

New Homes 10 Year Structural Defects Insurance

Insurance Product Information Document (IPID)



FEDERATION OF
**MASTER
BUILDERS**

Company: FMB Insurance Services Ltd

Product: New Homes 10 Year Structural Defects Insurance

INSURANCE

FMB Insurance is authorised and regulated by the Financial Conduct Authority.

FMB Insurance Services Ltd (registered number 1520341) is a wholly-owned subsidiary of the FMB.

This Insurance Product Information Document (IPID) is only intended to provide a brief summary of the main coverage, exclusions and restrictions under the policy and should be read in conjunction with your full policy documentation, including certificates and full policy wording. This IPID is not personalised to your levels of cover, which will be stated on your policy documentation.

What is this type of insurance?

The FMB Insurance New Homes policy is a structural defects insurance, designed to provide cover for newly built or converted homes. The policy protects you for insured defects that you might encounter whilst you own your residential property, which were not apparent at the time that the property was finished, but which later manifested themselves.



What is insured?

Section 1 – Building Period Insurance

- ✓ Protection in the event of the insolvency, ill health, death or fraud of the builder during the construction phase, subject to terms in the policy wording and the coverage level as noted on your Certificate of Insurance.

Section 2 – Defects Insurance

- ✓ Cost of carrying out necessary remedial work to your property as a result of a failure of the builder to comply with relevant building regulations and codes of practice, identified during the first 12 months of your ownership. In addition, cost of remedial work as a result of defects in the waterproofing elements of the property as a consequence of the builders failure to comply with relevant building regulations and codes of practice, identified during the first 24 months of your ownership.

Section 3 – Structural Insurance

- ✓ Cost to rectify damage caused by a defect within the home, which was not apparent when the property was finished but which later manifests itself, where the builder has not built specific parts of the property in line with FMB Insurance technical requirements or building regulations.

Section 4 – Contaminated Land

- ✓ Pollution affecting the property

Section 5 – Additional cover for non-compliance with Building Regulations

- ✓ Cost of carrying out necessary remedial works as a result of defects caused by a failure to comply with relevant building regulations and codes of practice, identified during the first 10 years of your ownership, which could impact your health.



What is not insured?

- ✗ Wear and Tear, Discolouration, Inadequate Maintenance or Improper Use.
- ✗ Settlement or Subsidence.
- ✗ Consequential Loss.
- ✗ Personal Injury.
- ✗ Special Perils including 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, impact or any accidental cause.
- ✗ War Risks or Wilful Acts.
- ✗ Water Table or Humidity.
- ✗ Damage as a result of Radioactive Contamination, Toxic Mould or Sonic Bangs.
- ✗ Betterment (reinstatement which would exceed the original insured works specification).

For exclusions specific to each section please read the policy documents in full.



What are my obligations?

- You must take reasonable care to provide us with complete and accurate answer to any questions we ask, whether at initial quote stages, on renewal or when making any changes.
- You must comply with the inspection schedule set out on inception of the policy.
- You must read in full the documentation received and notify us immediately if any changes are required.
- You must comply with the terms, conditions and clauses of this policy. Failure to do so can affect your cover.
- You must tell us immediately should circumstances change and amendments are needed to your policy.
- You must take reasonable care to minimise loss and damage to the home, including telling us about any event that may lead to a claim as soon as reasonably possible.
- In the event of a claim, you must allow access to complete investigations and remedial works.



Are there any restrictions on cover?

- ✗ **Excess** - The first £1,000 of any one claim, in respect of certain sections of the policy.
- ✗ **Financial limits** – there are limits as to how much will be paid under each section of the policy (see full wording for details).
- ✗ **Conditions** – there are conditions and exclusions that apply to each section of the policy (see full wording for details).
- ✗ **Acceptance** – no cover is in force until the policy has been accepted and the premium paid.
- ✗ **Several Liability Notice** - The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.



When and how do I pay?

Premiums are generally paid in two stages, by the builder or developer of the home.



Where am I covered?

- ✓ Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.



When does the cover start and end?

Each section of coverage lasts for a different length of time, so must be reviewed carefully. The policy contains various limits of indemnity depending on the nature of the risk being covered.

- The Build Period Insurance period typically starts from the date the premium is paid and certificates are issued and ends on the date that the works are signed off as completed on the Completion Certificate.
- The Defects Insurance period typically starts from the date the works are signed off as completed on the Completion Certificate and ends a maximum of 24 months later.
- The Structural Insurance period typically starts 12 months (in respect of repairing, replacing or rectifying defects in the housing unit) or 24 months (in respect of water ingress resulting from a defect in the waterproofing envelope of the housing unit) after the completion date on the Completion Certificate and ends 120 months after the completion date.



How do I cancel the contract?

- Notice of cancellation must be received in writing (either email or letter) within 14 days of receipt of the New Homes Structural Defects Insurance policy documents from FMB Insurance.
- If you choose to cancel the policy you must first contact your mortgage lender to advise them, as this may affect your mortgage terms or eligibility.
- If you choose not to cancel this policy within the time limits set out above, you will be legally bound to the terms and conditions of the policy.