



National Warranties
A Kinnell Group Company

INSURANCE BACKED GUARANTEE POLICY OF INSURANCE



National Warranties
A Kinnell Group Company

SCHEDULE

Policy Holder

Policy No:-

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Contract Value:-

Insured Works:-

Contractor:-

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Location of Installation:-

Completion Date:-

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Important Information

This Policy of Insurance, Key Facts 'About Our Insurance Services' and the Policy Summary set out the terms of the insurance contract between the **Policy Holder** and the Insurer and should be read as one document. The **Policy Holder** should read through this document to ensure that it is suitable for their needs.

For the avoidance of doubt, it is illegal for any firm or enterprise that is not regulated by the Financial Services Authority to discuss the content of an insurance product. In respect of this Policy of Insurance, all enquires regarding cover should be directed to the **Administrator**.

The **Policy Holder** should check that the information shown within the Schedule is correct. If the information shown is correct, no action is required however, if it is not correct, the **Policy Holder** should contact the **Administrator** to advise the amendments that may be required. The **Administrator** may ask that the Policy documentation is returned for amendment.

For the **Policy Holder** to be eligible to benefit from the cover provided by this insurance, the **Policy Holder** must be resident in the United Kingdom and have contracted with the **Contractor** for the provision of the **Insured Works** shown in the Policy Schedule.

As part of the claims process, the **Insurer** will expect the **Policy Holder** to supply a copy of a contract or specification of work evidencing the **Insured Works** as well as a copy of the **Written Guarantee** provided in respect of the **Insured Works**. Should the **Policy Holder** be unable to supply such evidence and in particular a copy of the **Written Guarantee**, the **Insurer** may decline the claim.

Policy Definitions

When the following words and phrases appear in the Policy Document, Policy Schedule or Policy Summary, they have the meanings given below. These words are highlighted by the use of bold print.

'**Administrator**' means QANW of 37 Carrick Street, Ayr, KA7 1NS.

'**Alternative Firm**' means a replacement supplier or installer instructed by the **Insurer** to rectify a **Defect** to the **Insured Works**.

'**Ceased Trading**' means ceasing to trade due to; for limited companies and limited liability partnerships: the appointment of a Liquidator, Receiver or Administrator, and for sole traders and partnerships: the winding up of the business due to Bankruptcy, State Retirement or the Death of the Principal or Principals.

'**Completion Date**' means the date on which the **Insured Works** were fully completed to the **Policy Holder's** entire satisfaction and all monies were paid across to the **Contractor** (with the exception of any agreed retention), and also the date upon which the **Written Guarantee** becomes effective.

'**Contractor**' means the supplier or installer of the **Insured Works** named on the Schedule, who has issued the **Written Guarantee** to the **Policy Holder**.

'**Contract Value**' means the price inclusive of VAT agreed between the **Contractor** and the **Policy Holder** in respect of the **Insured Works**.

'**Defect**' means any physical fault or error in the **Insured Works** which was caused by the defective workmanship of the **Contractor** or defective materials which were supplied by the **Contractor**, but which will only form the basis of a valid claim where it is specifically stated as being an item covered by the **Written Guarantee** provided to the **Policy Holder** by the **Contractor**.

'**Excess**' means the first amount of £50 in respect of each and every claim, for which the **Policy Holder** is responsible.

'**Insured Works**' means the work carried out by the **Contractor** on behalf of the **Policy Holder**, which can be evidenced by a contract or specification of work and is shown in the Schedule, and for which the **Written Guarantee** was issued to the **Policy Holder** in respect of.

'**Insurer**' means Guarantee Protection Insurance Ltd of Third Floor, 37 - 39 Lime Street, London EC3M 7AY.

'**Policy Holder**' means a person or body corporate named on the Schedule the **Insured Works**.

'**Written Guarantee**' means the written commitment to rectify a **Defect** in the **Insured Works** issued by the **Contractor** to the **Policy Holder**.

Policy Benefits

The **Insurer** agrees to indemnify the **Policy Holder** in respect of the cost of making good a **Defect** in the **Insured Works** at the Location of installation where the **Contractor** has **Ceased Trading** and is unable to honour the terms of their own **Written Guarantee** issued to the **Policy Holder**.

The Period of this Insurance

This Policy of Insurance shall become effective on the **Completion Date** and shall run for a period of 10 years, or the period stated in the **Contractor's Written Guarantee**, whichever is the lesser period.

Limit of Indemnity of the Policy

The maximum amount payable in respect of all claims made against this Policy shall not exceed the **Contract Value** as stated in the Policy Schedule. Any costs incurred that amount to more than the Limit of Indemnity of this Policy shall be the responsibility of the **Policy Holder**.

Cancellation Rights

The **Policy Holder** may cancel this Policy within 14 days of receipt by providing written notice to the **Administrator**, at the address detailed above. Where this occurs an administration fee of £15 will be deducted from any return of premium due. However, where this Policy was purchased on the **Policy Holder's** behalf by a third party, no return of premium can be given.

**QANW is authorised and regulated by the Financial Services Authority
Guarantee Protection Insurance Ltd is authorised and regulated by the Financial Services Authority**

Policy Exclusions

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The **Insurer** shall not be liable for:

- 1 any loss that would not have been recoverable under the **Contractor's Written Guarantee**;
- 2 any loss, damage or **Defect** where the **Policy Holder** is unable to supply a **Written Guarantee**;
- 3 any loss, damage or **Defect** where the **Contractor** has not **Ceased Trading** and has not, in respect of a Limited Company or Limited Liability Partnership entered into Liquidation, Receivership or Administration, or in respect of a sole trader or partnership business, where the principal or principals have entered into formal Bankruptcy proceedings, have state retired or have died;
- 4 any loss incurred by the **Policy Holder** which is above the Limit of Indemnity of this Policy;
- 5 the first £50 of each and every claim under this policy, which shall be known as the **Excess**;
- 6 any loss, damage or costs incurred that do not relate specifically to the physical rectification of the **Insured Works**;
- 7 any loss or damage to the **Policy Holder's** property caused by the **Contractor** which do not form part of the **Insured Works**;
- 8 the cost of routine maintenance, overhaul or modifications to the **Insured Works** or loss or damage arising therefrom;
- 9 any loss or damage to the **Insured Works** caused by any peril capable of being insured under a commercial property, household or similar policy of insurance, including but not limited to fire, lightning, explosion, storm, tempest, flood, malicious damage, accidental damage, subsidence, landslip or heave, whether or not such insurance is effective or in force at the time;
- 10 any loss incurred by the **Policy Holder** for which compensation or recourse is provided by legislation, particularly where the **Policy Holder** has made payment to the **Contractor** via a credit card or finance agreement, and has rights under the Consumer Credit Act 1974;
- 11 any loss of use, loss of profit, loss of enjoyment, distress or any other costs that are directly or indirectly caused by the event which led to a claim, unless specifically stated in this Policy;
- 12 any damage to the **Insured Works** caused by war risks, sonic booms or nuclear radiations;
- 13 any loss or damage caused by fair wear and tear, sunlight or the discolouration of the **Insured Works**;
- 14 any loss damage or **Defect** which is due to a neglect in the maintenance of the **Insured Works**;
- 15 the rectification of the defective design of the **Insured Works**;
- 16 any remedial work which may be the subject of a claim under this Policy undertaken to the **Insured Works** without the consent of the **Insurer**;
- 17 any **Defect** discovered or reported to the **Contractor** more than 6 months before the **Contractor Ceased Trading**.

Policy Conditions

- 1 The **Insurer** does not warrant that the **Insured Works** are safe, is not obliged to undertake any safety inspections and will not perform the duty of any person or enterprise to provide for the health and safety of workers or a member of the public.
- 2 The **Insurer** does not purport to provide an emergency response service in respect of this insurance.
- 3 In the event of any loss or damage occurring, the **Insurer** may at their option repair, replace or pay in cash the amount of the loss or damage. Where any betterment occurs as part of a claim, the **Policy Holder** shall be responsible for the extra costs involved in respect of that betterment.
- 4 The **Insurer** shall have the right to inspect the **Insured Works** and the **Policy Holder** shall provide to the **Insurer** at their own expense in writing all details of any claim, specifically including the **Written Guarantee**, together with such proofs, explanations and other evidence as may reasonably be required by the **Insurer**.
- 5 The **Policy Holder** shall take all reasonable precautions to avoid losses that are or may be recoverable under this insurance.
- 6 The **Policy Holder's** benefit under this insurance will be forfeited if the **Policy Holder** or anyone acting on their behalf knowingly makes a fraudulent claim.
- 7 The **Insurer** may at its expense take such proceedings as it sees fit in the name of the **Policy Holder** to enforce any rights and remedies against or obtain relief or indemnity from other parties to which the **Insurer** shall be or may become entitled or subrogated under this insurance and the **Policy Holder** shall at the request and expense of the **Insurer** do such acts and things as may reasonably be required by the **Insurer**.
- 8 This contract of insurance shall be governed by the laws of England and Wales and both the **Policy Holder** and the **Insurer** shall submit to the jurisdiction of the courts of England and Wales.
- 9 All repairs which form part of a valid claim must be undertaken by an **Alternative Firm** instructed by the **Insurer**.

Transferability

The benefit of this insurance will pass to subsequent owners of the **Insured Works** upon payment of an Administration fee of £20 to the **Administrator** within 30 days of the transfer of ownership of the **Insured Works**, providing that the **Contractor's Written Guarantee** states that it is transferable.

Where the **Written Guarantee** is transferable to a subsequent owner of the **Insured Works**, that subsequent owner must obtain a copy of the **Contractor's Written Guarantee** and evidence this as part of any claim submission in order to be able to make a valid claim under this Policy. No replacement Policy requires to be issued.

If the **Contractor's Written Guarantee** is not transferable, this insurance shall also cease to be transferable on to any subsequent owner of the **Insured Works**.

Claims Procedure

In the event of a **Defect** arising in the **Insured Works** the matter should immediately be reported to the **Contractor**. Where the **Policy Holder** finds that the **Contractor** has **Ceased Trading**, they should contact the **Administrator** for this insurance in writing at 37 Carrick Street, Ayr, KA7 1NS or by telephone during office hours on 01292 268020 in order to intimate a claim as soon as possible. Please note that failure to notify a claim in a timeous manner could affect the outcome of a claim.

As part of the claims process, and in order to validate any claim, the **Administrator** will request that a claim form is completed by the **Policy Holder** and copies of the following documentation will require to be supplied by the **Policy Holder**: A copy of this Policy of Insurance, a copy of the **Written Guarantee** provided by the **Contractor**, a copy of the contract between the **Policy Holder** and the **Contractor** and any other information that may reasonably be required.

The **Insurer** shall have the right to appoint an **Alternative Firm** to inspect the **Insured Works**. The **Insurer** may also at their option repair, replace or pay in cash the amount of the loss or damage proven as part of any claim submission.

Where the **Administrator** considers that a valid claim has been intimated, authorisation will be provided and the **Administrator** will confirm what action is to be undertaken.

Enquiries and Complaints

Any enquiries or complaints that the **Policy Holder** may have regarding this insurance should in the first instance be addressed to the **Administrator**, QANW of 37 Carrick Street, Ayr, KA7 1NS (Telephone 01292 268020). The **Policy Holder** should quote their Policy number (shown in the Policy of Insurance) so that the enquiry can be dealt with quickly.

If the **Policy Holder** is still not satisfied with the response of the **Administrator**, the **Policy Holder** should write to the Chief Executive of the **Insurer**, Guarantee Protection Insurance Ltd of 37 Carrick Street, Ayr, Ayrshire KA7 1NS.

The **Insurer** will try to answer the **Policy Holder's** queries and resolve their complaint, however if the **Policy Holder** is still not satisfied they should write to: The Financial Ombudsman Service, (FOS) South Quay Plaza, 183 Marsh Wall, London, E14 9SR.

There are some instances where the Financial Ombudsman Service is unable to consider complaints. This procedure will not prejudice the **Policy Holder's** right to take legal proceedings.

Disclosure Duties of the Policy Holder

The **Policy Holder** must disclose to the **Administrator** any information that might influence the **Insurer** in assessing or determining whether to accept for insurance the **Insured Works** to be covered by this Policy of Insurance. Under English law, failure to do so may entitle the **Insurer** to avoid cover from inception and seek repayment of any claim paid. If the **Policy Holder** is in any doubt as to whether information is material, it should be disclosed.

Data Protection

The data supplied by the **Policy Holder** will only be used for the purposes of processing this Policy of Insurance, including underwriting, administration and handling any claim which may arise. The data supplied will not be passed to any other parties other than those which are mentioned herein. It is important that the data the **Policy Holder** has supplied is kept up to date. The **Policy Holder** should therefore notify the **Administrator** promptly of any changes. The **Policy Holder** is entitled upon the payment of an administration fee to inspect the personal data, which is held about them. If the **Policy Holder** wishes to make such an inspection, they should contact the **Administrator**. The **Administrator** may respond to enquiries by the Police concerning the **Policy Holder's** Policy in the normal course of their investigations and where it is necessary to administer their Policy effectively or to protect the **Policy Holder's** interests. The **Administrator** may disclose the data that the **Policy Holder** has supplied to other third parties such as solicitors, loss adjusters, engineers, repairers, replacement companies and other insurers, etc.

**QANW is a trading name of Warranty Services Ltd
Warranty Services Ltd and Guarantee Protection Insurance Ltd are Kinnell Group Companies**

 **Kinnell Holdings Ltd.**

QANW

37 Carrick Street, Ayr KA7 1NS

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1. The Financial Services Authority (FSA)

The FSA is the independent watchdog that regulates financial services. Use this information to decide if our services are right for you.

2. Whose products do we offer?

- We offer products from a range of insurers.
- We can only offer products from a limited number of insurers. We can supply a list of these Insurers on request.
- We only offer products from Guarantee Protection Insurance Ltd for Insurance Backed Guarantees.

3. Which service will we provide you with?

- We will advise and make a recommendation for you after we have assessed your needs.
- You will not receive advice or a recommendation from us in respect of Insurance Backed Guarantees. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.

4. What will you have to pay us for our services?

- A fee.
- No fee.

You will receive a quotation which will tell you about any other fees relating to any particular insurance policy.

5. Who regulates us?

Warranty Services Limited trading as QANW, 37 Carrick Street, Ayr KA7 1NS is authorised and regulated by the Financial Services Authority. Our FSA register number is 309580.

Warranty Services Ltd's permitted business is insurance intermediary, advising, arranging and administering insurance contracts.

You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register/ or by contacting the FSA on 0845 606 1234.

6. Ownership

Guarantee Protection Insurance Ltd owns 100% of the share capital of Warranty Services Ltd.

7. What to do if you have a complaint

If you wish to register a complaint, please contact us:

... in writing Write to: QANW, 37 Carrick Street, Ayr KA7 1NS

... by phone Telephone: 01292 268020

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

8. Are we covered by the Financial Services Compensation Scheme (FSCS)?

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Compulsory insurance such as motor third party and employer's liability insurance, including mediation is covered for 100% protection with no upper limit. Non-compulsory insurance is covered for 90% of the claim with no upper limit.

Further information about compensation scheme arrangements is available from the FSCS.

Your Demands and Needs

This product meets the demands and needs of those who have had improvement work carried out on an existing property and require insurance protection to provide financial recompense in the event that the original Contractor has Ceased Trading for specifically defined reasons and is unable to honour the terms of their Written Guarantee.

Because QANW have not reviewed your individual circumstances we are not in a position to provide you with a personal recommendation relating to this product. QANW have provided you with information about the product in order for you to determine whether this product is suitable to your needs, you should read the associated documentation and decide if this policy suits your particular requirements.



Insurance Backed Guarantee

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Policy Summary

This is a summary of the policy and does not contain the full terms and conditions of the cover, which can be found in the Policy, named the Policy of Insurance. It is important that the **Policy Holder** reads the Policy of Insurance carefully and thoroughly when it is received.

Name of the Insurer

The Insurer of this policy is Guarantee Protection Insurance Limited.

Type of Insurance and Cover/Significant Features and Benefits

An Insurance Backed Guarantee is intended to honour the terms of a **Written Guarantee** provided to the **Policy Holder** in respect of home improvement works carried out on their behalf by a **Contractor**, where that **Contractor** has **Ceased Trading** and is unable to honour their obligations.

The Policy will protect the **Policy Holder** against the cost of the rectification of a **Defect in the Insured Works**, which is the responsibility of the **Contractor**, and which would have been covered by the **Written Guarantee**. If the **Contractor** has **Ceased Trading** as defined, the Insurance Backed Guarantee will take the **Contractor's** place and meet the cost of rectification works required to the **Insured Works**.

A **Defect** is considered to be a physical fault or error in the **Insured Works** which was caused by the defective workmanship of the **Contractor** or defective materials which were supplied by the **Contractor**, but which will only form the basis of a valid claim where it is specifically stated as being covered by the **Written Guarantee** provided to the **Policy Holder** by the **Contractor**.

Significant and Unusual Exclusions or Limitations

Like every Insurance Policy, the Insurance Backed Guarantee excludes some situations and the **Policy Holder** should carefully read the Policy Exclusions section on the reverse of the Policy. The more notable exclusions are summarised as follows:

The Policy specifically outlines the circumstances in which the **Contractor** has deemed to have **Ceased Trading**. For a Limited Company, this exclusively means the appointment of a Liquidator, Receiver, or Administrator. For a non-limited enterprise, such as a sole trader or partnership, this means the winding up of the business due to Bankruptcy, the state retirement or the death of the principal or principals. As such, in circumstances where the **Contractor** has **Ceased Trading** due to reasons outside of these definitions (for example, a Limited Company applying for voluntary strike off at Companies House), the **Insurer** shall be under no obligation to indemnify the **Policy Holder**, because the circumstances lie outside the scope of the Policy.

The maximum amount which can be paid out in respect of all claims made under the Policy is the **Contract Value** shown in the Policy Schedule. Any loss over and above this figure shall be the responsibility of the **Policy Holder**.

The Policy is designed to meet the cost to rectify a **Defect in the Insured Works** that would have been covered by the **Contractor's Written Guarantee**. A **Defect** which is not covered by the **Written Guarantee** is not covered by the Insurance Backed Guarantee.

As part of the claims process, the **Insurer** will expect the **Policy Holder** to supply a copy of a contract or specification of work evidencing the **Insured Works** as well as a copy of the **Written Guarantee** provided in respect of the **Insured Works**. Should the **Policy Holder** be unable to supply such evidence and in particular a copy of the **Written Guarantee**, the **Insurer** may decline the claim.

The Policy specifically excludes any loss, damage or cost incurred by the **Policy Holder** that is not directly related to the rectification of a **Defect in the Insured Works**.

Whilst the Policy will pay for appropriate remedial action to the **Insured Works**, it will not meet the cost of any loss suffered that is not specifically related to these costs and any other costs that are indirectly caused by the event (such as loss of use, loss of enjoyment, loss of profit, distress, etc) which led to a claim, unless specifically stated within the Policy.

There is an excess of £50 applicable for each claim submitted under the Policy and therefore the first £50 towards the cost of any repairs is the responsibility of the **Policy Holder**.

The Policy shall not pay for any remedial works carried out to the **Insured Works** without the **Insurer's** consent.

The Policy shall not meet the cost of any damage or **Defect** to the **Insured Works** in respect of any brick work, base work, foundations or below ground level structural works, where that **Defect** becomes apparent more than 2 years after the **Completion Date**.

The Policy will not meet the cost of any instance that could be covered by a standard household buildings or commercial property insurance policy. Therefore, perils such as but not limited to fire, storm, subsidence, accidental damage and malicious damage are specifically excluded from cover.

The Policy shall not cover breakage of glass for any reason.

Where the **Policy Holder** has made a payment to the **Contractor** via credit card or finance agreement for the installation of the **Insured Works**, the lender or credit card provider may have liability equal to that of the **Contractor** in the event of breach of contract. This consumer protection mechanism is set out in the Consumer Credit Act 1974. As such, the Policy will not meet remedial costs where the **Policy Holder** is protected by such legislation. In these situations, the **Policy Holder** shall be required to seek recourse through the lender/credit provider in the first instance.

Duration of the Policy

The Policy will remain in force for the period shown on the Policy Schedule, under the heading Period of Insurance. This period is normally 10 years or the period of the **Contractor's Written Guarantee**, whichever is the lesser period. The level of cover does not need to be reviewed during this period.

Right of Cancellation

The **Policy Holder** may cancel this Policy within 14 days of receipt by providing written notice to the **Administrator**, QANW, at 37 Carrick Street, Ayr, KA7 1NS. Further details can be found within the Cancellation Rights section of the Policy.

How to Make a Claim

Should the **Policy Holder** discover a **Defect in the Insured Works** they should, without delay, contact the **Contractor**. However, if it has been discovered that the **Contractor** has **Ceased Trading** then the **Administrator**, QANW, should be contacted, immediately, in writing at 37 Carrick Street, Ayr, KA7 1NS or by telephone during office hours on 01292 268020. Please note that failure to notify a claim in a timeous manner could affect the outcome of a claim.

As part of the claims process and in order to validate any claim, the **Administrator**, QANW, will request a completed claim form from the **Policy Holder** as well as copies of the following documentation: a copy of the Policy of Insurance, a copy of the **Written Guarantee** provided by the **Contractor**, a copy of the contract between the **Policy Holder** and the **Contractor** and any other information that may reasonably be required.

The **Administrator**, on behalf of the **Insurer**, may appoint an **Alternative Firm** to investigate and rectify a **Defect in the Insured Works**. The **Insurer** may also at their option repair, replace or pay in cash the amount of the loss or damage proven as part of any claim submission.

Where the **Administrator** considers that a valid claim has been intimated, authorisation will be provided and the **Administrator** will confirm what action is to be undertaken.

Complaints

Both QANW and the **Insurer** hope that the **Policy Holder** will be happy with the service that is provided in relation to this product. However, if for any reason the **Policy Holder** is unhappy with the service provided, they should write to the **Administrator**, QANW at 37 Carrick Street, Ayr, KA7 1NS or telephone 01292 268020 during office hours. If the **Policy Holder** is still not satisfied with any response, they should write to the **Insurer**, Guarantee Protection Insurance Ltd at 37 Carrick Street, Ayr, Ayrshire KA7 1NS.

The **Insurer** is a member of the Financial Ombudsman Service, which is an independent body whose purpose is to settle complaints between customers and financial services firms. If the **Policy Holder** has complained to the **Insurer** and the complaint has not been resolved to the satisfaction of the **Policy Holder**, they may have the right to refer the complaint to this independent body.

Financial Services Compensation Scheme

Both QANW and the **Insurer** are covered by the Financial Services Compensation Scheme (FSCS). The **Policy Holder** may be entitled to compensation from the scheme if the **Insurer** cannot meet their obligations. This depends on the type of business and the circumstances of the claim.

Warranty Services Ltd trading as QANW. Registered in Scotland No. 205797. Registered Office: 37 Carrick Street, Ayr, KA7 1NS.

Warranty Services Ltd is authorised and regulated by the Financial Services Authority

Guarantee Protection Insurance Ltd. Registered in England No 3326800. Registered Office: Third Floor, 37 - 39 Lime Street, London EC3M 7AY.

Guarantee Protection Insurance Ltd is authorised and regulated by the Financial Services Authority