

Guide for homebuyers



premier
guarantee®

It's a Premier Guarantee

Guide to our warranty

The homes on this development are protected by a ten-year New Home Warranty from Premier Guarantee. All homes covered by our warranty are insured against a wide range of structural issues that could occur to your home during the ten years after construction is completed. An overview of what is and isn't covered by our warranty is included in this booklet.

What else you should expect from your developer?

In addition to providing a summary of your structural warranty cover, your developer should also share with you the following information to ensure you are fully informed before you commit to buying your property:

- An Insurance Product Information Document
- A copy of the Consumer Code for Home Builders

More information on these is covered in this guide. Please speak to your developer/builder if you have any further questions or for more detailed information on our warranty cover, please visit **www.premiarguarantee.com** to download a copy of our latest New Home Warranty policy document.

Who is Premier Guarantee?

We are the second largest new home warranty provider in the UK. Established for over 20 years, We have provided cover for over £57 billion worth of properties across the UK, Ireland and Europe.

Why do I need a warranty?

A New Home Warranty provides you with protection against structural faults, or 'defects' which could occur in the structure of your new home. These include faults in your walls, floors, roof or foundations. These faults can be extremely expensive to fix so having adequate insurance protection in place is hugely important.

When buying your new home, mortgage lenders are far more likely to release funds if a warranty is in place from a reputable provider. Premier Guarantee is recognised by the Council of Mortgage Lenders and the majority of the country's banks and building societies.

If you require any further information on Premier Guarantee, please visit our website, www.premierguarantee.com



Structural warranty cover

The information provided in this booklet outlines some of the key areas of cover provided by Premier Guarantee for new homes. You should review your New Homes Warranty Policy and Certification for full details of what is covered.



Insolvency of the developer during the building period

(This section of cover is only applicable if the property you are buying is incomplete.)

Under this cover, a policyholder will be reimbursed for any loss of deposit paid when a developer has not commenced work on a property due to insolvency or fraud. Alternatively, if the developer fails to complete a property for the same reasons, cover is in place to either ensure the property is completed to our technical standards or refund any deposits paid by the policyholder. As standard, we will pay up to a maximum of 10% of the purchase price of your property or £100,000, whichever is less.

DIP

Defects Insurance period (DIP) - First two years after completion

During this period, it is your developer's responsibility to arrange for repairs to be carried out on defects which occur in your property. If your developer fails to carry out these repairs, or if you enter into a dispute regarding the completion of repairs, the cover in place on your property can help ensure this work is carried out. This cover is only available in certain circumstances so please ensure you refer to your policy documentation for further details.

SIP

Structural Insurance Period (SIP) - remaining eight years of the policy

During this period, our policy will provide you with protection against a range of defects which could occur in the structure of your property. Cover includes the following elements of your home:

- Foundations
- Load-bearing parts of ceilings, floors, staircases, walls and roofs
- Non-load bearing partition walls
- Chimneys and flues
- Roof coverings
- External finishing surface (including rendering)
- Floor decking and screeds
- Wet applied plaster
- Double or triple glazed panes to external windows and doors

Full details of how these elements are covered can be found in our policy documentation.



Contaminated land (years 3-10 of cover)

If a statutory notice is served on your property, this section of our policy will cover the costs incurred in removing any substance from the land you own where the contamination existed before the completion of your home.



Machinery Inherent Defects (years 1-5 of cover)

This section of cover protects you from the cost of repairing or replacing certain mechanical and electrical equipment, such as boilers, lifts and air conditioning systems which are affected by inherent faults.



Insurance Product Information Document

Under the Insurance Distribution Directive, anyone looking to buy insurance will benefit from an Insurance Product Information Document. This is a simple document which aims to provide clear information about the insurance cover so that consumers can make more informed decisions.

NEW HOMES WARRANTY

Insurance Product Information Document

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Company: HSB Engineering Insurance Limited

Product: New Homes Warranty V14

Registered in England and Wales: 02396114, New London House, 6 London Street, London EC3R 7LP. HSB Engineering Insurance 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 Premier Guarantee 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 Premier Guarantee for New Homes policy 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 covers 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 Premier Guarantee for New Homes 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.

Consumer Code for Home Builders

This property is covered by the Consumer Code for Home Builders. The Consumer Code for Home Builders (“the Code”) was developed by the home-building industry to make the home buying process fairer and more transparent for purchasers.

Buying a brand new home is an exciting time. But with a new home being one of the largest investments you’re likely to make, it’s important that you understand the process, what you’re buying and what help is available should problems arise. The Consumer Code sets mandatory requirements that all home builders must meet in the marketing and selling of their homes and their after-sales customer service.

The purpose of the Code is to ensure that home buyers:

- are treated fairly
- know what service levels to expect
- are given reliable information upon which to make their decisions
- know how to access speedy, low-cost dispute-resolution arrangements if they are dissatisfied

How the Code operates

1. The Code applies to all home buyers who have signed a reservation agreement for a new or newly converted home on or after the 1 April 2010 and that has been built by a home builder registered with one of the home warranty bodies.
2. The Consumer Code scheme covers complaints made in writing to the home builder by home buyers who have signed a reservation agreement and believe the home builder has failed to meet the Code’s requirements. The Code scheme applies to complaints made up to two years from the date on the home warranty body’s insurance certificate, which defines the start of the period of cover, about defects or damage caused by a breach of its technical requirements.
3. Second or subsequent home buyers benefit from the Code requirements but only on aftersales matters they report within two years from the date of the home warranty body’s insurance certificate, as in 2 above.
4. The Code does not apply to:
 - second-hand properties (for example, homes taken by home builders in part exchange and re-sold)
 - properties acquired by registered social landlords for rent
 - properties acquired by corporate bodies, partnerships and individuals buying more than one property on the same development for investment purposes
 - properties built by self-builders for their own occupation
 - homes assigned or sub-sold by an investor to a third party before legal completion
 - personal injury claims
 - loss of property value or blight
 - claims about the land conveyed and its registered title
 - claims that exceed the Independent Dispute Resolution Scheme limits
5. Matters better dealt with by other dispute resolution or ombudsman schemes should be referred to the relevant organisation. In such cases, these other schemes will take precedence over this Code and associated Independent Dispute Resolution Scheme.

The Consumer Code requirements

1. ADOPTING THE CODE

1.1 Adopting the Code

Home builders must comply with the requirements of the Consumer Code and have regard to good practice guidance.

1.2 Making the Code available

The Consumer Code for Home Builders' scheme logo must be prominently displayed in home builders' sales offices, those of appointed selling agents, and in sales brochures. All home buyers who reserve a home should be provided with a copy of the Code Scheme with the reservation agreement.

1.3 Customer service: before legal completion

The home builder must have suitable systems and procedures to ensure it can reliably and accurately meet the commitments on service, procedures and information in the Code.

1.4 Appropriately trained customer service staff

The home builder must provide suitable training to all staff who deal with home buyers about their responsibilities to them and what the Code means for the company and its directors.

1.5 Sales and advertising

Sales and advertising material and activity must be clear and truthful.

2. INFORMATION – PRE-CONTRACT

2.1 Pre-purchase information

Home buyers must be given enough pre-purchase information to help them make suitably informed purchasing decisions. In all cases this information must include:

- a written reservation agreement
- an explanation of the home warranty cover
- a description of any management services and organisations to which the home buyer will be committed and an estimate of their cost
- the nature and method of assessment of any event fees such as transfer fees or similar liabilities

Also, if a home is not yet completed, the information must include:

- a brochure or plan illustrating the general layout, appearance and plot position of the home
- list of the home's contents
- the standards to which the home is being built

2.2 Contact information

Home buyers must be told how their questions will be dealt with and who to contact during the sale, purchase and completion of the home.

2.3 Warranty cover

Home buyers must be given accurate and reliable information about the insurance-backed warranty provided on the home.

2.4 Health and safety for visitors to developments under construction

Home buyers must be informed about the health and safety precautions they should take when visiting a development under construction.

2.5 Pre-contract information

Home builders must advise home buyers to appoint a professional legal adviser to carry out the legal formalities of buying the home and to represent their interests.

2.6 Reservation

Home buyers must be given a reservation agreement that sets out clearly the reservation's terms, including, but not limited to:

- the amount of the reservation fee
- what is being sold
- the purchase price
- how and when the reservation agreement will end
- how long the price remains valid
- the nature and estimated cost and of any management services the home buyer must pay for
- the nature and method of assessment of any event fees such as transfer fees or similar liabilities

The reservation fee must be reimbursed if the reservation agreement is cancelled. The home buyer must be told of any deductions that may be made. While the reservation agreement is in force, the home builder must not enter into a new reservation agreement or sale agreement with another customer on the same home.

3. INFORMATION – EXCHANGE OF CONTRACTS

3.1 The contract

Contract-of-sale terms and conditions must:

- be clear and fair
- comply with all relevant legislation
- clearly state the contract termination rights.

3.2 Timing of construction, completion and handover

The home buyer must be given reliable and realistic information about when construction of the home may be finished, the date of legal completion and the date for handover of the home.

3.3 Contract termination rights

The home buyer must be told about their right to terminate the contract.

3.4 Contract deposits and pre-payments

The home builder must clearly explain how home buyers' contract deposits are protected and how any other pre-payments are dealt with.

4 INFORMATION – DURING OCCUPATION

4.1 After-sales service

The home builder must provide the home buyer with an accessible after-sale service and explain what the service includes, who to contact, and what guarantees and warranties apply to the home.

4.2 Health and safety for home buyers on developments under construction

Home buyers must be told about the health and safety precautions they should take when living on a development where building work continues.

5 COMPLAINTS AND DISPUTES

5.1 Complaints handling

The home builder must have a system and procedures for receiving, handling, and resolving home buyers' service calls and complaints. The home builder must let the home buyer know of this, and of the dispute resolution arrangements operated as part of this Code, in writing.

5.2 Co-operation with professional advisers

The home builder must co-operate with appropriately qualified professional advisers appointed by the home buyer to resolve disputes

You can get more information, including copies of the Code documents and advice on frequently asked questions and the results of audits, surveys and adjudications from the Consumer Code website: **www.consumercode.co.uk**.



Important contacts

Point of sale - year 0-2

Your developer/builder is your main point of contact before, during and after the sales process until two years after your new home was built. Your structural warranty Certificate of Insurance will have a date of when cover commenced if you are unsure. If you need information on who your developer is, or you wish to access Premier Guarantee's free Dispute Resolution Service during this time, please call **0151 650 4343** or email **drs@premierguarantee.co.uk**.


Years 3-10

You should ensure that you are aware of what is covered by your policy by reading the terms and conditions in conjunction with your Development Initial Certificate/ Home Initial Certificate and/or your Certificate of Insurance and any endorsements attached to them.

If you feel you have a valid claim, please check your certificates to ensure that cover is included. You should also refer to the relevant section to obtain full details of what we require if you wish to make a claim. Once you have done this, and feel you do have a claim, contact our claims team on **0151 650 4343** or email **claims@premierguarantee.co.uk**. For more information on our claims process go online to **www.premierguarantee.com/homeowners/make-a-claim/**.

Consumer Code

You can contact the Consumer Code for Home Builders secretariat by emailing: **secretariat@consumercode.co.uk**.

A person wearing a bright orange high-visibility safety vest is holding a black tablet computer. Their right hand is visible, with the index finger pointing at the screen. The background is blurred, showing what appears to be an outdoor construction or site environment.

For more information on Premier Guarantee and the cover we provide, visit **www.premierguarantee.com**, or contact us on **0800 107 8446**.

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