

# Policy Document

Road and Sewer Bond | Version 2





## 1. INFORMATION

### This Policy consists of:

- **DEFINITIONS** detailing all definitions applicable to the Policy;
- **INSURING AGREEMENT** giving precise details of the cover, subject to variation by Endorsement;
- **EXCLUSIONS** detailing exclusions that apply to the whole Policy;
- **CONDITIONS** defining the terms that apply to the whole Policy;
- **CLAIMS NOTIFICATION PROCEDURES** detailing the procedures that should be followed when notifying a claim under the Policy

### Law applicable to this Policy

The parties to a contract covering a risk in the United Kingdom are free to choose the law applicable to that contract. In the absence of any written agreement to the contrary the law applicable to this contract shall be the law of England and Wales.

### Interpretation

Where any word or expression is given a specific meaning then such word or expression shall, unless the context otherwise requires, have the same meaning wherever it appears.

For cover to be binding there should be a signed **Certificate of Insurance**. Please look carefully at the details to ensure that they have been entered correctly. The **Certificate of Insurance** should be filed with the Policy.

The **Policyholder** is requested to read this Policy and **Certificate of Insurance**. These are important documents. If any information is not clear please contact the **Administrator**.

### NOTICE TO THE POLICYHOLDER

As a **Policyholder** you have a number of options for making complaints about your policy. These are listed below. Before making any enquiry or complaint please consider carefully the most suitable option to address your concern.

In all cases the Policy/Certificate number appearing in the **Certificate of Insurance** should be quoted.

- 1) You may have received advice on the cover provided prior to taking out the policy. This advice may have been given by MD Insurance Services Ltd or another Financial Conduct Authority authorised and approved intermediary.

If the advice was given by MD Insurance Services Ltd and you wish to make a complaint please contact:

The Complaints Officer  
MD Insurance Services Ltd  
2 Shore Lines Building  
Shore Road, Birkenhead  
Wirral, CH41 1AU

Email: enquiries@premierguarantee.co.uk  
Tel: 0151 650 4343

A copy of the MD Insurance Services Ltd Complaints Procedure will be provided on request.

If advice was given by any other Financial Conduct Authority authorised or approved intermediary you should address your complaint directly to them.

- 2) MD Insurance Services Ltd also acts as the **Administrator** for this policy. If you have any complaint about the way in which MD Insurance Services Ltd has performed the duties as the **Administrator** please contact:

The Complaints Officer,  
MD Insurance Services Ltd,  
2 Shore Lines Building  
Shore Road, Birkenhead  
Wirral, CH41 1AU

Email: enquiries@premierguarantee.co.uk  
Tel: 0151 650 4343

MD Insurance Services Ltd is authorised and regulated by the UK Financial Conduct Authority

A copy of the MD Insurance Services Ltd Complaints Procedure will be provided on request.

- 3) If you have any enquiry or complaint about the insurance provided by this policy this should in the first instance be addressed to:

MD Insurance Services Ltd,  
2 Shore Lines Building  
Shore Road, Birkenhead  
Wirral, CH41 1AU

Email: enquiries@premierguarantee.co.uk  
Tel: 0151 650 4343

or

The Complaints Department  
AmTrust Europe Limited  
Market Square House  
St James's Street  
Nottingham  
NG1 6FG

AmTrust Europe Limited is authorised and regulated by the UK Financial Conduct Authority

### Note:

- A. If after following the procedures set out in 1 to 3 on Page 1 of this Policy, 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 private individual;
- A business which has a group turnover of less than £1 million;
- A charity with an annual income of less than £1 million;
- A trustee of a trust with a net asset value of less than £1 million.

**B.** Any Financial Services authorised and regulated intermediary, the **Underwriter** and the **Administrator** are covered by the Financial Services Compensation Scheme. As a **Policyholder** you may be entitled to compensation from the Financial Services Compensation Scheme if any of these parties are unable to meet their obligations.

Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme. Their address is:

Financial Services Compensation Scheme  
7<sup>th</sup> Floor Lloyds Chambers, Portsoken Street  
London E1 8BN

## YOUR RIGHT TO CANCEL

You have the right to cancel cover under this policy. If you wish to cancel the cover you must do so within 14 days starting on the day after you receive the policy documents. Your cancellation must reach the **Administrator** by letter or email. Contact details are:

- Administrator  
MD Insurance Services Ltd  
2 Shore Lines Building  
Shore Road, Birkenhead  
Wirral, CH41 1AU

Email: [enquiries@premierguarantee.co.uk](mailto:enquiries@premierguarantee.co.uk)

Please quote your policy number when cancelling. The **Administrator** reserves the right to charge an administration fee.

All policy documents should be returned to the **-Administrator** with the cancellation request.

## 2. DEFINITIONS

Wherever any of the following words appear in bold in the Policy wording they will have the undermentioned meaning.

### A. ADMINISTRATOR

MD Insurance Services Ltd  
2 Shore Lines Building  
Shore Road, Birkenhead  
Wirral, CH41 1AU

Tel: 0151 650 4343

### B. AGREEMENT

The **Agreement** made between the **Policyholder** and the **Developer** for the execution and maintenance of the **Building Works**.

### C. BUILDING WORKS

As described in the **Certificate of Insurance** comprising:

- a) Works as specified for the making up of the **Road** and/or **Services** together with the testing of materials specified therein
- b) Ironwork comprising gullies, gratings and frames, manhole covers and frames, stop cock boxes and like plant and equipment within the **Road and/or Services**.
- c) Materials that are required to construct the **Road and/or Services** in accordance with any drawings and specifications.

all located at the **Development Site**.

### D. CERTIFICATE OF INSURANCE

The Certificate issued by the **Underwriter** to signify acceptance of the **Building Works** for insurance hereunder.

### E. DEVELOPER

Any person or company who has entered into the **Agreement** to undertake the **Building Works** and who is specified in the **Certificate of Insurance**

### F. DEVELOPMENT SITE

As specified in the **Certificate of Insurance**.

### G. EXPIRY DATE

The completion date of the **Maintenance Period** upon which date the **Policyholder** shall issue a vesting declaration and upon which date the obligations of the **Underwriter** shall be discharged and completed.

### H. LIMIT OF INDEMNITY

The maximum aggregate liability of the **Underwriter** shall not exceed during the **Period of Insurance** the amount shown as the Sum Insured on the **Certificate of Insurance**.

### I. MAINTENANCE PERIOD

Unless agreed otherwise by the **Administrator** the period not exceeding 12 calendar months from the date of issue of a Completion Certificate for the **Building Works**.

### J. PERIOD OF INSURANCE

The period from the commencement of the **Building Works** until the **Expiry Date** all as specified in the **Certificate of Insurance**

## K. POLICYHOLDER

As detailed in the **Certificate of Insurance**.

## L. ROAD

Carriageways and footways of the **Road** including any specified off-site highway drainage, street lighting, verges, service strips, service margins, vehicular crossings, road surface water drainage and all other things ancillary thereto.

## M. SERVICES

Gas, electricity, telephone, water, cable television, foul and surface water sewers and any other service.

## N. UNDERWRITER

AmTrust Europe Limited

## 3. THE INSURING AGREEMENT

### WHEREAS

- a) By an **Agreement** entered into or to be entered into between the **Policyholder** and the **Developer** as set out in the Definitions to this Policy the **Developer** has agreed with the **Policyholder** to execute the **Building Works** upon and subject to the terms and conditions therein set out.
- b) The **Underwriter** has agreed with the **Policyholder** at the request of the **Developer** to insure the **Building Works** in the event that the **Developer** fails to fulfil its obligations following a valid claim under the **Agreement** by the **Policyholder** subject to the terms and conditions of this **Policy** and the **Limit of Indemnity**.

### IT IS HEREBY AGREED AND DECLARED

1. The **Underwriter** will indemnify the **Policyholder** against all claims notified during the **Period of Insurance** and prior to the **Expiry Date** in the event of a breach of the **Agreement** by the **Developer** and the **Underwriter** shall subject to the provisions of this Policy satisfy and discharge any damages sustained by the **Policyholder** as established and ascertained pursuant to and in accordance with the provisions of or by reference to the **Agreement** and taking into account all sums due or to become due to the **Developer**.
2. The **Underwriter** shall not be discharged or released by any alteration of any of the terms and conditions and provisions of the **Agreement** or in the extent or nature of the **Building Works** and no allowance of time by the **Policyholder** under or in respect of the **Agreement** or the **Building Works** shall in any way release reduce or affect the liability of the **Underwriter** under the **Agreement**.
3. The obligations of the **Underwriter** under this Policy shall be released absolutely upon the **Expiry Date** save in respect of any breach of the **Agreement** which has occurred and in respect of which a claim containing particulars of such breach has been made upon the **Underwriter** before the **Expiry Date**.

4. The **Developer** undertakes to the **Underwriter** (without limitation of any other rights and remedies of the **Policyholder** or the **Underwriter** against the **Developer**) to perform and discharge the obligations on its part set out in the **Agreement**.

5. This Policy shall not be assigned without the prior written consent of the **Underwriter**, **Developer** and **Policyholder**.

## 4. EXCLUSIONS

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

### 1. PERSONAL INJURY

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

### 2. RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

- i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- iii) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
- v) any chemical, biological, bio-chemical, or electromagnetic weapon.

### 3. SONIC BANGS

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

### 4. 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.

Pathogenic organisms means any bacteria, yeasts, mildew, viruses, fungi, mould or their spores, mycotoxins or other metabolic products

## 5. WAR RISKS

Notwithstanding anything to the contrary contained herein this Policy does not cover 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.

## 6. CRIMINAL ACTS

Any criminal act of the **Developer** or any other party.

## 5. CONDITIONS

### 1. ARBITRATION

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions then in force. Any making of an award shall be a condition precedent to any right of action against the **Underwriter**.

### 2. 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 insurance, 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.

### 3. FRAUD

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

### 4. MISREPRESENTATION

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

### 5. 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.

## 6. 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.

## 6. CLAIMS PROCEDURE

### 6.1 Notification of a claim

On discovery of any occurrence or circumstance that is likely to give rise to a claim under the Policy the **Policyholder** shall as soon as reasonably possible:

- i) give written notice to the **Administrator**;
- 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.





2 Shore Lines Building | Shore Road | Birkenhead | Wirral | CH41 1AU

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MD Insurance Services Ltd is the Scheme Administrator for the Premier Guarantee range of structural warranties.  
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