

NEW HOMES WARRANTY

Insurance Product Information Document



Company: HSB Engineering Insurance Limited

Product: New Homes Warranty V13

Registered in England and Wales: 02396114, New London House, 6 London Street, London EC3R 7LP. HSB Engineering Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the UK (FCA registration number 202738). HSB Engineering Insurance Limited and MD Insurance Services t/a LABC Warranty are co-manufacturers of this product.

This document provides a summary of key information relating to your insurance warranty policy. Complete pre-contractual and contractual information on the warranty policy is provided in the full policy documentation.

What is this type of insurance?

The LABC New Home Warranty provides you with the comfort that particular types of problems with your home will be corrected. Please note that the policy does not provide any cover for any legal liabilities that you may have to third parties arising out of the use or ownership of the home.



What is insured?

- ✓ The cost of repairing, replacing or rectifying any defect and resultant damage to the home for which the developer is responsible.
- ✓ The cost of complete or partial rebuilding or rectifying work to the home which has been affected by major damage that has been caused by a defect.
- ✓ Remediation expenses incurred in treating or isolating or removing any contaminating substance from the land in a controlled manner in accordance with the requirements of any statutory notice.
- ✓ The cost of repair or replacement of certain mechanical and electrical services equipment, which causes equipment damage as a result of an inherent fault.

The following optional cover may also be included. Please see your certificates and policy wording to confirm which cover options apply to your policy.

- A refund of the deposit paid by the policyholder or payment of the additional cost to complete the home, if the developer does not commence work or fails to complete the home due to insolvency or fraud.

Additional Cover

Where there is a valid claim under the insurance there is also additional cover for the following:

- Alternative accommodation and removal and storage of possessions.
- Fees payable to architects, surveyors, lawyers or consulting engineers and other necessary fees.
- Removal of debris and dismantling, demolishing or shoring up the home.



What is not insured?

The below list outlines some key areas and items not included in cover. A full list of exclusions is available in the policy wording:

- ✗ Snagging damage which is purely cosmetic and does not impair the structural stability or weather tightness of the home.
- ✗ Any alteration, modification or addition to the home.
- ✗ Any loss due to a lack of maintenance of the home or normal wear and tear or improper use of the home.
- ✗ Anything the purchaser knew about prior to purchasing the home.
- ✗ Damage caused by fire, smoke or severe weather.
- ✗ Loss caused by theft or accidental damage.
- ✗ Any reservation fee or other fee payable to the developer other than the deposit.



Are there any restrictions on cover?

- ! Any claim under the excess value, as defined on your certificate of insurance.
- ! Any claim amount over the financial limits for each applicable section of cover, as detailed in your policy wording.
- ! Any claim prior to the policy start date or after the policy expiry date, as defined on your certificate of insurance.
- ! Any claim which falls outside the terms and conditions of the policy or which is specifically excluded by the policy.



Where am I covered?

- ✓ The cover is provided for the home which is the subject of this insurance.



What are my obligations?

You must ensure that:

- All policy conditions have been adhered to.
- Any claims are reported in line with the requirements outlined in the policy wording.
- The home is adequately maintained and that all reasonable steps are taken to minimise loss or damage.

If you have any outstanding conditions relating to your policy, make sure these are satisfied as soon as possible.



When and how do I pay?

This policy will be paid in full by the developer or another third party.



When does the cover start and end?

If applicable, cover for your deposit begins when a deposit is paid to the developer and is detailed on your home initial certificate. Cover under this section ends upon completion of the building period.

Cover under all other sections begins and ends on the dates defined on your certificate of insurance.



How do I cancel the policy?

You can cancel the policy within 14 days of the day after you receive the LABC New Home Warranty policy documents. In the event of cancellation you will not be entitled to a return of premium. Any refund can only be paid back to the person or business who originally paid the premium and who still has an interest in the policy.

Before cancelling the policy, check with your mortgage lender as you may need to have this cover (or equivalent cover) to get the mortgage. If your home includes common parts, your cancellation will also apply to the cover for any amount you have to pay towards the cost of putting right any defect or major damage affecting the common parts.