



Trustatrade Insurance

Deposit and Workmanship Guarantee Insurance

Policy Wording

Version 1 01/10/ 2015

Definitions

“Alternative Firm” means another contractor instructed to the **Insurer** to complete the **Proposed Works** or to rectify a defect in the **Insured Works**.

“Building Regulations” means regulations 4 & 7 of the Building Regulations 2010 (as amended), for England and Wales, applicable to the installation, in force on the **Completion Date** where the **Contractor** has self-certified that the **Insured Works** are compliant as a **Competent Person**.

“Ceased Trading” means ceasing to trade due to Liquidation, Receivership, Administration or the winding up of the business due to Bankruptcy, State Retirement or Death of the Principal(s).

“Certificate of Insurance” means the Certificate issued by the **Policy Administrator** on behalf of the **Insurer** to signify acceptance of the **Proposed Works** and the **Insured Works** for insurance hereunder.

“Claims Administrator” means Ark Insurance Group, Oak House, Eastwood Business Village, Harry Weston Road, Coventry, CV3 2UB.

“Commencement Date” means the date upon with the **Contractor** commence the **Proposed Works**.

“Competent Person” means a **Contractor** who has joined a scheme licensed under the Building Act 1984, for windows, doors, roof lights and roof windows, which allows individuals and enterprises to self-certify that their work complies with the **Building Regulations** as an alternative to submitting a building notice or using an approved inspector through Local Authority Building Control

“Completion Date” means the date shown in the **Certificate of Insurance** on which the **Insured Works** were fully completed to the **Insured’s** entire satisfaction.

“Consequential Loss” means any indirect, special or consequential damages or losses suffered or incurred by the **Insured** and for the purposes of this insurance indirect, special or consequential damages or losses shall include, but not be limited to damages to or losses of data, furniture or equipment, economic loss or damage, damage to or loss of profits, interest, business revenue, anticipated savings, business or goodwill, any losses, cost or expenses which are not directly incurred by the **Insured** wholly in respect of or which are additional to the remedial work for which indemnity is provided by this insurance, the costs and expenses of any redecoration, repainting or retiling work, the costs and expenses of removing and/or replacing any cupboards, carpets or other furniture, or any other fixtures or fittings and the incurring of liability for losses or damages of any nature whatsoever suffered by third parties (including in each case incidental and/or punitive damages), even if the **Insurer** is advised in advance of the possibility of any such losses and/or damages.

“Contractor” means the **Contractor** who undertook the **Insured Works** and who is named in the **Certificate of Insurance**.

“Contractors Written Guarantee” means the written guarantee or warranty issued by the **Contractor** in respect of the **Insured Works**.

"**Contract Price**" means the figure shown on the **Certificate of Insurance** representing the amount paid by the **Insured** to the **Contractor** for the **Insured Works** including VAT where the **Insured** is unable recover this element.

"**Defect**" means a physical fault or error in the **Insured Works** which was caused by the effective workmanship of the **Contractor** or by defective materials that were supplied by the **Contractor** but will only form the basis of a valid claim where it is specifically stated as being an item covered by the **Contractors Written Guarantee**.

"**Deposit Payments**" means a percentage of the **Contract Price** paid over to the **Contractor** by or on behalf of the **Insured** prior to the **Commencement Date**.

"**Excess**" means the initial amount relating to each and every claim which the **Insurer** has no liability for under this policy and which the **Insured** must themselves pay before any settlement is made by the **Insurer**. The excess is **£50** for each claim.

"**Insured**" means a person or body corporate named on the **Certificate of Insurance** or any subsequent owner of the **Insured Works**.

"**Insured Works**" means the completed works described on the **Certificate of Insurance**.

"**Insurer**" means Elite Insurance Company Limited. Elite is a company registered in Gibraltar, Registered Number 91111 with a registered office at 47/48 The Sails, Queensway Quay, Queensway Gibraltar.

"**Period of Insurance**" means the period shown in the **Certificate of Insurance** or the period stated in the **Contractor's Written Guarantee**, whichever is the less.

"**Policy Administrator**" This policy is administered on behalf of the **Insurer** by Sun Union Insurance, 41a Harley Shute Road, St Leonards on Sea, East Sussex, TN38 8BY

"**Proposed Works**" means the contract for work to be carried out by the **Contractor** for the **Insured** as stated in the **Certificate of Insurance** and more particularly described in the contract documents.

Benefits

Section 1 – Deposit Protection

In the event that the **Contractor** fails to commence the **Proposed Works** as a result of the **Contractor** having **Ceased Trading** the **Insurer** will at its option either;

1. arrange for an **Alternative Firm** to complete the **Proposed Works** for a fair market price with the **Insured** paying the remaining balance of the original **Contract Price** and the **Insurer** contributing the shortfall in the final cost; or
2. refund to the **Insured** the amount of the **Deposit Payments**.

Section 2 – Work in Progress

In the event that the **Contractor** fails to complete the **Proposed Works** within 42 days of the **Commencement Date** as a result of the **Contractor** having **Ceased Trading** the **Insurer** will at its option either;

1. arrange for an **Alternative Firm** to complete the **Proposed Works** for a fair market price with the **Insured** paying the remaining balance of the original **Contract Price** and the **Insurer** contributing the shortfall in the final cost; or
2. refund to the **Insured** the amount of all **Deposit Payments** made in respect of the **Proposed Works**, excluding the value of any materials supplied and work done.

Section 3 – Post Completion

1. The **Insurer** agrees to indemnify the **Insured** in respect of the cost of making good a **Defect** in the original Installation of the completed **Insured Works** at the address described in the **Certificate of**

Insurance arising during the **Period of Insurance**, where the **Contractor** has **Ceased Trading** and is unable to honour the terms of their own **Contractors Written Guarantee** issued to the **Insured**.

2. The **Insurer** also agrees to indemnify the **Insured** for a period of 6 years from the **Completion Date** in respect of the cost of making good a breach of **Building Regulations** in the **Insured Works** where the **Contractor** has **Ceased Trading** and is unable to honour their obligations as a **Competent Person**. The **Building Regulations**, and subsequently this element of cover, is only applicable to replacement windows, doors, roof lights and roof windows installed within existing domestic dwellings in England and Wales. Exclusion 10 of this policy will not apply to any breach of **Building Regulations**.

Limits of Indemnity

The **Insurer's** total liability in the aggregate in respect of all claims under this policy shall be limited to

Section 1 – Deposit – 25% of the **Contract Price** or £12,500 whichever is the lesser;

Section 2 – Work in Progress – 25% of the **Contract Price** or £12,500 whichever is the lesser;

Section 3 – Post Completion – the **Contract Price**.

Any costs incurred that amount to more than these Limits of Indemnity are the responsibility of the **Insured**.

Exclusions

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

1. the amount of the **Excess** shown in the **Certificate of Insurance** in respect of each and every claim for which the **Insured** is responsible.
2. the cost of routine maintenance, overhaul or modifications or loss or damage arising therefrom, any **Defects** that would not have been recoverable under the **Contractor's Written Guarantee**,
3. any damage or **Defect** caused by any peril capable of being insured under a commercial property, household or similar policy of insurance whether or not such insurance is effective or in force at the time.
4. any loss of use or **Consequential Loss** of any nature,
5. any consequence of terrorism, war risks or nuclear radiation.
6. any damage or **Defect** caused by fair wear and tear, sunlight, storm or deterioration due to neglect in maintenance,
7. sealed units and items of door and window furniture, tracks, runners, mountings, mechanisms and trims where the fault arises after the expiry date of the manufacturer's original guarantee,
8. breakage of glass for any reason,
9. any damage or defect to guttering or rainwater goods where the defect arises more than one year from the **Completion Date**,
10. the rectification of defective design of the **Insured Works** but not damage to the **Insured Works** resulting therefrom unless otherwise excluded,
11. any remedial work undertaken without the consent of the **Insurer**,

Conditions

1. In the event of any loss or damage occurring the **Insurer** may at their option repair, replace or pay incash the amount of the loss or damage.
2. The **Insured** shall take all reasonable precautions to avoid losses that are or may be recoverable under this insurance.
3. The **Insured's** benefit under this insurance is governed by English Law and will be forfeited if that **Insured** knowingly makes a fraudulent claim.
4. The **Insurer** may at its expense take such proceedings as it sees fit in the name of the **Insured** 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 **Insured** shall at the request and expense of the **Insurer** do such acts and things as may reasonably be required by the **Insurer**.
5. If any difference shall arise as to the amount to be paid under this policy (liability being otherwise admitted) such difference shall be referred to an Arbitrator to be appointed by the parties in

accordance with the statutory provisions then in force. Any making of an award shall be a condition precedent to any right of action against the **Insurer**.

Transferability

The benefits of this insurance will pass to subsequent owners of the **Insured Works** providing the **Contractor's Written Guarantee** states it is transferable. No replacement policy requires to be issued.

Claims Procedure

Should the **Contractor Cease Trading** prior to completion of the **Proposed Works** and the **Insured** wishes to make a claim in respect of Deposit or Work in Progress the **Claims Administrator** must be advised within 30 day

In the event of any **Defects** arising in the **Insured Works** the matter should immediately be reported to the **Contractor**. If a defect becomes apparent to the **Insured** and the **Contractor** has **Ceased Trading** the **Claims Administrator** must be advised within 30 days. The **Insured** must supply all details and proofs as may be reasonably called for by the **Insurer**. The **Insurer** shall have the right to inspect the **Insured Works**.

Cancellation

The **Insured** has the right to cancel cover under this Policy within 14 days of receipt, starting on the day after receipt of the policy documents.

In the situation where the works have not commenced and you do not therefore require the insurance cover cancellation may be notified to the **Policy Administrator** by either the **Insured** or the **Contractor**. The **Policy Administrator** will send both the **Insured** and the **Contractor** an email with logon instructions to authorise the .Cancellation should be notified to the **Policy Administrator** Sun Union Insurance by calling **01424 400701**.

Enquiries and Complaints

If you have any enquiry about this insurance you should contact the **Policy Administrator on 01424 400701**. Please quote your policy number or claim number so that your enquiry can be dealt with quickly.

If you have a complaint you should contact The Complaints Manager Ark Insurance Group Oak House, Eastwood Business Village, Harry Weston Road, Coventry. CV3 2UB. In the course of dealing with a complaint it may be necessary for the matter to be referred to Elite Insurance Company Ltd – you will be informed immediately if this is the case. Please quote your policy number or claim number in all correspondence.

In the unlikely event that the matter is still not resolved to your satisfaction your complaint can be referred to the Financial Ombudsman Service ('FOS') at South Quay Plaza, 183 Marsh Wall, London E14 9SR or by phone on 0845 080 1800. Please note you have 6 months from the date of our final response in which to refer the matter to the FOS. Referral to the FOS does not affect your right to take legal action against us.

About the Insurer

Elite Insurance Company Ltd is registered in Gibraltar, number 91111, and is licensed and regulated by the Gibraltar Financial Services Commission under the Insurance Companies Act 1987 of Gibraltar and is a member of the UK's Financial Services Compensation Scheme, Financial Ombudsman Service and the Association of British Insurers (ABI). Elite Insurance Company Limited are authorised by the Financial Services Commission in Gibraltar and authorised and subject to limited regulation by the Financial Conduct Authority. Details about the extent of our authorisation and regulation by the Financial Conduct Authority are available from us on request.

Financial Services Compensation Scheme

If we are unable to meet our liabilities you may be entitled to compensation under the Financial Services Compensation Scheme (FSCS). Further information about compensation scheme arrangements is available at www.fscs.org.uk, or by email at enquiries@fscs.org.uk or by phone on **0207 892 7300**.

Data Protection Act 1998

The **Insurer** may store your information (including your personal details) on a computer and use it for administration, risk assessment, research and statistical purposes, marketing purposes and for crime prevention. Your personal details will only be disclosed to third parties if it is necessary for the performance of this insurance contract. It may be sent in confidence for processing to other companies in our group (or companies acting on our instructions), including those outside the European Economic Area. In addition we may disclose the information you have supplied to other third parties such as solicitors, loss adjusters, repairers, the Police and Government agencies and other insurance companies in order to process your claim, and meet our legal obligations.

By accepting this insurance, you signify your consent to the above and for your information (including your personal details) to be processed by us, our agents and the administrator.

In Compliance with the Data Protection Act 1998, you are entitled to ask us to amend our records about you if they are not correct, and you may request a copy of the information we hold about you by applying to us in writing addressed to: **Data Compliance Manager Sun Union Insurance, 41a Harley Shute Road, St Leonards on Sea, East Sussex, TN38 8BY**. We may charge you the statutory fee of £10 for this service.

Fraud

The **Insured** must not act in a fraudulent way. If the **Insured** or anyone acting for the **Insured**:

1. makes a claim under the insurance knowing the claim to be false or exaggerated in any way; or
2. makes a statement in support of a claim knowing the statement to be false in any way; or
3. sends us or the administrator any documentation in support of a claim knowing the documentation to be forged or false in any way; or
4. makes a claim for any loss caused by the **Insured's** deliberate act or with the **Insured's** agreement;

then the **Insurer**:

5. **will not pay** the claim;
6. will not pay any other claim which has been or will be made under the insurance;
7. may declare the insurance void;
8. will be entitled to recover from the **Insured** the amount of any claim already paid under the insurance;
9. will not return any of the premiums;
10. may pass your details to the authorities should it become necessary for investigative purposes.

Other Important Notes

Language - All communication between you and us will be conducted in English.

In accordance with the Disability Discrimination Act 1995, we are able, upon request, to provide a text phone facility, audio tapes and large print documentation. Please advise us if you require any of these services to be provided so that we can communicate with you in an appropriate manner.

Sun Union Insurance

41a Harley Shute Road, St Leonards on Sea, East Sussex, TN38 8BY

Sun Union Insurance is a trading name of Roger A C Latapie who is authorised and regulated by the Financial Conduct Authority and is entered on the FCA Register under reference 308056