
**- PLEASE READ CAREFULLY - PARTICULARLY "MAKING A CLAIM" (see Page 8) -
- KEEP ALL DOCUMENTS SAFE -**

**THIS POLICY RELATES TO THE PROPERTY AND DOES NOT NEED TO BE ASSIGNED ON
CHANGE OF OWNERSHIP. THE CONTRACTOR'S GUARANTEE MAY REQUIRE ASSIGNMENT**

MASTER POLICY OF INSURANCE

Arranged by Construction Guarantee Services Limited
50 Place Farm Way, Monks Risborough, Princes Risborough, Bucks. HP27 9JH

Master Policy Number: CGS/10002

Date of Master Policy: 1st April 2010 as revised to date shown below



This Master Policy records that in consideration of the payment of the premium the Insurer will provide guarantee protection insurance cover as described in this policy.

DEFINITIONS

Administrator	means Construction Guarantee Services Ltd of 50 Place Farm Way, Monks Risborough, Princes Risborough, Buckinghamshire, HP27 9JH;
Certificate of Insurance	means the printed Certificate of Insurance issued by the Administrator on behalf of the Insurer together with a copy of this Master Policy issued to each Insured which form the insurance contract between the Insurer and the Insured;
Commencement Date	means the start of the period of insurance as shown in the Certificate of Insurance;
Consequential Losses	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, costs 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;
Crack Stitching	means the stabilisation and reinforcement of an area of masonry to each side of a fracture by the installation of a stainless steel helical bar embedded in grout or resin, in accordance with the manufacturer's /approved designer's specification to reinstate structural integrity across the fracture;
Insured	means the owner of the Property shown in the Certificate of Insurance;
Insurer	means Millburn Insurance.

Lateral Restraint	means the stabilisation and reinforcement of an area of masonry using fixings that, when installed in accordance with the manufacturer's/approved designer's specification, will prevent any future significant lateral movement of the restrained structural element;
Lintel Stabilisation	means the stabilisation and reinforcement of an area of masonry above door or window openings by the installation of a masonry beam (as above), in accordance with the manufacturer's/approved designer's specification, to enable the reinforced construction to distribute the applied vertical loads to each side of the opening;
Long Term Guarantee	means the guarantee or warranty issued by the Service Organisation in respect of the Works;
Masonry Beaming	means the stabilisation and reinforcement of an area of masonry with a stainless steel helical bar embedded in grout or resin, in accordance with the manufacturer's/approved designer's specification to enable the reinforced construction to resist the applied vertical loads;
QuickBase	means a QuickBase foundation installation in accordance with the manufacturer's/approved designer's specification to support a new conservatory or similar lightweight structure;
Service Organisation	means a contractor whose name is entered on the Administrator's register of approved contractors at the Commencement Date;
Service Organisation's Received Invoice	means the invoice issued by the Service Organisation on completion of the Works or for stage payments in respect of the Works, which add up to the full value of the works, duly receipted;
Service Organisation's Report	means the report submitted by the Service Organisation on the remedial work required together with the estimate for that work and any plans or drawings defining its scope, or any modifications thereto agreed in writing by both parties;
Shire Pile	means a driven helical support which, when installed in the foundations below a new structure to the manufacturer's/approved designer's specification, is designed to carry all the imposed vertical loads;
Shire Stabiliser	means a driven helical support which, when installed adjacent and connected to the structure's existing foundation to the manufacturer's/approved designer's specification, is designed to provide additional load carrying capacity;
Works	means the remedial works undertaken by the Service Organisation and described on the Certificate of Insurance and in the Service Organisation's Report.

THE INSURANCE COVER

The Insurer will, in consideration of payment of the premium, indemnify the Insured against the reasonable costs of further remedial treatment falling within the scope of and subject to the terms and conditions and exclusions of the Long Term Guarantee and of this Master Policy if the Service Organisation has ceased to trade and is unable to discharge its obligations under the Long Term Guarantee and which are notified to the Insurer within the Period of Insurance relating to any:

- (1) Further significant movement of the masonry stabilised by the methods described above not attributable to the exclusions described in the Exclusions Section.
- (2) Any failure of the QuickBase installation not attributable to the exclusions described in the Exclusions Section.

PERIOD OF INSURANCE

From the Commencement Date and expiring after:

- (1) 12 years in the case of Pile Stabilisation; or
- (2) 10 years in the case of Lintel Stabilisation, Masonry Beaming, Crack Stitching and QuickBase; or
- (3) such other lesser period as stated in the Service Organisation's Guarantee.

LIMITS OF INDEMNITY

The liability of the Insurer for all claims under any one Certificate of Insurance shall not exceed a maximum of £25,000 for any one claim, but subject to a limit of £1,000,000 in the aggregate in respect of all claims payable under this Master Policy in any period of 12 months.

Any future increases in these Limits of Indemnity will apply to Certificates of Insurance already issued.

EXCESS

The excess which applies is 10% of the original works value including VAT subject to a minimum of £50 and a maximum of £500.

EXCLUSIONS

This policy excludes:

- (1) Works for which no valid Certificate of Insurance has been issued.
- (2) Defects for which compensation is provided by legislation.
- (3) Limited stabilisation works that are noted in the Service Organisation's Report or in any specification or estimate or Long Term Guarantee or otherwise as being excluded from the Long Term Guarantee.
- (4) Defects not covered by the Long Term Guarantee or which are caused by any act, omission or default of the Insured or of any third party.
- (5) The results of failure to carry out any recommendations given by the Service Organisation in writing which is the responsibility of the Insured within 12 weeks of completion of the Works and proven by a dated and receipted invoice.
- (6) Remedial work undertaken without the consent of the Insurer.
- (7) Deterioration of the Works occurring after a defect became apparent to the Insured and before it was reported.
- (8) The consequences of failure to keep the property in a good and proper state of maintenance.
- (9) Defects resulting from alterations or additions to the property.
- (10) Consequential losses.
- (11) The result of any
 - i) subsidence, landslip or land heave unless caused by a defect in the design, workmanship, materials or components of the **Insured Works**.
 - ii) earthquake, storm, flood or inundation occurring after the commencement date.
 - iii) the presence of acids, alkalis or other corrosive matters in the ground or ground water.
- (12) The insurance includes only those areas that have been stabilised as a result of the defects identified. Any movements to areas or defects not included in the Service Organisation's Report are not covered.
- (13) The consequences of the design loads of the Shire Piles, Shire Stabilisers or associated foundations having been exceeded.

CONDITIONS

- (1) If in addition to the Works completed by the Service Organisation, there are other works identified in the Service Organisation's Report that are to be undertaken by other parties, such other works must be completed within the time specified in the Service Organisation's Report (or within 12 weeks of the completion of the Works if no other specific time period is specified in the Service Organisation's Report) and proof of this, by way of a dated and received invoice, is provided to support any claim.
- (2) All benefit under the Certificate of Insurance is forfeited if a fraudulent, attempted fraudulent, misleading or exaggerated claim is made and no refund of premium will be made.
- (3) In the event of a dispute arising under any Certificate of Insurance as to the amount to be paid or the work to be performed, the dispute may by agreement between the parties be referred for arbitration by an expert chosen by mutual agreement between the parties. If the parties are unable to agree on an expert within 7 days after the request by one party to another or if the expert agreed upon is unable or unwilling to act, either party may apply to the Institute of Arbitrators to appoint an arbitrator to act in this matter.
- (4) The Insurer or the Insured may cancel the insurance provided under any Certificate of Insurance by giving 14 days written notice to the other party at the address written in the Certificate of Insurance. A pro-rata refund of the premium received by the Insurer will be made to the Insured except in cases covered by (2) above less in the case of cancellation by the Insured an administrative charge. Such cancellation will not affect any claims already notified prior to the effective date of cancellation.
- (5) The invalidity, illegality or unenforceability of any provision of this Policy shall not affect the continuation in force of the remainder of this Policy.
- (6) The failure of the Insurer to insist upon strict performance of any provision of this Policy, or the failure of the Insurer to exercise any right or remedy to which it is entitled under this Policy, shall not constitute a waiver thereof and shall not cause a diminution of the obligations established by this Policy.
- (7) A person who is not party to this Policy shall have no right under the Contracts (Rights of Third Parties Act 1999) to enforce any term of this Policy. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act. This clause does not exclude the passing on of the benefit of this Policy to any successor in title to the owner of the property specified in the Certificate of Insurance.
- (8) This insurance shall be governed by English Law.

ENQUIRIES AND COMPLAINTS

Any enquiries or complaints regarding this insurance should in the first instance be addressed to the Administrator at:

Construction Guarantee Services Limited
50 Place Farm Way, Monks Risborough, Princes Risborough, Buckinghamshire, HP27 9JH Tel: 0845 0509267

Please quote your Certificate of Insurance number so that your enquiry can be dealt with quickly.

If you remain dissatisfied you should write to:

The Chief Executive, Millburn Insurance, 106 Coppergate House, 16 Brune Street, London, E1 7NJ

Should you still remain dissatisfied you have the right to refer your complaint to the Financial Ombudsman Service (FOS) at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

There are some instances where the FOS is unable to consider complaints. This procedure will not prejudice the right to take legal proceedings.

FINANCIAL SERVICES COMPENSATION SCHEME

This Millburn Insurance Master Policy is underwritten by Guarantee Protection Insurance Ltd (GPI), Registered Office 106 Coppergate House, 16 Brune Street, London, E1 7NJ. Company Registered Number 03326800.

GPI is a member of the Financial Services Compensation Scheme. You, the Insured, may be entitled to compensation from the scheme if GPI is unable to meet its obligations. This depends on the type of business and the circumstances of the claim. Non-compulsory insurance such as this is covered for 90% of the claim, with no upper limit. Further information about compensation scheme arrangements is available from the FSCS, 5th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN United Kingdom. Telephone Number 0207 892 7300 website www.fscs.org.uk

MAKING A CLAIM

- (1) Verify that the Service Organisation has ceased to trade and that another party is not providing the benefits under the Long Term Guarantee.
- (2) Confirm that you have the following **original** documents (**photocopies will not be accepted**) which will be required to enable any claim to be authenticated:
 - (i) the Service Organisation's Report(s), estimate and any drawings; and
 - (ii) the Service Organisation's certificate(s) of guarantee specifying the Work Guaranteed; and
 - (iii) the Service Organisation's receipted invoice or proof of payment; and
 - (iv) the Certificate of Insurance, this Master Policy and the enclosed Registration Proposal Form.
- (3) Check that the problem is covered by the Long Term Guarantee and by this Insurance.
- (4) Obtain a claim form from Construction Guarantee Services Limited at 50 Place Farm Way, Monks Risborough, Princes Risborough, Buckinghamshire HP27 9JH. The Insured will be required to pay a survey fee to cover preliminary investigation on site. This will be refunded in full if the claim is found to be valid. If the claim is invalid no refund will be made. In the event of incomplete documentation being sent preventing investigation of the claim, an administration fee will be charged.
- (5) The Administrator on behalf of the Insurer will arrange for the works to be inspected at a mutually convenient time and if the claim falls within the Long Term Guarantee and is covered by this Master Policy the Administrator will arrange for a contractor to carry out, without further charge to the Insured but subject to the Limits of Indemnity and to the Excess under this Master Policy, such remedial treatment to which the Insured is entitled under this Master Policy to remedy the failure of the works. The cost of any remedial work carried out without the specific instruction of the insurer will not be met. (see "Exclusions" clause 6). **Only the insurer can instruct a contractor to carry out an inspection of the works, any other report will not be considered.**