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# POLICY DOCUMENT

RESIDENTIAL WARRANTY UK



Version 2

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## Structural Defects Insurance Policy for Residential Properties

New Build, Conversions and Renovated Properties

### Contents

This Policy sets out the Insurance cover provided for the **Residential Property**. The **Policyholder** is requested to read the Policy together with the **Certificate of Insurance** and any applicable Endorsements. These are important documents. If any information is not clear please contact the **Scheme Administrator**.

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## Information

This Policy is underwritten by Canopus Managing Agents Limited.

ICW Insurance Services Limited (ICW) is an Appointed Representative of ES Risks Ltd which is authorised and regulated by the Financial Conduct Authority.

The **Underwriter** is Canopus Managing Agents Limited, Lloyd's Syndicate 4444. It is entered in the register of Lloyd's Managing Agents, Registered office 50 Fenchurch Street, London, EC3M 3JY. Registered in England, Number 01514453.

### Your Residential Warranty Policy

This Policy is a contract between the **Policyholder** as stated in the **Certificate of Insurance** (also referred to as you, your, yours or yourselves) and Canopus Managing Agents Limited (also referred to as the **Underwriter**). ICW Insurance Services is the Scheme Administrator (also referred to as we, us, our or ours).

This Policy and **Certificate of Insurance** together with any Endorsements should be read as if they are one document.

The **Underwriter** will insure you under those Sections stated in the **Certificate of Insurance** during any period of insurance for which we have accepted your premium provided always that all the terms and conditions of this Policy are complied with. The **Underwriter's** liability will in no case exceed the amount of any Sum Insured or **Limit of Indemnity** stated in this Policy, the **Certificate of Insurance** or any Endorsement to this Policy.

Any heading in this Policy is for ease of reference only and does not affect its interpretation.

### Law applicable to this contract

In the United Kingdom the law allows both you and the **Underwriter** to choose the law applicable to this contract. This contract will be subject to the relevant law of England and Wales, Scotland, Northern Ireland, the Isle of Man or the Channel Islands depending upon your address stated in the **Certificate of Insurance**. If there is any dispute as to which law applies it will be English law. The **Policyholder** and the **Underwriter** agree to submit to the exclusive jurisdiction of the English courts. **Canopus Syndicate at Lloyd's (CNP4444)**.

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## Your Policy

The insurance cover provided by the **ICW Residential Warranty** complies with:

1. The minimum criteria for New Homes Warranties referred to in Regulations 8(h) and 8(i) of the Home Information Pack Regulations 2006.
2. The Warranty Link Rule designation criteria as stated in Annex E of Circular CI 46/2/46 September 2005 issued by the Office of the Deputy Prime Minister.

The Policy is subject to a number of definitions, conditions, exclusions and financial limits as detailed in the Policy.

### The quality of your Residential Property

All **Residential Properties** insured under the **ICW Residential Warranty** are subject to a series of checks and inspections: The **Developer** has to comply with **Building Regulations** and the authorised Building Control Body involved inspects their work. These regulations are statutory requirements which are concerned mainly with health & safety, access for the disabled and conservation of fuel and power issues.

The Developer also has to comply with the functional requirements of a design check and technical audit inspection process which is carried out to satisfy the **Underwriter** that the **Residential Property** represents a normal risk for insurance under the **ICW Residential Warranty** before the **Certificate of Insurance** can be issued. It should not be inferred that the inspections are for any other purpose.

It is the **Policyholder's** responsibility to ensure that a thorough inspection of the **Residential Property** is carried out prior to practical completion. If the inspection identifies any defects they should be reported to the **Developer** and remedied prior to completing the purchase.

The Building Control function will have been undertaken either by **Local Authority Building Control (LABC)** or an **Approved Inspector**.

If the **LABC** has carried out Building Control and a satisfactory final inspection has been carried out by the **Site Audit Surveyor** a Cover Note will be issued, if requested, for each Residential Property confirming that cover under Sections 2,3,4 & 5 (as applicable) is in effect.

If Building Control has been undertaken by an **Approved Inspector** and a satisfactory final inspection has been carried out by the **Site Audit Surveyor** and the **Approved Inspector** has confirmed that they are not aware of any circumstances that would restrict their ability to issue a Final Certificate then a Cover Note will be issued, if requested, for each **Residential Property** confirming that cover under Sections 2, 3, 4, & 5 (as applicable) is in effect.

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## Your Policy

A **Certificate of Insurance** will be issued in the name of the **Policyholder** after issue of the Cover Note provided that a Certificate of Approval has been issued by the **Site Audit Surveyor** and, if applicable, a Building Control Completion Certificate has been issued by the Approved Inspector. The **Certificate of Insurance** should be filed with the Policy.

Extensions in cover at the time of issue of the Policy and subsequent alterations will be confirmed by separate Endorsements, which should be filed with the Policy. The **Policyholder** should refer to these Endorsements and the Policy to ascertain the precise cover in force at any time.

This Policy provides for successor in title meaning it is automatically transferable to future owners of the **Residential Property**. If the new owner requires a re-issued **Certificate of Insurance** reflecting the change in ownership, they should contact the **Scheme Administrator** to notify their details in writing, within 60 days of becoming the legal owners of the **Residential Property** and a new **Certificate of Insurance** will be issued reflecting the change. This service will be subject to the payment of an administrative fee to the **Scheme Administrator** as a consideration for its services.

### How we use personal information

The **Scheme Administrator** holds personal information in accordance with the Data Protection Act 2018. The information supplied to the **Scheme Administrator** by the **Policyholder** may be held on computer and passed to other insurers and reinsurers for underwriting and claims purposes. The **Policyholder** should show this to anyone whose personal information may be processed to administer this Policy including handling any claims.

The **Scheme Administrator** uses a variety of security technologies and procedures to help protect personal information from inappropriate use, and will continue to revise procedures and implement additional security features as new technology becomes available.

The **Scheme Administrator** may use personal information for underwriting and claims purposes, statistical analysis, management information, market research, audits on the handling of claims, systems integrity testing, and risk management. **The Scheme Administrator** will only share personal information as described in this notice or where they are required or allowed to do so by law.

The **Scheme Administrator** may record or monitor telephone calls for security and regulatory purposes.

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# Your Policy

## Policy Administration

In order to administer the Insurance Policy and any claims made against this Policy the **Scheme Administrator** may share personal information provided with other companies within the United Kingdom and Ireland and with business partners. If the **Scheme Administrator** does transfer personal information they will make sure that it is appropriately protected.

The **Scheme Administrator** may conduct searches about anyone whose personal information may be processed to administer this Policy (including handling any claims) using publicly available sources. Examples are the edited electoral roll, county court judgements / Scottish decrees, bankruptcy registers and other public databases. This helps them assess applications for insurance, provide renewal quota and check the accuracy of information. These searches may be recorded by credit reference agencies but they will not affect any credit standing.

## The Policyholder's Cancellation Rights

The **Policyholder** has the right to cancel insurance cover under the **ICW Residential Warranty**. If the **Policyholder** wishes to cancel the insurance cover the **Policyholder** must do so within 14 days starting on the day after it receives the **ICW Residential Warranty** policy documents. The **Policyholder's** cancellation must reach the **Scheme Administrator**, whose contact details are:

*ICW Insurance Services (ICW),  
Unit 1, 33 Massey Ave, Belfast, BT4 2JT, United Kingdom.*

The **Policyholder** should make any request for the cancellation of this Policy in writing and any relevant **Certificate of Insurance** should be returned to the **Scheme Administrator** or to the **Underwriter**. In the event of the cancellation of this Policy the **Scheme Administrator** will charge an administration fee for its services which will apply as follows:

### Cancellation prior to Certificate of Insurance being issued

As construction contracts can be of varying duration and there is always a technical audit, the determination of the administration fee to be charged by the **Scheme Administrator** will vary depending on the stage at which notice of cancellation is given.

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# Your Policy

## Cancellation following Certificate of Insurance being issued

1. If a third party has completed the proposal form or paid the premium, the **Policyholder** will not be entitled to a refund of premium or any other monies. The premium or any other monies can only be paid back to the party who originally paid the premium or any other monies and who still has an insurable interest in the property.
2. If the **Policyholder** has completed a proposal form and paid the premium the **Policyholder** may be entitled to a refund. This will take into account the period where insurance cover has been in force, subject to the deduction of the administration fee payable to the **Scheme Administrator**. In the event of a valid claim being payable, no refund of premium or other monies will be payable.

Before cancelling the insurance cover the **Policyholder** should check with their mortgage lender and/or mortgage broker and/or financial intermediary, as appropriate, because they may require the **Policyholder** to have this insurance cover or its equivalent as a condition of the loan. Also please remember that if the **Policyholder** should sell the **Residential Property** within the period of insurance cover, a purchaser (and any lender at that time) will usually require this insurance cover.

If the **Policyholder's Residential Property** includes **Common Parts** for which it is jointly responsible with owners of other **Residential Properties**, the **Policyholder's** cancellation will apply to both the insurance cover on the individual **Residential Property** and the insurance cover for their share of the cost of any claim relating to the **Common Parts**. So if the **Policyholder** cancels their insurance cover, the **Policyholder** will be obliged under their title to contribute to the cost of repairs along with their neighbours.

## Claims History

Under the conditions of this Policy the **Policyholder** must tell the **Scheme Administrator** when they become aware of any incident that could give rise to a claim under this Policy, whether or not it is their intention to claim.

When the **Policyholder** tells the **Scheme Administrator** about an incident or claim the **Scheme Administrator** or the **Underwriter** may pass information relating to it to the Claims and Underwriting Exchange Register (CUE), run by Insurance Database Services Ltd (IDSL) or other relevant database.

The **Scheme Administrator** on behalf of the **Underwriter** and other insurers may search these databases when the **Policyholder** applies for insurance, in the event of any incident or claim or at time of renewal to validate the claims history or that of any other person or property likely to be involved in the Policy or claim. This helps to check information provided and prevent fraudulent claims.

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# Your Policy

## Fraud prevention and detection

In order to prevent and detect fraud the **Scheme Administrator** or **Underwriter** may at any time:

- A. Share information about you with other organisations including the policy
- B. Conduct searches using publicly available databases
- C. Undertake credit searches
- D. Check and share your details with fraud prevention and detection agencies

If false or inaccurate information is provided and fraud is identified details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. The Scheme Administrator and other organisations may also access and use this information to prevent fraud and money laundering for example when:

- A. Checking details on applications for credit and credit related or other facilities
- B. Managing credit and credit related accounts or facilities
- C. Recovering debt and tracing beneficiaries
- D. Checking details on proposals and claims for all types of insurance
- E. Checking details of job applicants and employees

The **Scheme Administrator** and other organisations may access and use from other countries the information recorded by fraud prevention agencies.

## Data Protection Rights

Individuals have certain rights under the Data Protection Act 2018, including the right to ask for a copy of the information the **Scheme Administrator** holds about them. Individuals also have the right to ask us to correct their information if it is inaccurate. If a **Policyholder** would like to know more about how the **Scheme Administrator** uses personal information or have any data protection questions, please contact the Data Protection Officer at *ICW Insurance Services (ICW), Unit 1, 33 Massey Ave, Belfast, BT4 2JT, United Kingdom.*



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# Definitions

Certain words have specific meanings when they appear in this Policy in bold type. These meanings are shown below. In addition:

- A. “You”, “your” and “yours” refer to the **Policyholder**; and “we”, “our” and “us” refer to the **Scheme Administrator**;
- B. Words in the singular include the plural and vice versa;
- C. References to things done or to be done by the **Developer** (for example work of building, conversion or renovation) also refer to such things done or to be done on behalf of the **Developer**;
- D. References to any legislation include any statutory extension, modification or re-enactment of it and regulations made under it;
- E. The words “including”, “such as” and “for example” are used for illustration or emphasis only;
- F. References to “Sections” refer to the Sections (1 – 5) in the insurance coverage.

## 1. Approved Inspector

Any person, sole trader, partnership or company accredited by the **United Kingdom Accredited Service (UKAS)** and/or authorised by the **Construction Industry Council (CIC)** who carries out a technical inspection of the **Residential Property or Development**.

## 2. Asbestos

**Asbestos**, asbestos fibres, any derivatives of **Asbestos** and any product containing **Asbestos**, asbestos fibres or any derivatives of **Asbestos**.

## 3. Building Contract

The contract or agreement between the **Developer** and the **Policyholder** in respect of the construction, **Conversion**, refurbishment or renovation of the **Residential Property or Residential Properties** at a **Development**.

## 4. Building Period

The period for each **Development** or each **Residential Property** commencing on the date specified in the **Building Period Certificate** issued by the **Underwriter** and ending on the date of completion noted on the **Declaration of Approval** for the final **Residential Property** to be completed at a **Development**.

## 5. Building Period Certificate

The certificate issued by the **Scheme Administrator** on behalf of the **Underwriter** signifying their agreement to the provision of the insurance cover set out in this Policy, subject to receipt of a **Declaration of Approval** and a **Completion Certificate** for each **Residential Property**.

The building regulations that govern the construction of the **Residential Property** which were in force at the time the ‘notice to build’ was deposited with the local authority or approved inspector or the equivalent regulations, date and authorised body which apply in Scotland and/or Northern Ireland.

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# Definitions

## 7. Certificate of Insurance

The certificate issued by the **Scheme Administrator** on behalf of the **Underwriter** to signify acceptance of each **Residential Property** for insurance cover hereunder following issue of the **Declaration of Approval** by the **Site Audit Surveyor**.

## 8. Common Parts

Those parts of a multi-ownership building (of which the **Residential Property** is part), for a common or general use, for which the **Policyholder** has joint ownership or legal responsibility.

## 9. Completion Certificate

The certificate issued by the **Local Authority Building Control** (or equivalent body in Scotland and Northern Ireland) or an **Approved Inspector** following satisfactory completion of the technical inspection of a **Residential Property** or **Development**.

## 10. Completion Date

This is the later of the following dates.

- A. The date of legal completion of the purchase by the first owner (or, in Scotland, the date of entry).
- B. The date of the **Declaration of Approval**. However, if a **Developer** builds a home under a **Building Contract** (for example on land owned by or to be bought separately by the first owner) or someone is living in a property before the date of legal completion (or, in Scotland, the date of entry) of the purchase by the first owner, the completion date is always the date of the **Declaration of Approval**.

## 11. Conciliation Service

A consensual process whereby a building surveyor appointed by the **Scheme Administrator** attempts to resolve a dispute between the **Developer** and the **Policyholder**.

## 12. Construction Industry Council (CIC)

The representative forum for the professional bodies, research organisations and specialist business associations in the construction industry.

## 13. Conversion

Where the **Residential Property** includes all or part of an existing **Structure**, regardless as to whether that **Structure** was originally intended to be used as a dwelling or not.

## 14. Contamination

**Contaminated land** within the meaning of Part II(A) of the Environmental Protection Act 1990, and any modifications or re-enactments of such Act, or Part III of the Waste and Contaminated Land (Northern Ireland) Order 1997 (or under any equivalent legislation of the Isle of Man, or any consolidating, amending or replacement legislation).

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## Definitions

### 15. Declaration of Approval

The approval declaration issued by the **Site Audit Surveyor** to the **Underwriter** on or following satisfactory completion of each.

### 16. Defect

A failure to comply with a functional requirement in the **Technical Manual** in respect of the construction of the **Residential Property**.

Failure to follow the performance standards or guidance supporting the functional requirements does not in itself amount to a **Defect**, as it may be possible to achieve the recommended performance in other ways.

For any **Residential Property** insured under this Policy relating to the **Conversion**, refurbishment or renovation of a **Development** the definition of **Defect** shall only be deemed to include any of the works constructed or installed by the **Developer** as part of the **Conversion**, refurbishment or renovation.

### 17. Defects Insurance Period

The two years from the **Completion Date** as specified in the **Certificate of Insurance**.

### 18. Developer

Any person, sole trader, partnership, company or special purpose vehicle

- A. With whom the **Policyholder** has entered into an agreement, contract or missive to purchase the **Residential Property**; or
- B. Who constructs the **Residential Property** and with whom the **Policyholder** has entered into an agreement, contract or missive to purchase the **Residential Property**; or
- C. Who constructs the **Residential Property** and as the **Policyholder** owns the **Residential Property**.  
For any avoidance of doubt the definition of **Developer** does not include any sub-contractor or sub-consultant employed at a **Development**.

### 19. Development

A single **Residential Property** or group of **Residential Properties** constructed at the site specified on the **Building Period Certificate**.

For the purpose of this Policy the definition **Development** does not include any building works other than the **Residential Property(s)** detailed in the **Building Period Certificate**.

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## Definitions

### 20. Excess

The first amount of each valid claim which is payable under this Policy for a **Residential Property**, as detailed in the **Building Period Certificate** and the **Certificate of Insurance**.

A separate Excess shall apply to each separately identifiable cause of loss or damage for which a payment is made under the Policy by the **Underwriter**, regardless of whether more than one cause of loss is notified at the same time.

### 21. Fraud

"Fraud" shall have the meaning set out in section 1 of the Fraud Act 2006.

### 22. Residential Property

The property described in the **Certificate of Insurance** comprising:

- The structure;
- All non-load bearing elements and fixtures and fittings for which the Policyholder is responsible;
- Any **Common Parts** retaining or boundary walls forming part of or providing stability or strength to the **Structure**;
- any path or roadway within the perimeter of such property;
- The drainage system within the perimeter of such property for which the **Policyholder** is responsible;
- Any garage or other permanent out-building.

For the purposes of this Policy the definition of **Residential Property** does not include any swimming pool, temporary structure, free-standing household appliance, fence, retaining or boundary wall not essential to the stability or strength of the **Structure**.

### 23. Insolvency

An order is made or a resolution is passed for the winding-up, administration or bankruptcy of the **Developer** (except for the purposes of solvent amalgamation or reconstruction previously approved by the **Underwriter** in writing); or

A liquidator, trustee, administrator, administrative receiver, receiver, manager, trustee in bankruptcy or similar official is appointed over the whole or any part of the assets of the **Developer** or the directors of the **Developer** request any person to appoint any of the same; or

A notice of appointment or a notice of intention to appoint an administrator under Schedule B1 to the Insolvency Act 1986 is issued by the **Developer** or its directors.

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## Definitions

### 24. Land

The ground that surrounds and supports the **Residential Property** and which was:

- A. Purchased by the initial **Policyholder** with the **Residential Property** at the same time as the **Building Contract** was entered into or completed; and/or
- B. Owned by the initial **Policyholder** when a **Building Contract** was entered into; together with any land for which the **Policyholder** has a legal responsibility under the terms of the **Building Contract**.

### 25. Local Authority Building Control (LABC)

A local authority body which coordinates the technical application of **Building Regulations** and ensures that buildings are healthy, safe, sustainable and accessible for all users and tenants whether domestic, commercial or public service.

### 26. Limit of Indemnity

The liability of the **Underwriter** shall not exceed during the **Defects Insurance Period** and/or the **Structural Insurance Period** the amount shown as the **Sum Insured** on the **Certificate of Insurance** or the relevant limit expressed under the Financial Limit caption of the applicable Section of the insurance coverage, whichever is the lesser. The **Limit of Indemnity** is index linked in accordance with General Condition 6 of the Policy.

### 27. Major Damage

- C. **Physical Damage** to any portion of the **Residential Property** for which a **Certificate of Insurance** has been issued by the **Underwriter**.
- D. A condition requiring immediate remedial action to prevent actual **Physical Damage** to any portion of the **Residential Property** for which a **Certificate of Insurance** has been issued by the **Underwriter**.

In either case caused by a **Defect** in the design, workmanship, materials or components of:

- A. the **Structure**; or
- B. the waterproofing elements of the **Waterproof Envelope**, which is first discovered during the **Structural Insurance Period**.

For the purpose of this Policy the definition of **Major Damage** is deemed to include any physical loss, destruction or damage to the **Residential Property** caused by contamination or pollution as a direct consequence of a **Defect** in the design, workmanship, materials or components of the **Structure** of the **Residential Property**.

### 28. Pathogenic Organisms

Any bacteria, yeasts, mildew, viruses, fungi, mould or their spores, mycotoxins or other metabolic products.

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## Definitions

### 29. Physical Damage

A material difference in the physical condition of any element of the **Structure** of the **Residential Property** from its intended physical condition which, results in the **Residential Property** being deemed unfit for purpose and, manifests itself after the completion of the **Residential Property**.

### 30. Policyholder

In respect of Section 1:

A third party having paid a registration fee and/or deposit for the **Residential Property** to the **Developer** in respect of Section 2.

The person (or people) who entered into the contract for the **Residential Property**, or any person (or people) who take over the freehold, commonhold, leasehold title or Scottish title of the property or, where this applies, any mortgage provider who has taken possession of the **Residential Property**.

In respect of Sections 3, 4 and 5:

The person (or people) who entered into the contract for the **Residential Property**, or any person (or people) who take over the freehold, commonhold, leasehold title or Scottish title of the property or, where this applies, any mortgage provider who has taken possession of the **Residential Property**.

### 31. ICW New Home Warranty

The Policy containing the insurance cover provided by the **Underwriter**.

### 32. Remediation Expenses

Reasonable expenses incurred for the investigation, removal or treatment of **Contamination** to the extent required by any Statutory Notice.

### 33. Scheme Administrator

*ICW Insurance Services (ICW), Unit 1, 33 Massey Ave, Belfast, BT4 2JT, United Kingdom.*

### 34. Site Audit Surveyor

The surveyor appointed by the **Scheme Administrator** on behalf of the **Underwriter** who carries out checks and inspections solely on behalf of the **Underwriter** and who prior to the issue of the **Certificate of Insurance** for each **Residential Property** issues a **Declaration of Approval**.

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# Definitions

## 35. Statutory Notice

A notice served by an enforcement body under Part II (A) of the Environmental Protection Act 1990 or Part III of the Waste and Contaminated Land (Northern Ireland) Order 1997 or under equivalent legislation of the Isle of Man (or any legislation which amends or replaces that legislation), requiring the **Policyholder** to take action to put right **Contamination**.

## 36. Structure

The following elements shall comprise the **Structure** of a **Residential Property**:

- Foundations;
- All load-bearing structures essential to its stability or strength including parts of ceilings, floors, staircases and associated guard rails, walls and roofs, together with retaining walls necessary for stability of the **Residential Property**;
- Non-load bearing partition walls;
- Chimneys and flues;
- Roof covering;
- Any external finishing surface (including rendering) necessary for the water-tightness of the external envelope;
- Floor decking and screeds, where these fail to support normal loads;
- Wet applied plaster;
- Double & triple glazed panes to external windows and doors;
- Underground drainage, comprising pipes, channels, gullies and inspection chambers, within the perimeter of the **Residential Property** for which the **Policyholder** is responsible for maintaining.

## 37. Structural Insurance Period

The period specified in the **Certificate of Insurance** commencing and expiring on the dates as detailed therein against **Major Damage** (as defined under **DEFINITIONS**) specifically caused by a structural or latent defect during the course of construction and as detailed in the **Certificate of Insurance** for the **Residential Property**.

## 38. Sum Insured

The sum agreed by the **Scheme Administrator** and shown on the **Certificate of Insurance**.

## 39. Technical Manual

The functional requirements and performance standards of construction required in order to comply with **Building Regulations**, and Codes of Practice and European standards in force, at the time when technical information relating to the **Residential Property** or **Development** is first submitted to the **Scheme Administrator**. For the avoidance of doubt functional requirements are not to be taken to include planning authority conditions. Where the **Residential Property** or **Development** is exempt from **Building Regulations** the appropriate British Standard, Codes of Practice and European standards in force at the commencement of the **Building Period** shall apply.

The **Site Audit Surveyor** may agree to amendments to the performance standards. Such amendments shall form part of the **Technical Manual** provided they have been agreed in writing by the **Scheme Administrator**.

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## Definitions

### 40. United Kingdom Accreditation Service (UKAS)

The sole national accreditation body recognised by government to assess, against internationally agreed standards, organisations that provide certification, testing, inspection and calibration services.

### 41. Underwriter

Canopus Managing Agents Limited, Lloyd's Syndicate 4444. It is entered in the register of Lloyd's Managing Agents, Registered Office *50 Fenchurch Street, London, EC3M 3JY. Registered in England, Number 01514453.*

### 42. Waterproof Envelope

Waterproof envelope shall mean the ground floors, external walls, roofs, skylights, windows and doors of the Residential Property but excluding those parts below ground floor or slab level, except where especially accepted by ICW as an inclusion within this property. This would be subject to formal approval by ICW's inspectors.



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# Insurance Coverage

## Section 1 – Ill Health or Death or Fraud of Developer during the Building Period

If the **Developer** does not commence work on a **Residential Property** as a consequence of incapacity due to ill health or death of the **Developer** or the **Developer** ceasing to trade or Fraud, the **Underwriter** will refund the deposit paid by the **Policyholder**.

If the **Developer** fails to complete the **Residential Property** after work has commenced as a consequence of incapacity due to ill health or death of the **Developer** or the **Developer** ceasing to trade or Fraud, the **Underwriter** will at its sole option:

- A. Pay the additional cost required to complete the **Residential Property**; or
- B. Refund the loss of money paid by the **Policyholder** to the **Developer** as a deposit for the construction of the **Residential Property**;
- C. Provided that the **Underwriter** is only liable under this Section in respect of monies paid by the **Policyholder** to the **Developer**.

### Financial Limits

The **Underwriter** will pay up to a maximum of 10% of the original purchase price for the **Residential Property** or £100,000, whichever is the lesser.

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 for the individual sections detailed above and the **Excess** as detailed in the **Building Period Certificate** and **Certificate of Insurance**.

### Special Conditions

- 1. If the **Policyholder** withholds, retains or receives back any part of the deposit for the **Residential Property** the **Underwriter** will be entitled to deduct such amount from monies they would otherwise be obliged to pay under this Section.
- 2. The **Underwriter** is only liable under this Section in respect of the original contract price, as declared, and not in respect of any extras agreed subsequent to the contract.
- 3. The **Policyholder** cannot recover under this Section if they are entitled to make a claim under contract against the
- 4. **Developer** in respect of liquidated damages or financial penalties of any kind.
- 5. The **Policyholder** cannot recover under this Section in respect of any registration fee, administration fee or booking fee paid to the **Developer**.
- 6. In the event of the incapacity of the **Developer** as a consequence of ill health the **Underwriter** will require evidence of a certificate or note issued by a registered general practitioner or registered practicing medical consultant, which can be independently verified.
- 7. The **Policyholder** must have paid the premium specified in the **Certificate of Insurance** in full before recovery of a valid claim.

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# Insurance Coverage

## Section 2 – Defects Insurance

The **Underwriter** will indemnify the **Policyholder** during the **Defects Insurance Period** against the cost of repairing, replacing or rectifying any **Defect** in the **Residential Property** for which the **Developer** is responsible during the **Defects Insurance Period** and which is discovered and notified to the **Developer** during the **Defects Insurance Period** and which is notified to the **Underwriter** within 6 months of the expiry of the **Defects Insurance Period**.

The **Underwriter** shall have no liability unless:

- A.
  - The **Developer** has refused to respond in writing to notification of a claim within 28 days of submission of written notification of the discovery of a **Defect** by the **Policyholder**; and/or
  - The **Developer** has withheld consent to resolve the dispute by using the **Conciliation Service**; and/or
  - The **Developer** has accepted the decision of a building surveyor after using the **Conciliation Service** but has failed to carry out the works or repairs recommended in the surveyor's report within the time stipulated; and/or
- B. The **Developer** has not effected the repairs or works determined by a binding legal process; and/or
- C. The **Developer** has failed to carry out such repair, replacement or rectification work as a consequence of the death of the **Developer** or the **Developer** ceasing to trade because of incapacity due to ill health or **Insolvency** or **Fraud**.

In the event of a claim under this Section the **Underwriter** has the option either of paying the cost of repairing, replacing or rectifying any **Defect** or itself arranging to have such damage corrected.

During the **Defects Insurance Period** the **Developer** must comply with the following obligations:

- i. On notification by the **Policyholder** of any **Defect** to effect repair, replacement or rectification of such **Defect** as soon as practicable thereafter;
- ii. Reimburse the **Policyholder** for all necessary and reasonable costs, provided that the **Policyholder** has first obtained the **Underwriter's** prior written consent to such costs being incurred, including lifting and refitting carpets, and storage should the nature of any repair, replacement or rectification be such that the **Policyholder** needs to vacate the **Residential Property** whilst such repair replacement or rectification is carried out.

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# Insurance Coverage

## Financial Limits

The maximum the **Underwriter** will pay for all claims relating to a **Residential Property** is:

- i. £2,500,000 for any newly constructed **Residential Property**.
- ii. £2,500,000 for any converted or refurbished **Residential Property** or the Sum Insured for the **Residential Property**, whichever is the lesser.

The Financial Limit for all **Residential Properties** in a continuous structure is:

- i. £10,000,000 for all claims relating to all newly constructed **Residential Properties**.
- ii. £10,000,000 for all claims relating to all converted or refurbished **Residential Properties**.

The **Financial Limits** are index linked in accordance with Condition 5 of the General Conditions.

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 for the individual sections detailed above and the **Excess** as detailed in the **Building Period Certificate** and **Certificate of Insurance**.

## Special Conditions

1. If the **Policyholder** receives back, either in part or whole, any payments in respect of a claim under this Section which has already been paid by the **Underwriter** then the **Policyholder** shall reimburse the Underwriter in full for the amount of such payment.
2. In the event of the incapacity of the **Developer** as a consequence of ill health the **Underwriter** will require evidence of a certificate or note issued by a registered general practitioner or registered practising medical consultant, which can be independently verified.

## Exclusions

The **Underwriter** shall not be liable to the **Policyholder** for any:

- A. External landscaping or garden features;
- B. Adjustment of doors following the fitting of carpets or flooring;
- C. Drawing of chimneys;
- D. Contractual disputes between the **Developer** and the **Policyholder** or issues regarding specification of items;
- E. Dampness, condensation or shrinkage not caused by a **Defect**;
- F. Chips or scratches to fittings i.e. in the kitchen, bathroom or bedroom;
- G. Minor blemishes that are subjective in degree i.e. brush marks, decoration etc;
- H. Items that have been subsequently changed or altered on behalf of the **Policyholder** at their request such as fitting of wardrobes, fittings etc;
- I. Deterioration caused by neglect or failure to carry out normal maintenance;

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## Insurance Coverage

- J. Sums in connection with death, injury to the body or mental health, loss of enjoyment, use, income, business opportunity, or inconvenience, stress or any other consequential or financial loss of any description;
- K. Any **Defect** in the **Residential Property** for which the **Developer** as the **Policyholder** is responsible.

### Section 3 – Structural Insurance

The **Underwriter** will indemnify the **Policyholder** during the **Structural Insurance Period** against the cost of:

1. Complete or partial rebuilding or rectifying work to the **Residential Property** which has been affected by **Major Damage** provided always that the liability of the **Underwriter** does not exceed the reasonable cost of rebuilding each **Residential Property** to its original specification;
2. A condition requiring immediate remedial action to prevent imminent danger to health and safety of the occupants caused by a defect in the design, workmanship, material and/or components of the **Structure** or failure of the **Developer** to comply with **Building Regulations** in respect of chimneys and flues; which is discovered and notified to the **Underwriter** during the Structural Insurance Period.

The **Excess** shall be as specified in the **Certificate of Insurance**. In the event of a claim under this Section the Underwriter has the option either of paying the cost of repairing, replacing or rectifying any damage resulting from items 1) to 2) above or itself arranging to have such damage corrected.

### Financial Limits

The maximum the **Underwriter** will pay for all claims relating to a **Residential Property** is:

- i. £2,500,000 for any newly constructed **Residential Property**.
- ii. £2,500,000 for any converted or refurbished **Residential Property**.  
or the Sum Insured for the **Residential Property** whichever is the lesser.

The Financial Limit for all **Residential Properties** in one continuous structure is:

- i. £10,000,000 for all claims relating to all newly constructed **Residential Properties**.
- ii. £10,000,000 for all claims relating to all converted or refurbished **Residential Properties**  
or the Sum Insured for the **Residential Property**.

The **Financial Limits** are index linked in accordance with Condition 5 of the General Conditions.

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 for the individual sections detailed above and the **Excess** as detailed in the **Building Period Certificate** and **Certificate of Insurance**.

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# Insurance Coverage

## Section 4 – Contaminated Land

The **Underwriter** will indemnify the **Policyholder** against all claims discovered and notified to the **Underwriter** during the **Structural Insurance Period** in respect of **Remediation Expenses** incurred in treating or isolating or removing any substance from the **Policyholder's Land** in a controlled manner in accordance with the requirements of any **Statutory Notice**.

Notes:

1. The **Underwriter** shall only be liable for any claims under this Section that are first discovered and reported by the **Policyholder** to the **Underwriter** during the period specified in the **Certificate of Insurance**.

However, if a Notification of the Identification of Contaminated Land is issued in the first two years of the **Structural Insurance Period** this cover will only apply if:

- i. The **Policyholder** has notified both ICW and the **Developer** of the **Contamination**.
  - ii. The **Developer** has not removed or contained all of the **Contamination**.
  - iii. You have used the **Conciliation Process** and the **Developer** has not co-operated with the **Conciliation Process**.
  - iv. The **Developer** has become Insolvent.
2. In the event of a claim under this Section the **Underwriter** has the option either to pay the **Remediation Expenses** or itself have any remediation work carried out at its own expense.
  3. The **Underwriter** will indemnify the **Policyholder** during the **Structural Insurance Period** for the cost of removing or containing **contaminants** in the ground where:
    - i. The contaminants were known to be harmful and known to exist on the **Land** at the time the notice to build was deposited with the local authority; and
    - ii. The removal or containment of the known contaminants was part of the original site preparation scheme; and
    - iii. Where a Government Department has issued the **Policyholder** with a Notification of the Identification of Contaminated Land.

### Financial Limits

The maximum the **Underwriter** will pay for all claims relating to a **Residential Property** is:

- i. £1,000,000 for any newly constructed **Residential Property**.
- ii. £1,000,000 for any converted or refurbished **Residential Property** or the Sum Insured for the **Residential Property** whichever is the lesser.

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## Insurance Coverage

The Financial Limit for all **Residential Properties** in a **Development** is:

- i. £10,000,000 for all claims relating to all newly constructed **Residential Properties**.
- ii. £10,000,000 for all claims relating to all converted or refurbished **Residential Properties**.

The **Financial Limits** are index linked in accordance with Condition 5 of the General Conditions.

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 for the individual sections detailed above and the **Excess** as detailed in the **Building Period Certificate** and **Certificate of Insurance**.

### Exclusions

The **Underwriter** shall not be liable to the **Policyholder** for any:

1. Death, bodily injury, sickness, disease or psychiatric damage or shock suffered by any person;
2. Damage and or expenses to any property and/or any costs associated with the remediation of land which is not owned by the **Policyholder**;
3. Any diminution of the value of the **Residential Property** due to the existence or former existence (whether actual or alleged) of **Contamination**;
4. **Contamination** outside the boundary of the Land;
5. **Contamination** that migrates onto the Land;
6. **Contamination** that migrates from the Land;
7. For anything that was not considered to be harmful at the time the `notice to build` was deposited with the local authority but is later considered to be or is found to be harmful or classified as **Contamination**;
8. **Contamination** in, or under the Land not identified prior to the `notice to build` being deposited with the local authority;
9. Any damages payable to third parties, compensation or criminal expenses arising out of or in connection with **Contamination** in, or under the **Policyholder's Land**;
10. Anything that arises out of a change of legislation of definition of **Contamination** or harmful materials that occurs after the date of `notice to build` was deposited with the local authority;
11. Consequential loss, cost or expense of any description and howsoever arising except as expressly provided for in this Policy.

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# Insurance Coverage

## Section 5 – Additional Cover for Non-Compliance with Building Regulations

The **Underwriter** will indemnify the **Policyholder** during the **Structural Insurance Period** against the cost of repairing, replacing or rectifying the **Residential Property** where such repair, replacement or rectification cost is the result of a present or imminent danger to the physical health and safety of the occupants of the **Residential Property** because of the failure of the **Developer** to comply with **Building Regulations** that applied to the work at the time of construction, **Conversion** or refurbishment in relation to the following:

- Structure
- Fire Safety
- Site preparation and resistance to moisture
- Hygiene
- Drainage and waste disposal
- Heat-producing appliances
- Protection from falling, collision and impact
- Glazing – safety in relation to impact opening and cleaning

Notes:

1. For claims that were referred to the **Developer** during the **Defects Insurance Period**, please see section 2 of the Policy.

### Financial Limits

The Financial Limit for a claim under this section of the Policy is the original cost of the work covered by the Building Control **Completion Certificate**.

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

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 for the individual sections detailed above and the **Excess** as detailed in the **Building Period Certificate** and **Certificate of Insurance**.

### Exclusions

1. Anything which the **Underwriter** would pay for under another Section of this Policy.
2. Any claim in respect of site preparation and resistance to moisture, relating to ground that is outside the foundations of the **Residential Property**.

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## Additional Extensions

### Applicable to all Sections

In addition, in the event of a valid claim under Sections 2, 3, 4 or 5, the **Underwriter** will pay within the **Limit of Indemnity**:

#### 1. Additional Costs and Expenses

Such additional costs and expenses as are necessarily incurred by the **Policyholder** solely in order to comply with **Building Regulations** or local authority or other statutory provisions, provided that the **Underwriter** shall not be liable for those costs and expenses that would have been payable by the **Policyholder** in the absence of the discovery of a valid claim under the Policy.

#### 2. Alternative Accommodation Costs and Expenses

All reasonable additional costs and expenses that are necessarily incurred by the **Policyholder** in respect of removal, storage and alternative accommodation relating to a claim whilst the **Residential Property** is uninhabitable.

#### 3. Professional Fees

Such architects', surveyors', legal, consulting engineers' and other fees as are necessarily and reasonably incurred, by the **Policyholder** in relation to the complete or partial rebuilding or rectifying work to the **Residential Property**, but shall not include costs or fees incurred by the **Policyholder** in investigating and/or preparing a claim.

#### 4. Removal of Debris

For each **Residential Property** the costs and expenses incurred by the **Policyholder** in respect of:

- A. Removal of debris; and/or
- B. Dismantling or demolishing; and/or the **Residential Property**.



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# Exclusions

## Applicable to all Sections

The **Underwriter** shall not be liable to the **Policyholder** for:

### 1. Alterations

Loss or damage due to or arising from any alteration, modification or addition to a **Residential Property** after the issue of the **Certificate of Insurance** unless the **Underwriter** has been informed, the Policy endorsed, and any applicable additional premium paid to the **Underwriter**.

### 2. Asbestos

Any liability arising directly or indirectly caused by or contributed to, by or arising from the handling, removal, stripping out, demolition, transportation or disposal of **Asbestos** or materials containing asbestos fibre.

However, where such activities do not form any part of the **Developers** normal activities this exclusion shall not apply to legal liability arising from:

- A. The accidental discovery of materials known or suspected to be **Asbestos** or to contain asbestos fibre;
- B. The investigation of any such suspect materials. Provided always that:
  - i. Immediately upon discovery as defined in 'a' above all work ceases until the composition of all such materials is established;
  - ii. Any subsequent handling, removal, stripping out, demolition, transportation or disposal of **Asbestos** or materials containing asbestos fibre requiring license is carried out by qualified licensed sub-contractors on terms which indemnify the **Policyholder** for liability arising out of such work.

### 3. Change in Colour

Any change in colour, texture, opacity or staining or other ageing process to any element of the **Residential Property**.

### 4. Consequential Loss

Any costs which are not incurred as a direct consequence of the circumstances which constitute a valid claim under this Policy.

### 5. Glazed Panels

Loss or damage to any existing double or triple glazing panes in any **Residential Property** that has been converted, refurbished or renovated unless such double or triple glazing panes were newly installed at the time of such **Conversion**, refurbishment or renovation.

### 6. Humidity

Loss or damage caused by or consequent upon humidity in a **Residential Property** that is not the direct result of a **Defect**.

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# Exclusions

## Applicable to all Sections

### 7. Maintenance and Use

Inadequate maintenance of a **Residential Property** or the imposition of any load greater than that for which the **Residential Property** was designed or the use of a **Residential Property** for any purpose other than that for which it was designed unless the **Underwriter** has been informed, the Policy endorsed and any applicable additional premium paid to the **Underwriter**.

### 8. Personal Injury

Any costs, losses, expenses or damages for death, bodily injury, disease, illness or injury to mental health.

### 9. Prior Knowledge

Anything which would constitute a valid claim under the Policy and about which the **Policyholder** was aware prior to purchasing the **Residential Property** and as a consequence agreed a reduction in the purchase price for the **Residential Property** or other contractual remedy.

### 10. Radioactive Contamination

Loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel the radioactive toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component of such assembly.

### 11. Seepage

Loss or damage caused by;

- A. The ingress of water to those parts of the **Structure** outside of the **Waterproof Envelope**.
- B. Water entry, dampness or condensation to non- habitable basement areas where the structure is not affected.

### 12. Settlement

Loss or damage caused by or consequent upon shrinkage of materials, bedding down, drying out, or movement between dissimilar materials of a **Residential Property**.

### 13. Sonic Bangs

Loss or damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

### 14. Special Perils

Loss or damage caused by or consequent upon fire, lightning, explosion, typhoon, hurricane, cyclone, volcanic eruption, earthquake, storm, tempest, flood, subterranean fire or other convulsion of nature, aircraft or other aerial devices or articles therefrom, escape of water from tanks, apparatus or pipes, malicious persons, theft, attempted theft, impact or any accidental cause.

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# Exclusions

## Applicable to all Sections

### 15. Subsidence

Loss or damage caused by or consequent upon subsidence, heave or landslip unless such loss or damage is as a result of a **Defect** in the design, workmanship, materials or components of the **Structure** of a **Residential Property**.

### 16. Toxic Mould

Loss, damage or bodily injury arising out of any **Pathogenic Organisms** regardless of any other cause or event that contributed concurrently or in any sequence to that liability.

### 17. Unseasoned Oak

This Policy is not designed to and will not cover the movement and characteristics changes associated with the use of unseasoned oak within the **Residential Property**. Any loss or damage caused by or attributable to the movement, settlement, shrinkage, expansion, shaking, cracking, splitting or twisting associated with the use of unseasoned oak in the **Residential Property** is specifically excluded unless it can be proven that such loss or damage is the result of the unseasoned oak structural element having failed to support the loadings it was initially designed to achieve.

### 18. Vermin

Loss or damage caused by or consequent upon the actions of rodents, vermin or insect infestation.

### 19. War Risks

Loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

### 20. Water Table

Loss or damage resulting solely from a change in the water table level. This exclusion shall not however apply to any seasonal change in the water table level.

### 21. Wear and Tear or Discolouration

Loss or damage arising out of:

- i. Wear and tear or other gradual deterioration;
- ii. Erosion;
- iii. Any change in colour, texture, opacity or staining or superficial deterioration or marring of finishings or surface appearance or ageing processes;
- iv. Natural shrinkage or distortion or other gradually developing condition; unless caused by an otherwise indemnifiable loss.

### 22. Wilful Acts

Any wilful neglect or criminal act of the **Policyholder** or any other party.

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# General Conditions

The following conditions shall apply to this Policy:

## 1. Arbitration

If any difference shall arise as to the amount to be paid under Sections 1, 3, 4 or 5 of 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.

## 2. Reinstatement of Limit of Indemnity

In consideration of the **Limit of Indemnity** not being reduced by the amount of any loss, the **Policyholder** agrees if required by the **Underwriter** to pay:

- i. The pro-rata additional premium on the amount of such loss from the date of notification of claim to the date of expiry of the period of insurance for Sections 2, 3, 4 and 5;
- ii. Any **Site Audit Surveyor** fee for the checking of the design and the inspection of any work for the repair or rebuilding of any **Residential Property** which has been the subject of a claim under this Policy.

The Limit of Indemnity shall not be reinstated unless a **Declaration of Approval** in respect of such repair or rebuilding work has been issued by the **Site Audit Surveyor**.

## 3. Contribution

If at any time of any occurrence giving rise to a claim under this Policy:

- i. There is, or would but for the existence of this Policy, be any other insurance applicable; or
- ii. The **Policyholder** has entitlement to any statutory damages or compensation;  
this Policy shall be limited to any amount in excess of such insurance, damages or compensation and shall not be called into contribution.

## 4. Fraud

If any claim under this Policy shall be in any respect fraudulent, or if any fraudulent means or devices are used by the **Policyholder**, or anyone acting on its behalf, to obtain benefit under this Policy, all benefit hereunder shall be forfeited.

## 5. Governing Law and Jurisdiction

This Policy will be governed by and construed in accordance with the law of, and exclusive jurisdiction of, the courts of the territory in which the **Residential Property** is located, otherwise the laws of England and Wales shall apply.

## 6. Indexation

The **Limit of Indemnity** and **Excess** referred to within the **Certificate of Insurance** will be increased in line with the Royal Institution of Chartered Surveyors' House Re-Building Cost index on each anniversary of the commencement of the period of insurance for Sections 2, 3, 4 and 5 of this Policy. For the purpose of settlement of any claim hereunder the **Limit of Indemnity** and **Excess**, as adjusted in accordance with the foregoing provisions, shall be regarded as the **Limit of Indemnity** and **Excess** at the time of discovery by the **Policyholder** of such claim.

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# General Conditions

## 7. Limitation of the Underwriter's Liability

The **Underwriter's** liability is limited to the insurance included in this Policy only. Any site inspections or other risk control procedures adopted by the **Scheme Administrator** on behalf of the **Underwriter** are solely for the **Underwriter's** benefit and do not confirm or imply that the work is or will be free of defects or damage.

## 8. Misrepresentation

This Policy will be voidable ab initio in the event of misrepresentation, error, omission or non-disclosure by the **Policyholder** with intention to defraud.

## 9. Reasonableness

In the event of a valid claim under the Policy the **Underwriter** shall only be responsible for costs and expenses that a reasonable person would incur if spending their own money. Whenever possible if items can be found to match existing items at a reasonable cost the **Underwriter** will endeavour to facilitate this. However the **Underwriter** will have no liability and will not be responsible for any additional costs if a similar match is not possible at a reasonable cost.

## 10. Recoveries from Third Parties

The **Underwriter** is entitled and the **Policyholder** gives consent to the **Underwriter** to control and settle any claim and to take proceedings at its own expense in the name of the Policyholder to secure compensation from any third party in respect of any loss or damage covered by this Policy.

## 11. Termination

This Policy shall be terminated without refund of premium in the event that:

- A. The **Residential Property** is destroyed by a cause other than that insured against in this Policy; or
- B. The **Underwriter** has accepted a claim under Section 1 of this Policy; or
- C. The **Underwriter** has paid its maximum liability under this Policy.

## 12. Third Party Rights

A person who is not a party to this Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Policy but this does not affect any right or remedy of a third party which exists or is available apart from the Act.

## 13. Underwriter's Rights

In the event of any occurrence which may give rise to a claim under this Policy, the **Underwriter** and its agents shall, with the permission of the **Policyholder**, be entitled to enter the **Residential Property** in order to investigate and produce a full report and/or carry out rectification works or the complete or partial rebuilding of the property. If such permission is unreasonably withheld the **Policyholder** shall be responsible for any additional costs caused by the delay in carrying out such works.

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# Claim Notification Procedures

Before making a claim, the **Policyholder** should check the cover available under this Policy. The following claims procedure shall apply to this Policy.

## 1. Ill Health or Death or Fraud of Builder During Building Period

Notification of a claim under Section 1 of the Policy

Should the **Developer** fail to complete the **Residential Property** as a consequence of incapacity due to ill health or death of the **Developer** or the **Developer** ceasing to trade or Fraud, the **Policyholder** shall as soon as reasonably possible:

Give written notice to the **Scheme Administrator** at:-

- i. **ICW Insurance Services (ICW)**  
**Unit 1, 33 Massey Ave,**  
**Belfast, BT4 2JT,**  
**United Kingdom.**  
**Email address: [claims@i-c-w.co.uk](mailto:claims@i-c-w.co.uk)**
- ii. Take all responsible steps to prevent further loss or damage;
- iii. Submit in writing full details of the claim and supply all correspondence, reports, plans, certificates, specifications, quantities, information and assistance as may be required by the **Underwriter** to assess and validate the claim. Where the **Underwriter** subsequently accepts the claim, the **Underwriter** will reimburse the reasonable expenses incurred in obtaining such reports.

The scope of cover for incapacity due to ill health or death of the **Developer** or the **Developer** ceasing to trade or Fraud is set out in Section 1 of the Policy and should be read together with the Exclusions and Conditions of the Policy.

## 2. Defects Insurance

Notification of a claim after the completion of the **Residential Property** under Section 2 of the Policy. The **Policyholder** should consider the nature of the claim and whether the circumstance falls within the definition of **Defect**. If a **Policyholder** is not sure of the nature of the damage or **Defect** they should contact the **Scheme Administrator**.

What is a Defect?

A **Defect** exists when the **Developer** has failed to comply with the Technical Manual or a building component has failed. The duties of the **Developer** in respect of a **Defect** are set out in Section 2 of this Policy together with the **Exclusions** relevant to this section.

The **Developer's** Responsibility during the **Defects Insurance Period**.

The **Developer** is responsible for **Defects** that arise during the Defects Insurance Period which is stated on the Certificate of Insurance enclosed with the Policy document. The **Policyholder** should notify their concerns to the **Developer** in writing within 28 days after discovering the problem. The **Policyholder** should keep a copy of all correspondence for their records.

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## Claim Notification Procedures

It is a condition precedent to payment of claims under this section of the Policy that concerns must be notified to the **Developer** in writing before the expiry of the **Defects Insurance Period** and if the **Developer** does not respond within 28 days of submission of written notification of the discovery of a **Defect**, the **Defect** must be notified to the **Scheme Administrator** in writing within 6 months of the expiry of the **Defects Insurance Period** against the cost of repairing, replacing or rectifying any Defect in the **Residential Property** (and the expiry of the cost of repairing, replacing or rectifying water ingress resulting from a **Defect** or **Defects** in the waterproofing elements of the **Waterproof Envelope** of the Residential Property, if applicable). The **Underwriter** will have no liability if all matters are not notified within these time frames.

If the **Developer** fails to remedy any **Defect** notified to them or the **Policyholder** is not satisfied with his response they may use the **Conciliation Service** offered by the **Scheme Administrator** as detailed below. Following notification in writing by the **Policyholder** to the **Scheme Administrator** at *Unit 1, 33 Massey Ave, Belfast, BT4 2JT, United Kingdom*, Email address: [claims@i-c-w.co.uk](mailto:claims@i-c-w.co.uk). We will arrange for a building surveyor to investigate each dispute referred to the **Conciliation Service**. Using the **Conciliation Service** does not affect a **Policyholder's** legal rights or remedies against the **Developer** in any way.

The **Conciliation Service** will attempt to bring the two parties together, investigate the dispute and make recommendations based on the building surveyor's technical expertise and experience. If the **Developer** does not carry out the work within the time stipulated by the **Conciliation Service** the **Underwriter** will, at their option, arrange for the work specified in the surveyor's report to be carried out or meet the reasonable costs of carrying out the work.

The **Conciliation Service** will not be suitable for all disputes. The surveyor is only qualified to advise upon technical issues and in particular whether the **Developer** has complied with the Technical Manual. The surveyor is not qualified to advise on financial disputes, contractual issues or items that do not involve a breach of the Technical Manual.

The **Excess** for Section 2 shall be as specified in the **Certificate of Insurance**. If the value of the dispute is for an amount less than the **Excess** the **Conciliation Service** is not appropriate.

### The Conciliation Service

After a dispute is referred to the **Conciliation Service** a building surveyor will be appointed by the **Scheme Administrator** to investigate the concerns and produce a report. The alternatives are:

- i. That both the **Policyholder** and the **Developer** accept the report's findings and if any works are necessary the **Developer** carries them out within an agreed period of time; or
- ii. That both the **Policyholder** and the **Developer** accept the report's findings but the **Developer** fails to carry out any necessary works within an agreed period of time. In such circumstances the **Policyholder** should advise the **Scheme Administrator**; or
- iii. One or both parties do not accept the report's findings. If this is the case, either party shall be entitled to refer the matter to a different dispute resolution forum.

Neither the **Scheme Administrator** nor the **Underwriter** shall have any liability to the **Policyholder** for any damages, loss, costs or expenses arising out of any negligent act or omission or default of the building surveyor in performing their duties under the **Conciliation Service**.

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# Claim Notification Procedures

## 3. Structural Insurance

### Notification of a claim after the completion of the Residential Property under Section 3 of the Policy.

On discovery of any circumstances that could give rise to a claim under this section of the Policy the **Policyholder** shall as soon as reasonably possible:

Give written notice to the **Scheme Administrator**; *ICW Insurance Services (ICW)*  
*Unit 1, 33 Massey Ave, Belfast, BT4 2JT, United Kingdom.*

- i. **Email address:** claims@i-c-w.co.uk
- ii. Take all responsible steps to prevent further loss or damage;
- iii. Submit in writing full details of the claim and supply all correspondence, reports, plans, certificates, specifications, quantities, information and assistance as may be required.  
Where the Underwriter subsequently accepts the claim, the **Underwriter** will reimburse the reasonable expenses incurred in obtaining such reports.

The scope of cover for **Major Damage** is set out in Section 3 of the Policy and should be read together with the **Exclusions** and **Conditions** of the Policy.

**Cover** for this section of the Policy commences from the date set out on the **Certificate of Insurance** for a period of 8 years from the expiry of the **Defects Insurance Period** against the cost of repairing, replacing or rectifying any **Defect** in the **Residential Property**, unless stated otherwise in the **Certificate of Insurance**.

## 4. Contaminated Land

### Notification of a claim for Remediation Expenses under Section 4 of the Policy.

On discovery of any circumstances that could give rise to a claim under this section of the Policy the **Policyholder** shall as soon as reasonably possible:

Give written notice to the **Scheme Administrator**; *ICW Insurance Services (ICW)*  
*Unit 1, 33 Massey Ave, Belfast, BT4 2JT, United Kingdom.*

- i. **Email address:** claims@i-c-w.co.uk
- ii. Take all responsible steps to prevent further loss or damage;
- iii. Submit in writing full details of the claim and supply all correspondence, reports, plans, certificates, specifications, quantities, information and assistance as may be required.

The scope of cover for **Contaminated Land** is set out in Section 4 of the Policy and should be read together with the **Exclusions** and **Conditions** of the Policy.

Cover for this section of the Policy commences from the date set out on the **Certificate of Insurance** for a period of 8 years from the expiry of the **Defects Insurance Period**.



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# Claim Notification Procedures

## 5. Additional Cover for Non-Compliance with Building Regulations

### Notification of a claim under Section 5 of the Policy.

On discovery of any circumstances that could give rise to a claim under this section of the Policy the Policyholder shall as soon as reasonably possible:

Give written notice to the **Scheme Administrator**; *ICW Insurance Services (ICW)*  
*Unit 1, 33 Massey Ave, Belfast, BT4 2JT, United Kingdom.*

- i. **Email address:** claims@i-c-w.co.uk
- ii. Take all responsible steps to prevent further loss or damage;
- iii. Submit in writing full details of the claim and supply all correspondence, reports, plans, certificates, specifications, quantities, information and assistance as may be required.

The scope of cover for the failure of the **Developer** to comply with **Building Regulations** is set out in Section 5 of the Policy and should be read together with the **Exclusions** and **Conditions** of the Policy.

**Cover** for this section of the Policy commences from the date set out on the **Certificate of Insurance** for a period of 8 years from the expiry of the **Defects Insurance Period**.

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## Enquiries and Complaints Procedures

The **Scheme Administration** values the opportunity to investigate any concerns that the **Policyholder** may have about any aspect of the service provided by the **Scheme Administrator** and are committed to handling all complaints fairly, thoroughly and promptly.

1. If you have any enquiry or complaint about the insurance provided by the **Scheme Administrator** this should in the first instance be addressed to:  
*ICW Insurance Services (ICW),  
Unit 1, 33 Massey Ave, Belfast, BT4 2JT, United Kingdom.*  
Email address: [info@i-c-w.co.uk](mailto:info@i-c-w.co.uk) Telephone Number: 0289 0992 303
2. Canopus Managing Agents Ltd Gallery 9  
One Lime Street London EC3M 7HA UK  
Email [contact@canopus.com](mailto:contact@canopus.com) Telephone Number 0207 337 3700
3. If you are not satisfied with the way the complaint has been dealt with you may ask the Complaints Department at Lloyd's to review your case without prejudice to your rights in law.

**The address is:-**

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

4. If after following the procedures set out in points 1) and 2) above, your complaint has not been resolved to your satisfaction, and you are an eligible complainant you have the right to refer the matter to the Financial Ombudsman, at the following address:-  
Financial Ombudsman Service, South Quay Plaza,  
183 Marsh Wall, London E14 9SR.  
**Email:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

The Financial Conduct Authority definition of an eligible complainant is:

- A consumer;
- A micro-enterprise which has a group turnover of less than £1,000,000;
- A charity with an annual income of less than £1,000,000;
- A trustee of a trust with a net asset value of less than £1,000,000.

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## Other Important Policy Information

### Data Protection

Any Information provided to us, or our agents, by you or regarding you will be processed by us and our agents, in compliance with the provisions of the **Data Protection Act 2018** for the purpose of providing Insurance and handling claims. This may necessitate providing the Information to third parties.

All phone calls relating to applications and claims may be monitored and recorded and the recordings used for fraud prevention and detection, training and quality control purposes. Subject to the provisions of the Data Protection Act 2018, you are entitled to receive a copy of the Information we hold about you.

Such requests should be made to: The Data Protection Officer, Canopus Managing Agents Limited, Gallery 9, Lime Street, London, EC3M 7HA. Any Information you give us will be used by us and we may also share this Information with other group companies.

For more information on the Data Protection Act you may also write to the Office of the Information Commissioner at: Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF.

T: 0303 123 1113 or 01625 545745.

E: [cagwork@ico.org.uk](mailto:cagwork@ico.org.uk).

### Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we are unable to meet our obligation to you under this contract. Further information can be obtained from: Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St. Botolph Street, London, EC3A 7QU.

T: 08006781100 (Freephone) or 0207 7414100.

Website: [www.fscs.org.uk](http://www.fscs.org.uk).

### Sanctions

We shall not provide any benefit under this contract of Insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

### Rights of Third Parties

A person who is not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

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## Other Important Policy Information

For your Information, the Contracts (Rights of Third Parties) Act 1999 allows a person who is not a party to a contract to be able to enforce that contract if the contract expressly allows them to or if the contract confers a benefit upon him. However the Act will not be applied if the parties make it clear in the contract that the third party does not have the right to enforce it.

For further guidance please see [www.legislation.gov.uk](http://www.legislation.gov.uk) or contact the Citizens Advice Bureau.

### Several Liability

The subscribing Insurer's obligations under contracts of Insurance to which they subscribe are several and not joint and are limited solely to the extent of their Individual subscriptions.

The subscribing Insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

### The Insurers

This Insurance Is underwritten by Lloyd's Syndicates 4444, which are managed by Canopus Managing Agents Limited.

Canopus Managing Agents Limited is entered in the Register of Lloyd's Managing Agents.

**Registered Office:** Gallery 9, One Lime Street, London, EC3M 7HA. Registered in England no. 01514453.

### Regulatory Details

Canopus Managing Agent Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority Firm Reference 204847.

ICW Insurance Limited Ltd is an Appointed Representative of ES Risks Limited, which is authorised and regulated by the Financial Conduct Authority. Firm Reference 790021.



Unit 1, 33 Massey Avenue, Belfast, BT4 2JT  
**T** +44 (0) 289 0992 303 | **E** [info@i-c-w.co.uk](mailto:info@i-c-w.co.uk) | **W** [www.i-c-w.com](http://www.i-c-w.com)

ICW Insurance Services Limited is registered in the United Kingdom under registration number 10985073 ICW Insurance Services Ltd is an Appointed Representative of ES Risks Limited, which is authorised and regulated by the Financial Conduct Authority.