

SUMMARY OF COVER

Completed Housing

The following is a summary of the cover provided by the **LABC Completed Housing Warranty**. It does not contain the full terms and conditions of the cover; these can be found in your policy document. This summary does not form part of your insurance contract.

It is important that you read the full terms and conditions carefully.

Items marked in bold in the text of this document are specific policy definitions. You should refer to the policy wording for their precise meaning.

1. TYPE OF INSURANCE AND COVER

LABC Completed Housing Warranty is underwritten by Lloyd's Syndicate 4472 (Liberty Syndicates). The scheme is administered by MD Insurance Services Ltd.

LABC Completed Housing Warranty provides cover for the owners of recently completed, extended or refurbished houses.

2. SITE AUDIT SURVEYORS

Cover under the **LABC Completed Housing Warranty** is only provided after a satisfactory independent technical audit has been undertaken on behalf of the **Underwriter**. This is known as the Site Audit Survey and is undertaken by the **Site Audit Surveyor**.

The **LABC Completed Housing Warranty** uses a network of building surveyors to carry out the Site Audit Surveys on their behalf. All surveyors are professionally qualified and have a minimum of five years experience.

Inspections are undertaken to satisfy the **Underwriter** that the **Housing Unit** to be insured represents a normal risk for insurance under the **LABC Completed Housing Warranty**. It should not be inferred that the inspections are for any other purpose. The **Site Audit Surveyor** works solely for the **Underwriter**.

3. CERTIFICATE OF APPROVAL

When a **Housing Unit** has been inspected and is considered by the **Site Audit Surveyor** to be a normal risk for insurance under the **LABC Completed Housing Warranty** a **Certificate of Approval** will be sent by the **Site Audit Surveyor** to the **Scheme Administrator**.

4. SIGNIFICANT FEATURES AND BENEFITS

The policy includes the following features and benefits which are explained in detail in the policy document.

4.1 STRUCTURAL INSURANCE SECTION 3 OF THE POLICY

The policy covers all claims for the cost of complete or partial rebuilding or rectifying work to the **Housing Unit** which has been affected by **Major Damage** provided always that the liability of the **Underwriter** does not exceed the reasonable cost of rebuilding each **Housing Unit** to its original specification.

4.2 ADDITIONAL EXTENSIONS

In addition in the event of a valid claim under the Policy the **Underwriter** will pay within the **Limit of Indemnity**:

- Additional Costs;
- Alternative Accommodation Costs;
- Fees;
- Removal of Debris.

As fully defined in the policy wording.

4.3 RENOVATIONS, REFURBISHMENTS, EXTENSIONS AND CONVERSIONS

When an existing property is extended or substantially renovated or refurbished the policy is endorsed to cover any items defined in **Structure** that comprise part of the new works and any consequential damage to the existing structure (provided the reinstatement cost of the whole property is included in the sum insured). Any defect in the existing property is not insured unless agreed in writing by the **Scheme Administrator**.

The Proposal Form will request the **Policyholder** to identify the works being carried out in the conversion and/or refurbishment contract for the **Housing Unit**. This information will be endorsed on the policy.

4.4 INDEXATION

The **Limit of Indemnity** and **Excess** are increased in line with the RICS House Re-Building Index or 5% per annum compound, whichever is the lesser.

4.5 ASSIGNMENT

The policy is assignable to all parties acquiring a future insurable interest in a **Housing Unit**.

4.6 BANK OR BUILDING SOCIETY'S INTEREST

Banks and Building Societies with an interest in a **Housing Unit** are automatically insured and an endorsement noting their interest will be issued if required.

5. SIGNIFICANT AND UNUSUAL EXCLUSIONS / LIMITATIONS

5.1 POLICY EXCESS

An **Excess** is applied for all claims under the policy. It is applicable to each and every separate cause of loss for each **Housing Unit**.

The level of **Excess** is usually £1,000.

An **Excess** is usually applied for all contracts which involve **Common Parts**. This is generally £5,000 but can vary according to the size of the contract.

5.2 POLICY EXCLUSIONS

The policy contains exclusions that apply to the whole policy. The following is a summary of the main exclusions that apply to the whole of the policy.

5.2.1 ALTERATIONS

Alterations or modifications after the **Housing Unit** has been completed must be notified and approved by the **Underwriter**. Failure to do so could lead to your claim not being paid.

5.2.2 HUMIDITY

Any humidity in the **Housing Unit** that is not as a direct result of defects in the waterproofing elements of the **Housing Unit** is not covered.

5.2.3 MAINTENANCE AND USE

You have a duty to both maintain your **Housing Unit** and not to use it for any other purpose than for which it was intended. Failure to do so could result in a claim being rejected.

5.2.4 PRIOR KNOWLEDGE

The policy would not pay for anything that would constitute a valid claim and about which you were aware prior to purchasing the **Housing Unit** and as a consequence agreed a reduction in the purchase price of the **Housing Unit**.

5.2.5 SETTLEMENT

Normal settlement or bedding down of your **Housing Unit** is not covered.

5.2.6 SPECIAL PERILS

This exclusion lists a number of perils including fire, flood, storm etc. A full list can be found in the exclusion section of the policy wording. Such perils would normally be covered by your Home Insurance.

5.2.7 SUBSIDENCE

Subsidence, heave or landslip is not covered unless resulting from a defect in the **Structure** of the **Housing Unit**.

5.2.8 WEAR AND TEAR

The policy does not cover any damage resulting from wear and tear, normal dampness, condensation, shrinkage or normal deterioration whether caused by neglect or otherwise.

5.2.9 DEFECTS IN EXISTING WORKS

It is usual to exclude any defects in existing works that do not form part of any renovation, refurbishment, extension or conversion works.

All other exclusions can be found in the Policy. It is recommended that you study these in detail.

6. FINANCIAL LIMITS

- £750,000 for any newly constructed **Housing Unit**
- £350,000 for any converted or refurbished **Housing Unit**

or the Sum Insured for the **Housing Unit**, whichever is the lesser.

The Financial Limit for all **Housing Units** in one continuous structure is £1,250,000

The Financial Limits are index linked in accordance with Condition 5 of the Policy.

6.1 COMMON PARTS

The maximum the **Underwriter** will pay for any claim relating to **Common Parts** will be the amount that the **Policyholder** has a legal liability to contribute towards the cost of repairs, rectification or rebuilding works. Claims are subject to the Financial Limits detailed above and the **Excess** as detailed in the **Certificates of Insurance**.

7. DURATION OF THE POLICY

From the date of receipt by the **Scheme Administrator** of the insurance premium and a satisfactory site audit on the **Housing Unit** for the balance of a ten year period from the date of completion of original construction.

8. CANCELLATION OF INSURANCES

You have the right to cancel cover under the **LABC Completed Housing Warranty**. If you wish to cancel the cover you must do so within 14 days starting on the day after you receive the **LABC Completed Housing Warranty** Policy documents. Your cancellation must reach us by letter or Email.

Contact details are:

Scheme Administrator
MD Insurance Services Ltd.
Haymarket Court
Hinson Street
Birkenhead
CH41 5BX

Email: customerservices@labcnhw.co.uk

Please quote your **LABC Completed Housing Warranty** policy number when cancelling. Any return of premium will only be made to the party that has paid the premium.

No return of the **Site Audit Surveyor's** fee will be made. The **Scheme Administrator** reserves the right to charge an administration fee.

All **LABC Completed Housing Warranty** policy documents should be returned to us with the cancellation request.

9. MAKING A CLAIM

We will handle all claims fairly and promptly and act on behalf of the **Underwriter** in negotiating and settling claims. To make a claim please contact:

MD Insurance Services Ltd.
Haymarket Court
Hinson Street
Birkenhead
CH41 5BX

Telephone: 0845 054 0505
Email: claims@labcnhw.co.uk

10. COMPLAINTS

The **Site Audit Surveyor** aims to provide you with a high level of customer service. If you wish to make a complaint against the **Site Audit Surveyor** you should contact them directly. Details of the **Site Audit Surveyor** and their complaints procedure will be provided by the **Scheme Administrator** on request.

We also aim to provide you with a high level of customer service at all times, but if you are not satisfied, contact us in one of the following ways:

Write to:

Complaints Officer
MD Insurance Services Ltd.
Haymarket Court
Hinson Street
Birkenhead
Wirral
CH41 5BX

Telephone: 0845 054 0505
Email: complaints@labcnhw.co.uk

In the event that you remain dissatisfied, you can refer the matter to the Complaints Department at Lloyd's. The contact details are:

Complaints Department
Lloyd's
One Lime Street
London
EC3M 7HA

Telephone: 0207 327 5693
Email: complaints@lloyds.com

If you are still not satisfied, you may refer the matter to the Financial Ombudsman Service (except in the case of commercial customers with a group annual turnover of £1m or more, or trustees with a net asset value of £1m or more).

11. COMPENSATION

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of insurance, size of the business (if a commercial customer) and the circumstances of the claim. Further information about compensation scheme arrangements is available from the FSCS website at www.fscs.org.uk



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MD Insurance Services Ltd. is the Scheme Administrator for the LABC New Home Warranty. MD Insurance Services Ltd. is authorised and regulated by the Financial Services Authority. MD Insurance Services Ltd. is registered in England No: 3642459.

