

# Self-Build Zone Structural Warranty

- Self-Build
- Custom Build
- Renovation
- Conversion
- Completed Projects



# A. Structural Warranty Policy

## I) Here is your new Policy

This **Policy** consists of:

- a) Policy booklet;
- b) **Certificate of Insurance**;
- c) any endorsements which might apply to this **Policy**

## II) Important Notice

You, as the **Insured**, must give immediate notice to the **Scheme Administrator** and/or **Insurers** of any changes (including any changes to the information set out in the **Proposal**) which may affect the cover provided by this **Policy**. If you make notification of these changes, the **Insurer** will need to review and may need to amend this **Policy** and this may include an adjustment to the amount of premium payable by you. If you fail to make notification, then the **Insurer** may cancel this **Policy** or decline any claim you make under it.

In the event of any occurrence which may give rise to a claim under this **Policy**, it is necessary for you to follow the claims procedures as set out in Part H of this **Policy**. The **Insurer** is entitled to decline your claim if you fail to do so.

For this **Policy** to be binding there should be a signed **Certificate of Insurance**. This should be filed with this **Policy**.

Please examine this **Policy** and the **Certificate of Insurance** to make sure that you have the cover that you require. If you have any query or need to make any variations or amendments, please call the **Scheme Administrator**, Self-Build Zone, on 0345 230 9874.

This **Policy** is underwritten by Lloyd's Syndicate 4444. Lloyd's Syndicate 4444 is 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. Canopus Managing Agents Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

In accordance with the authorisation granted by the **Insurer** under Binding Authority Number B6839/SD101, Sennocke International Insurance Services Limited is acting as an insurance broker for the **Insurer**. 'Self-Build Zone' and 'Build-Zone' (jointly referred to as the **Scheme Administrator**) are trading styles of Sennocke International Insurance Services Limited which is authorised and regulated by the Financial Conduct Authority.

In consideration of the payment of the premium by the **Insured**, the **Insurer** agrees to provide insurance to the **Insured** in the manner described in each section of this **Policy** against the events set out in the relevant sections of this **Policy**, which occur during the **Period of Insurance**.

## III) Law applicable to this Policy

The parties to a **Policy** covering a risk in the United Kingdom are allowed to choose the law applicable to the **Policy**. In the absence of any written agreement to the contrary, the law applicable to this **Policy** will be that which applies to the part of the United Kingdom in which you live, otherwise English law will apply.



Paul Kempton  
Managing Director  
For and on behalf of  
**Sennocke International Insurance Services Limited**

## IV) Contacting Us

You can contact the **Scheme Administrator**, (Self-Build Zone or Build-Zone) by calling the following number during our business hours. Opening hours are: 0900-1700 Monday to Friday.

1. **Customer Services: For Policy and Cover Queries**

For all general enquires

**0345 230 9874**

You are also able to email us at: [info@selfbuildzone.com](mailto:info@selfbuildzone.com)

2. **Claims Line: Contact the Insurer on**

If you have suffered an incident that you may believe gives rise to a claim, you can contact:

Canopus Managing Agents Limited  
Gallery Nine  
One Lime Street  
London  
EC3M 7HA

**Tel: 0207 337 3958**

# B. Services and Complaints Procedure

## I) Services - Our Promise to You

The **Scheme Administrators**:

- a) will acknowledge complaints promptly
- b) will investigate quickly and thoroughly
- c) will keep you informed of progress
- d) will do everything to resolve your complaint fairly
- e) will learn from their mistakes and use your feedback to continually improve their service.

## II) What to do if you have a complaint that relates to the policy or the Scheme Administrators.

The **Scheme Administrators** are dedicated to providing you with a high quality service and they want to ensure that they maintain this at all times. If you feel that they have not offered you a first class service please contact them on 0345 230 9874 in the first instance or 01732 742102, or write to them at the address below quoting your **Policy** number or claim reference:

Self-Build Zone  
6 Pembroke Road, Sevenoaks, Kent TN13 1XR  
E-mail: [customerservices@selfbuildzone.com](mailto:customerservices@selfbuildzone.com)

Self-Build Zone &/or Build-Zone are trading styles of Sennocke International Insurance Services Limited, registered at the same address, and which is Authorised and Regulated by the Financial Conduct Authority.

In the event that you remain dissatisfied and wish to make a complaint you can do so at any time by referring the matter to The Managing Director, Sennocke International Insurance Services Limited, 6 Pembroke Road, Sevenoaks, Kent, TN13 1XR.

If after receipt of the final response from the Managing Director of Sennocke International Insurance Services Ltd, it is still not possible to reach an agreement, then you may refer the matter to the following organisation:-

Complaints Market Services, Lloyd's, Fidentia House, Walter Burke Way, Chatham Maritime, Kent. ME4 4RN.  
Tel: 020 7327 5693  
Fax: 020 7327 5225  
E-Mail: [complaints@lloyds.com](mailto:complaints@lloyds.com)

Complaints that cannot be resolved by Lloyd's may be referred to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process. The complaints procedure is without prejudice to your rights to take legal proceedings.

Financial Ombudsman Service, Exchange Tower South, London E14 9SR

Tel: 0300-123 9 123 - Calls to this number are normally free for people ringing from a "fixed line" phone, but charges may apply if you call from a mobile phone.

Telephone Number: 0300 1239 123 (calls to this number are charged at the same rate as 01 or 02 numbers on mobile phone tariffs). E-mail: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

## III) What to do if you have a complaint that relates to a claim.

Any claims under the Policy are dealt with by the Insurer, The **Insurer** is dedicated to providing you with a high quality service and they want to ensure that they maintain this at all times. If you feel that they have not offered you a first class service please contact them 0207 337 3958 or write to them at the address below quoting your **Policy** number or claim reference:

Canopus Managing Agents Limited  
Gallery Nine  
One Lime Street  
London  
EC3M 7HA

## IV) Your Rights

Your rights as a customer to take legal action remain unaffected by the existence or use of any complaint procedures referred to above. However the Financial Ombudsman Service will not adjudicate on any case where litigation has commenced or the process as defined above has not been exhausted.

## V) Financial Services Compensation Scheme

The **Insurer**, Lloyd's Syndicate 4444 is covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the Scheme if the **Insurer** cannot meet its obligations. Your entitlement will depend on the type of business and the circumstances of the claim. You can get more information about compensation scheme arrangements from the FSCS.

The FSCS can be contacted at  
10<sup>th</sup> Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU Tel: 0800 678 1100 (freephone) or 020 7741 4100. Website: [www.fscs.org.uk](http://www.fscs.org.uk)

## VI) Data Protection Act

Information you supply may be used for the purposes of insurance administration by the Data Controller (as defined under the Act). It may be disclosed to regulatory bodies for the purposes of monitoring and/or enforcing compliance with any regulatory rules/codes. Your information may also be used for crime prevention. For any of these purposes, your information may be transferred to countries that do not have stringent data protection laws. If this is necessary, the Data Controller will seek assurance from that party as to the security surrounding the handling of your information before it proceeds.

If you give information about another person, in doing so you confirm that they have given you permission to provide it to the Data Controller and for the Data Controller to be able to process their personal data (including any sensitive personal data).

On payment of the appropriate fee, you have the right to access and if necessary rectify information held about you (this is known as a Subject Access Request). Please contact the **Insurer's** Compliance officer, in writing, to exercise these rights.

In assessing any claims made, the **Insurer**, or its associated companies or agents, may undertake checks against publicly available information (such as electoral roll, County Court Judgments, bankruptcy or repossessions). Information may also be shared with other insurers either directly or via those acting for the **Insurer** (such as loss adjusters or claims investigators).

When your insurance ends all information held about you (including information held on systems) will be destroyed or erased after a period of 7 years. The Data Controller's associated companies and agents will be advised to do the same.

Personal Data held on customers may be used for research and statistical purposes but only with the explicit consent of the customer would this take place.

To assess the terms of the policy or handle claims which arise, the **Insurer** may need to collect data which the Data Protection Act defines as sensitive (such as medical history, criminal convictions or employment records). Data protection laws impose specific conditions in relation to sensitive information including, in some circumstances, the need to obtain your explicit consent before the **Insurer** processes the information. When you apply for this insurance, consent is given to the processing and transfer of information described in this notice by the **Insurer** and its agents. Without consent, the **Insurer** would not be able to offer this insurance.

## VII) Safeguarding your premium

All premium payments from you and due to the **Insurer** for this **Policy** will be held by the **Scheme Administrator** on behalf of **Insurer**. The **Scheme Administrator** will also hold any premium refund that is due to you from the **Insurer**. In this capacity the **Scheme Administrator** is acting as an authorised agent for the **Insurer**. This means that once a premium is paid to the **Scheme Administrator** it is deemed to have been received by the **Insurer**.

## VIII) Insurer's Liability

This insurance is underwritten 100% by Lloyd's syndicate 4444, and each member of the syndicates (rather than the syndicates themselves) is an **Insurer**. Each member has underwritten a proportion of the total liability for the syndicate, which is the total of the proportions underwritten by all the members of the syndicate taken together. A member is liable only for that member's proportion and is not jointly liable for any other member's proportion.

The business address of each syndicate member is Lloyd's, 1 Lime Street, London EC3M 7HA. The identity of each member and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

# C. Definitions

The following defined terms (arranged in alphabetical order) apply to the whole of this **Policy** (unless specified otherwise) wherever these terms appear in bold letters

## **Approved Inspector(s)**

An Individual or a Corporate Approved Inspector(s) registered with the Construction Industry Council, qualified to undertake Building Control work in accordance with section 49 of the Building Act 1984 and regulation 4 of the Building (Approved Inspectors etc.) Regulations 2010 and the Building Regulations 2010.

## **Basement**

A basement is a storey which is partially or wholly below that of the external ground level.

## **Builder**

Either the **Insured**, or any person or persons, partnership, company or other entity with whom the **Insured** has entered into a verbal or written agreement or formal contract to carry out **Works** including, but not limited to, the clearance, erection, conversion or refurbishment the **Housing Unit**.

## **Certificate of Insurance**

The Certificate issued by the **Scheme Administrator** confirming your personal details, the **Sum Insured** and that cover is in place upon completion of the **Housing Unit**.

## **Common Parts**

Those parts of a multi-ownership building (of which the **Housing Unit** is part), for a common or general use, for which the **Insured** has joint ownership or responsibility or access.

## **Completion**

The date **Technical Audit Approval** is signed by Build-Zone Survey Services Ltd (BZSS).

## **Confirmation of Cover**

The confirmation issued by the **Scheme Administrator** on behalf of the **Insurer** in which they signify their agreement to the provision of Insurance cover for the **Housing Unit**, subject to receipt of the **Technical Audit Approval**.

## **Defect**

- a) A failure to comply with, but not limited to the following:-
  - The current Building Regulations in England and Wales;
  - The current Building Standards (Scotland) and the Technical Standards in Scotland;
  - The current Building Regulations (Northern Ireland) and the Technical Booklets in Northern Ireland;
  - The current Building Regulations and Technical Booklets in Eirein respect to the construction of the **Housing Unit**.
- b) For any **Housing Unit** under this **Policy** which relates to the conversion, refurbishment, renovation or extension of a **New Development**, the definition of **Defect** shall only be deemed to include any of the **Works** carried out by the **Builder** as part of the conversion, refurbishment, renovation or extension.

## **Excess**

The amount detailed on the **Certificate of Insurance** for which the **Insured** is liable for each and every loss. For amounts below the **Excess**, the **Insurer** has no liability under this **Policy**. An **Excess** shall apply to each and every separately identifiable cause of loss or cause of damage for which a payment is made under the **Policy** by the **Insurer** regardless of whether more than one cause of loss is notified at the same time.

## Housing Unit

The property described in the **Confirmation of Cover** and **Certificate of Insurance** including:

- the **Structure**;
- all non-load bearing elements and fixtures and fitting for which the **Insured** is responsible;
- any **Common Parts** retaining or boundary walls forming part of or providing support to the **Structure**;
- any path or roadway providing access for the disabled;
- the drainage system within the perimeter of such property for which the **Insured** is responsible;
- any integral or attached conservatory or garage to the main **Structure** which was designed and included as part of the original plans and built at the same time as the main **Structure**;
- any detached garage(s), outbuildings and conservatories which was/were designed and included as part of the original plans, built at the same time as the main **Structure**, and noted on the **Confirmation of Cover**.

Garages and outbuildings are to be built in accordance with the Building Regulations or other associated regulation(s) and built to the same standard as the main **Housing Unit**. Failure to build the **Structure** to the required standard or pass the **Technical Audit Approval** will result in the exclusion from the Self-Build or Build-Zone Structural Warranty.

**NOTE:** The **Housing Unit** does not include any swimming pool, temporary **Structure**, fence, retaining or boundary wall not forming part of or providing support to the **Structure**, any path or roadway not providing access for the disabled.

## Indirect Losses

The **Insurer** will only pay for costs which are incurred as a direct consequence of the event which led to a claim under the **Policy**. For example, the **Insurer** will not be liable for any loss of profit, liquidated or un-liquidated damages, penalties for delay, non-completion, detention or in connection with guarantees of performance or efficiency or loss of use, increased cost of working, loss of contracts, loss arising out of delay in completing or negotiating contracts.

## Insured

The person(s) or Company named as such in the **Certificate of Insurance** or their successor in title, and any mortgagee or lessee whose interest is noted on the **Certificate of Insurance**.

## Insured's Land

The area of ground that surrounds and also supports the **Housing Unit** and which was purchased by the **Insured** at the time of or prior to the **Technical Audit Approval**, and for which the **Insured** is responsible.

## Insurer

Lloyd's Syndicate 4444.

## Major Damage

Any **Defect**, fault or failure in the design, workmanship, materials or components of the:

**Structure**;

or

waterproofing component of the **Waterproof Envelope**;

or

the drainage system within the **Insured's Land** serving the **Housing Unit** and for which the **Insured** is responsible;

causing destruction of, or physical damage to, the **Housing Unit** for which **Technical Audit Approval** has been given by Build-Zone Survey Services Ltd or for which **Certificate of Insurance** has been issued by the **Scheme Administrator**, whichever is the sooner,

and/or

causing a condition requiring immediate remedial action to prevent actual destruction or physical damage to the **Housing Unit**.

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



**New Development**

A **Housing Unit** located at the site and noted on the **Confirmation of Cover**.

For the purpose of this definition, a **New Development** is not deemed to include any building **Work** other than the **Housing Unit** detailed on the **Certificate of Insurance**.

**Period of Insurance**

The period specified in the **Certificate of Insurance** for the **Housing Unit**.

**Policy**

The Self-Build Zone Structural Warranty Policy for Self-Build, Custom Build, Renovation, Conversion or Completed Projects.

**Proposal**

Shall mean any information provided by the **Insured** or their agents in connection with this **Policy** and any additional information provided in applying for this insurance.

**Remediation Expenses**

Expenses incurred for the investigation, removal or treatment of contamination to the extent required by any **Statutory Notice**.

**Scheme Administrator**

The scheme administrator for this **Policy** is Self-Build Zone &/or Build-Zone (which are trading styles of Sennocke International Insurance Services Limited whose registered office is at 6 Pembroke Road, Sevenoaks, Kent, TN13 1XR

**Statutory Notice**

A notice served on the **Insured** by a statutory authority under the provisions of legislation that requires the **Insured** to carry out remediation of contamination.

**Structure**

The following elements comprise the structure of the **Housing Unit**:

- foundations;
- load-bearing parts of floors, staircases and associated guard rails, walls and roofs, together with load-bearing retaining walls necessary for stability;
- roof covering;
- any external finishing surface (including rendering) necessary for the water-tightness of the **Waterproof Envelope**;
- floor decking and screeds, where these fail to support normal loads;
- glazed panels to external windows and doors.
- wet applied plaster.

**NOTE:** For the purpose of this definition, **Structure** shall only be deemed to include any of the above items constructed by the **Builder** as part of the **Works**.

**Sum Insured**

The amount specified in the **Certificate of Insurance**.

**Technical Audit Approval**

The approval issued by Build-Zone Survey Services Ltd (a wholly owned subsidiary of the **Scheme Administrator**) following satisfactory **Completion** and final inspection of the **Housing Unit** to confirm that the **Housing Unit** meets the requirements for the issue of a Self-Build Zone Structural Warranty.

**Technical Audit Surveyor**

A technically competent and suitably qualified Professional appointed by Build-Zone Survey Services Ltd to carry out the required checks and inspections solely on behalf of the **Insurer**.

**Waterproof Envelope**

The waterproof envelope means the ground floors, external walls, roofs, skylights, windows, doors, of a **Housing Unit** but excluding those parts below ground floor slab level.

**Works/Work**

The work relevant to the construction of a new build, renovated, converted or completed project in accordance with the contract, good practice, all relevant and applicable industry regulations, codes of practice, and relevant Building Regulations.

## D. Cover

- 1) The **Insurer** will indemnify the **Insured** against all claims approved during the **Period of Insurance** in respect of:
1. the cost of complete or partial rebuilding or rectifying **Work** to the **Housing Unit** which has been affected by **Major Damage**,
  2. the cost of making good any **Defect** in the design, material or workmanship in the drainage system which was newly constructed by the **Builder** in connection with the **Housing Unit** and for which the **Insured** is responsible;
  3. the necessary and reasonable costs incurred in repairing, replacing or rectifying any part of the **Waterproof Envelope** within the **Housing Unit** as a result of ingress of water caused by a **Defect** in the design, workmanship, materials or components or the waterproofing elements of the **Housing Unit**; and
  4. the cost of repairing or making good any **Defects** in the chimneys and flues of the **Housing Unit** causing an imminent danger to health and safety of occupants,

In relation to 1 to 4 above the liability of the **Insurer** does not exceed the **Sum Insured** and must exceed the **Excess** amount.

- 2) In the event of a claim under this section, the **Insurer** has the option either of paying the cost of repairing, replacing or rectifying any damage resulting from items 1 to 4 above or itself arranging to have such damage corrected.

In addition, in the event of a claim under this **Policy**, the **Insurer** will, with their written consent, pay within the **Sum Insured** the following:

1. **Additional Costs**  
such additional costs and expenses as are necessarily incurred solely in order to comply with Building Regulations or Local Authority or other statutory provisions, provided that the **Insurer** shall not be liable for costs that would have been incurred irrespective of the discovery of a claim;
2. **Alternative Accommodation Costs**  
all reasonable additional costs and expenses for a period not exceeding 26 weeks in respect of removal, storage and alternative accommodation whilst the **Housing Unit** is uninhabitable;
3. **Fees**  
such architects', surveyors', legal, consulting engineers' and other fees as are necessarily and reasonably incurred, by the **Insured** in relation to the complete or partial rebuilding or rectifying **Work** to the **Housing Unit** but shall not include costs or fees incurred by the **Insured** in preparing a claim;
4. **Removal of Debris**  
for each **Housing Unit**, the costs and expenses incurred by the **Insured** with the **Insurer's** written consent in respect of:
  - (a) removal of debris from;
  - (b) dismantling or demolishing of; and
  - (c) shoring up of

the **Housing Unit**.

- 3) **Common Parts**  
The maximum the **Insurer** will pay for any claim relating to **Common Parts** will be the amount that the **Insured** has a legal liability to contribute towards the cost of repairs, rectification or rebuilding **Works**. Claims are subject to the **Sum Insured** and **Excess**.

- 4) **Environmental Impairment Liability Cover (EIL)**

**IMPORTANT NOTE:** This is additional cover provided during, and as part of, the Structural Insurance Warranty Period only when an **Approved Inspector** has carried out Building Control checks.

1. **Contaminated Land Remediation Expenses**

The **Insurer** will indemnify the **Insured** against all claims first discovered and notified to the **Scheme Administrator** during the **Period of Insurance** in respect of **Remediation Expenses**

incurred in compliance with a **Statutory Notice** requiring the remediation of contamination of the **Insured's Land**.

In the event of a claim under this section, the **Insurer** will have the option either to pay the **Remediation Expenses** or, itself, have any **Work** necessary for the remediation of contamination of the **Insured's Land** carried out at its own expense.

## 2. Exclusions Applicable to this Section (4.1)

The **Insurer** shall not be liable to the **Insured** for any:

1. Loss caused by a breach of any covenant contained in the property deeds;
2. Death, bodily injury, sickness, disease or psychiatric damage or shock suffered by any persons;
3. Damage to any property, and/or expenses incurred and/or any costs associated with the remediation of land which is not owned by the **Insured**;
4. Contamination that, at the date of the original purchase of the **Insured's Land**, the **Insured** or subsequent owners knew or ought reasonably to have known could result in the issue of a **Statutory Notice** under legislation, Government guidance or any regulatory or enforcement body's guidance in force at the date of **Completion**;
5. Contamination that could not have resulted in the issue of a **Statutory Notice** under any legislation or Government or enforcement body guidance in force from the date of the original purchase of the **Insured's Land**.
6. Diminution of value, whether perceived or actual, due to the existence or former existence of contamination;
7. Contamination which first occurred after the original purchase of the **Insured's Land** by the **Insured**;
8. Contamination that migrates onto the **Insured's Land** after the date of **Completion**;
9. Damages payable to third parties, compensation or criminal expenses arising out of or in connection with contamination in or under the **Insured's Land**;
10. Anything in connection with naturally occurring radon

## 5) Physical Health and Safety of Occupants

1. The **Insurer** will indemnify the **Insured** during the **Period of Insurance** against the cost of necessary repairs where there is a present or imminent danger to the physical health and safety of the occupants of the **Housing Unit** because the **Housing Unit** does not comply with the Building Regulations that applied to the **Work** at the time of construction or conversion, refurbishment, renovation or extension in relation to the following:-

- **Structure**;
- fire safety;
- site preparation and resistance to contaminants and moisture;
- sanitation, hot water safety and water efficiency;
- drainage and waste disposal;
- combustion appliance and fuel storage systems;
- protection from falling, collision and impact;
- glazing – safety in relation to impact opening and cleaning.

### 2. Exclusions applicable to Section 5.1

1. Costs relating to the failure of any pre-existing **Structure** to comply with Building Regulations.
2. Anything which the **Insurer** would pay for under another section of this **Policy**.
3. Any claim in respect of site preparation and resistance to contaminants and moisture, relating to ground that is outside the foundations of the **Housing Unit**.

# E. Financial Limits

The maximum the **Insurer** will pay for any claim under this **Policy** is:

**Insurers'** maximum liability under Sections D1 and D2 is the **Sum Insured** as noted on the **Certificate of Insurance**.

## **Section 4.1 Contaminated Land**

The maximum the **Insurer** will pay for claims relating to the **Housing Unit** under section 4.1 of the **Policy** is £500,000 or the **Sum Insured** for the **Housing Unit** noted on the **Certificate of Insurance**, whichever is the lesser.

## **Section 5.1 Physical Health and Safety of Occupants**

The maximum the **Insurer** will pay for claims relating to the **Housing Unit** under section 5.1 of the **Policy** is the **Sum Insured** noted on the **Certificate of Insurance**.

## **Common Parts**

The maximum the **Insurers** 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**. This is subject to the overall limit of the **Sum Insured** as stated on the **Certificate of Insurance**.

# F. General Exclusions

The **Insurer** shall not be liable to the **Insured** for any:

- a. Alterations  
Loss or damage due to or arising from any alterations, modification or addition to the **Housing Unit** after the issue of the **Certificate of Insurance** unless the **Scheme Administrator** has been informed, the **Certificate of Insurance** endorsed and any applicable additional premium paid to the **Insurer**.
- b. Change in colour  
Change in colour, texture, opacity or staining or other ageing process
- c. Coastal erosion & subsidence  
Loss or damage caused by, or consequent upon, coastal erosion, 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 the **Housing Unit**.
- d. Defects in existing works  
Loss or damage due to or arising out of any **Defect** in the design, workmanship, materials or components of the **Housing Unit** that was installed or constructed prior to the conversion, refurbishment or renovation **Works** that are the subject of this **Policy**.
- e. Glazed panels  
Loss or damage to existing glazed panels in any **Housing Unit** that has been converted, refurbished or renovated or extended unless such glazed panels were newly installed at the time of such conversion, refurbishment, renovation or extension.
- f. Humidity  
Loss or damage caused by or consequent upon humidity in the **Housing Unit** that is not a direct result of the ingress of water caused by a **Defect** in the design, workmanship, materials and components of the waterproofing elements of the **Waterproof Envelope**.
- g. Indirect losses  
The **Insurer** will only pay for costs which are incurred as a direct consequence of the event which led to a claim under the **Policy**. The **Insurer** will not pay for any **Indirect Losses** which result from the incident that caused you to claim, unless expressly stated in the **Policy**. For example, the **Insurer** will not be liable for any loss of profit, liquidated or unliquidated damages, penalties for delay, non-completion, detention or in connection with guarantees of performance or efficiency or loss of use, increased cost of working, loss of contracts, loss arising out of delay in completing or negotiating contracts.
- h. Ingress of water  
Loss or damage caused by the ingress of water into the **Basement** of the **Housing Unit** and to those parts of the **Structure** outside of the **Waterproof Envelope**.
- i. Legal liabilities  
Cover for any legal liabilities that the **Insured** may have to third parties arising out of the use or ownership of the **Housing Unit**.
- j. Maintenance and use  
Inadequate maintenance of and/or abnormal use of the **Housing Unit** or the imposition of any load greater than that for which the **Housing Unit** was designed or the use of the **Housing Unit** for any purpose other than that for which it was designed unless the **Insurer** has been informed and the **Certificate of Insurance** endorsed and any applicable additional premium paid to the **Insurer**.
- k. Personal injury  
Costs, losses, expenses or damages for death, bodily injury, disease, illness or injury to mental health.
- l. Pyrites  
This policy does not cover the loss, damage, cost of replacing or changing any element or components of the **Structure** within the **Housing Unit** or **Development** as a result of the effects or discovery of pyrites.
- m. Radioactive contamination, chemical, biological, bio-chemical and electromagnetic weapons

Loss damage liability or expense directly or indirectly caused by, or contributed to by, or arising from:

1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
  2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
  3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
  4. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.
  5. any chemical, biological, bio-chemical, or electromagnetic weapon.
- n.** Settlement, drying out & natural shrinkage  
Loss or damage caused by or consequent upon normal settlement, bedding down, drying out, or natural shrinkage of the **Housing Unit**.
- o.** Sonic bangs  
Loss or damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.
- p.** Events normally covered under household policies  
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, escapes of water from tanks, apparatus or pipes, malicious persons, theft, attempted theft or impact.
- q.** Toxic mould  
Loss or 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.
- r.** Undamaged parts  
This **Policy** does not cover the cost of replacing or changing undamaged items or parts of items forming part of the **Housing Unit** which belong to a set or suite, or which have a common design or use, when the loss or damage relates to a specific part or part of an item or to a clearly defined area.
- s.** Unfinished works  
Loss of or damage due to or arising from any unfinished building **Works** to the **Housing Unit** which are completed after the issue of a **Certificate of Insurance**.
- t.** Unseasoned timber  
This **Policy** is not designed to, and will not, cover the movement and characteristic changes associated with the use of unseasoned timber within the **Housing Unit**. 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 timber in the **Housing Unit** is specifically excluded unless it can be proven that such loss or damage is the result of the unseasoned timber structural element having failed to support the loadings it was initially designed to achieve.
- u.** Vermin  
Loss or damage caused by or consequent upon the actions of rodents or vermin or insect infestation.
- v.** War risks  
Loss or damage directly or indirectly caused by, happening through or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or 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.
- w.** Water table  
Loss or damage resulting from a change in the water table level.
- x.** Wear and tear  
Loss or damage of the **Housing Unit** due to
  - a) wear and tear;
  - b) normal dampness, condensation or shrinkage;
  - c) wilful neglect or criminal act of the **Insured**;
  - d) normal deterioration whether caused by neglect or otherwise.
- y.** Wilful and malicious damage  
Wilful neglect or criminal act of the **Insured** or any other party.

# G. Conditions

The cover provided by this **Policy** is subject to the following conditions:-

1. Mediation

If any dispute or difference shall arise as to the amount to be paid under this **Policy** (liability being otherwise admitted), such dispute or difference shall be settled by mediation in accordance with the Centre for Effective Dispute Resolution Model Mediation Procedure. Unless otherwise agreed between the parties, the mediator will be nominated by the Centre for Effective Dispute Resolution. To initiate the mediation, a party must give notice in writing to the other party to the dispute requesting mediation. A copy of the request should be sent to the Centre for Effective Dispute Resolution. The mediation will start not later than 14 days after the date of the notice. The commencement of mediation will not prevent the parties commencing or continuing court proceedings or arbitration.

2. Automatic reinstatement of **Sum Insured**

In consideration of the **Sum Insured** as stated in the **Certificate of Insurance** not being reduced by the amount of any loss, the **Insured** agrees 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**. Such payment of any additional premium due under this condition shall be waived where the amount of any one loss covered by this **Policy** does not exceed £20,000;
- ii) any site audit survey fee for checking of the design and inspection of any **Work** relating to the repair or rebuilding of the **Housing Unit** which has been subject to a claim under this **Policy**. No reinstatement shall occur unless **Technical Audit Approval** in respect of such repair or rebuilding **Work** has been issued by Build-Zone Survey Services Ltd.

3. Cancellation

j) The **Insured's** right to cancel

The **Insured** shall have the right to cancel this **Policy** within 14 days of receiving the **Policy** documents. If the **Insured** wishes to do so they must advise the **Scheme Administrator** in writing, returning all documentation. A return of the premium will be made, however the **Scheme Administrator** reserves the right to charge an administration fee.

The **Insured** shall also have the right to withdraw from the proposed contract of insurance prior to the **Completion** and issue of the **Certificate of Insurance**. If the **Insured** wishes to do so, the **Insured** must advise the **Scheme Administrator** in writing as soon as possible. Any repayment will be subject to an administration fee. The costs associated with any remaining inspections which would be carried out by the **Technical Audit Surveyor** or Build-Zone Survey Services Ltd at the time of the **Policy** being cancelled will not be returned in accordance with Build-Zone Survey Services' Terms and Conditions.

**NOTE:** The **Insured** is advised to check with their mortgagee prior to cancelling cover as this **Policy** may form a condition of the relevant loan. Please also note that if the property is to be sold, most prospective lenders will require structural warranty insurance or equivalent in place.

**NOTE:** If the **Housing Unit** includes **Common Parts** for which the **Insured** is jointly responsible with other persons, the cancellation will apply to both the cover under this **Policy** over the **Housing Unit** and over those **Common Parts**. If this **Policy** is cancelled, the **Insured** may well remain liable for the repair or reinstatement to the **Common Parts** and this obligation may well be enforceable by adjoining property owners.

ii) The **Insurer's** right to cancel

The **Insurer** reserves the right to cancel this **Policy** without returning any premium in the event of the building **Work** ceasing for 90 days or more before the **Housing Unit** is complete.

4. Contract (Rights of Third parties) Act 1999  
A person who is not 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.
5. Other insurance  
If you claim under this **Policy** for something that is also covered by another insurance policy, you must provide the **Scheme Administrator** with full details of the other policy. The **Insurer** will only pay its share of any claim.
6. Fraud  
If any claim under this **Policy** shall be in any respect fraudulent, or if any fraudulent means or devices are used by the **Insured**, or anyone acting on his/her behalf, to obtain benefit under this **Policy**, all benefit hereunder shall be forfeited.
7. Indexation  
The **Sum Insured** referred to in the **Certificate of Insurance** will be separately increased in line with the RICS Building Index or 10% per annum compound, whichever is the lesser, on each anniversary of the commencement of the **Period of Insurance**. For the purpose of settlement of any claim hereunder the limit of indemnity, as adjusted in accordance with the foregoing provisions shall be regarded as the **Sum Insured** at the time of discovery by the **Insured** of such claim.
9. Recoveries from third parties  
The **Insurer** is entitled to control and settle any claim and to take proceedings at its own expense but in the name of the **Insured** to secure compensation from any third party in respect of any loss or damage covered by this **Policy**.
10. Insurer's rights  
In the event of any occurrence which may give rise to a claim under this **Policy**, the **Insurer** or its agents shall, with the permission of the **Insured**, be entitled to enter the **Housing Unit** in order to carry out rectification work or the complete or partial rebuilding of the **Housing Unit**. If such permission is unreasonably withheld the **Insured** shall be responsible for any additional costs caused by the delay in carrying out such **Work**.



# H. Claims Procedures

The **Insured** shall do the following in the event of any claim or occurrence which may give rise to a claim under this **Policy**:-

1. Notice of claims  
The **Insured** shall as soon as possible give written notice of a possible claim to the **Insurers**, Canopus Managing Agents Limited, Gallery Nine, One Lime Street, London EC3M 7HA  
It's also possible to speak to someone during normal office Hours (0900-1700, Monday to Friday) on 0207 337 3958
2. Diminution of loss or damage  
The **Insured** shall carry out and permit any action to be taken by the **Insurer** or its behalf which may be reasonably practicable to diminish and/or prevent any further loss or damage.
3. Submission  
The **Insured** shall, as soon as possible, submit in writing full details of the claim and supply all correspondence, reports, plans, certificates, specifications, quantities, calculations, information and assistance as may be requested and/or required.
4. No admission  
No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the **Insured** without the written consent of the **Insurer**.
5. Proceedings  
The **Insurer** shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute any claim in the name of the **Insured** for its own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim.



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