing materials), drainlaying and gasfitting products supplied by the Member and installed into the Consumer's residence as part of the Work.

**Residential** means a place of residence designed for people to live in, or an area occupied by private residence(s).

**Society** means the Master Plumbers, Gasfitters & Drainlayers NZ Incorporated.

**Substandard Workmanship** means Work that in the opinion of Master Plumbers is not of acceptable quality, but excludes the installation of products:

- a) That are defective due to manufacturer/product supplier error; or
- b) Not purchased or supplied by the Member.

**Rules** means the rules of the Society.

**Work** means plumbing, gasfitting or drainlaying services including roofing installation and repair work carried out on, at or in Residential premises by a Member or a Licensed Tradesperson of a Member for a Consumer.

**Workmanship** means workmanship of any Work.

2. Members must provide Master Plumbers with details of all their Licensed Tradespersons annually for the Guarantee to be valid.
3. When a Consumer complains about Workmanship, they will be requested to provide specific information in support of their claim. Master Plumbers will then make enquiries and may arrange for a technical assessment of the Work. Master Plumbers will use its best endeavours to facilitate a satisfactory outcome for the Consumer, which may include remedial work undertaken by the original Member or an alternative if the complaint is upheld. Any decision reached on the complaint is final and no appeals will be considered.
4. The Guarantee is available only to the Consumer who engaged the Member and not to any other person, including any subsequent purchaser of the property.
5. Any reports prepared by Master Plumber's technical assessors are their opinions and are made to the best of their knowledge and experience based on the information

provided. The reports may only be used for the purposes of the complaints procedure and not for any other reason. Neither the assessor nor Master Plumbers accept any liability for those opinions. If any loss is suffered due to the Consumer using the report in an unauthorised way, the Consumer will indemnify that person for that loss.

6. The following matters are not covered under the Guarantee:

- Faulty or defective products or any costs associated with these;
- Products not purchased or supplied by Members;
- A claim where any subsequent work, alterations or remedial work is carried out by any other person;
- Work carried out by Member's employees or contractors who are not Licensed Tradespersons;
- Work carried out by Member's employees or contractors in breach of the supervision requirements that have been prescribed in Registration and Licensing Gazette notices published by the PGDB and/or the applicable Supervision Guidelines developed by the PGDB;
- Unpaid contracts except as specified above;
- Pricing/payment disputes or claims;
- Any claims that have already been lodged with the Disputes Tribunal, any court or an insurance company or under the Construction Contracts Act 2002;
- Any occurrence that would normally be covered by the Consumer's insurance, or any professional indemnity or public liability insurance held by the Member;
- Any consequential loss arising as a result of the Substandard Work;
- Claims arising from unsuccessful identification of the source of leaks, blockages or other similar faults. Roof leaks and blocked drains may require several attempts to resolve and as such are not covered by this Guarantee; and
- Other exclusions as specified in the terms and conditions.