

Dear

The Contractor has requested that HomePro Insurance ("Administrator") issues **Deposit Protection Insurance** and **Warranty Insurance** cover in respect of works that they have agreed to carry out at your property.

Deposit Protection Insurance

If the Contractor Ceases to Trade following the receipt of the deposit you have paid and before the Insured Works have started, the Insurer will refund you the deposit paid or arrange for the completion of the insured works.

Your Deposit Protection Certificate of Insurance is printed on the reverse of this page and corresponding Terms and Conditions are enclosed with this document.

Warranty Insurance Policy issued on satisfactory completion of the Insured Works

Once your works satisfaction is registered, Warranty Insurance will cover the Written Guarantee given to you by the Contractor in the event that the Contractor Ceases to Trade as defined in the policy and is unable to honour their own Written Guarantee. This cover is subject to Terms and Conditions which will be sent to you with a Certificate of Insurance when you register that you are satisfied with the work.

How to register your satisfaction of works

Once the works at your property have been completed entirely to your satisfaction, you may request your Warranty Insurance policy. You should do this as soon after the completion of the works as possible.

Please register your policy at www.homepro.com/return quoting reference number

If you do not have online access, please call 0800 131 0663 to speak with a member of staff.

Yours sincerely



Charles Harris
Director of Compliance

Deposit Certificate of Insurance

Insurer	Red Sands Insurance Company (Europe) Ltd
Certificate Number	
Administrator	HomePro Limited
Proposed Work Type	
Level of Cover	Value Plus
Period of Insurance (Deposit)	90 Days
Contract Value	£
Location of the Works	
Sum Insured (Deposit)	value of receipted payment up to 25% of the contract value to a maximum of £10000

Please read carefully the enclosed terms & conditions, and information about the claims and the complaints processes. If you did not receive a copy of these terms & conditions with this letter, or if you have any other queries, please contact our team at enquiry@homepro.com.



Charles Harris
Director of Compliance
Deposit Insurance
TERMS & CONDITIONS

Note: Deposit Cover is only valid where the Level of Cover stated on the Customer Return Form is 'Value Plus' or 'Value Plus 50'

1 Definitions

- 1.1 "Insurer" means Red Sands Insurance Company (Europe) Limited of Level 3, Ocean Village Business Centre, Ocean Village Promenade, Gibraltar.
- 1.2 "Administrator" means HomePro Insurance Services, Austen House, Station View, Guildford, Surrey GU1 4AD.
- 1.3 "Person Insured" means a person or body corporate named on the Certificate of Deposit Insurance.
- 1.4 "Contractor" means the supplier or installer of the Insured Works who is named on the Certificate of Deposit Insurance.
- 1.5 "Insured Works" means the works described on the Certificate of Deposit Insurance.
- 1.6 "Ceased to Trade" means:
 - 1.6a When the Contractor's business is a Limited Company, Limited Liability Partnership or Sole Trader and is declared insolvent by legal process, one of the following occurs: Administration: This is when an Administrator is appointed to determine whether the Contractor's business has any way of paying its debts. Liquidation: This is when a Liquidator is appointed to bring the Contractor's business to an end because it is not able to pay its debts. This does not include Members Voluntary Liquidation. Receivership: This is when a Receiver is appointed by the Contractor's creditor to sell any assets owned by the Contractor's business to repay its outstanding debt.
 - 1.6b When the Contractor is a Sole Trader: Closure of the Contractor's business due to bankruptcy or death and where that sole trader's estate is insolvent.
 - 1.6c When the Contractor's Business is a Partnership: Closure of the Contractor's business due to bankruptcy or death of each Partner and where each Partner's estate is insolvent.

2 Period of Insurance

- 2.1 The Period of Insurance is either of the below (2.1a, 2.1b or 2.1c) whichever happens first:
 - 2.1a 90 days from when the Contractor received the deposit payment from You; or
 - 2.1b from the day the Contractor received the deposit payment from you until the start of the Insured Works; or
 - 2.1c cancellation of the contract for the Insured Works between You and the Contractor before the start of the Insured Works.

3 Benefits

- 3.1 If the Contractor Ceases to Trade following the receipt of the deposit payment from You and before the Insured Works have started, the Insurer will in consideration of the payment of the premium and its receipt by the Administrator, indemnify the Person Insured and will at its option either:
 - 3.1a instruct the Claims Administrator to arrange the completion of the Insured works for a fair market price less the deposit paid: To do so, the Administrator will arrange for the completion of the Insured Works by an alternative contractor. The Person Insured will be required to contribute the outstanding balance of the Contract and the Insurer will contribute the shortfall in costs in order to complete the Insured Works. In certain circumstances, at the Insurer's sole option, the Insurer will choose to pay in cash the amount of the proven loss to the Person Insured. This will be the equivalent of the shortfall in cost to complete the Insured Works, subject to the Limit of Indemnity of this Policy, and may not be the full amount of the deposit payment. The Administrator will confirm to the Person Insured what action is to be taken; or
 - 3.1b refund the Deposit Paid to the Person Insured.

4 Limit of Indemnity

- 4.1 The total liability of the Insurer in respect of all deposit claims under this Certificate of Insurance shall not exceed
 - 4.1a 25% of the agreed price of the Insured Works; or
 - 4.1b The actual deposit paid; or
 - 4.1c £10,000, whichever is the lesser.

5 Claims Procedure

- 5.1 In the event of a potential claim, the Person Insured must contact the Administrator in writing at: HomePro Insurance Services, Austen House, Station View, Guildford, Surrey GU1 4AD within 90 days of when the Contractor Ceased to Trade, quoting the Certificate of Insurance number. The Person Insured must supply all details and proofs as may reasonably be called for by the Administrator.
- 5.2 PLEASE NOTE: When submitting a claim it is essential that proof of both the amount and date of payment are provided. Without same, no claim can be accepted.

6 Exceptions

- The Insurer shall not be liable for :
 - 6.1 any loss of use or consequential loss of any nature,
 - 6.2 any 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, nationalisation, or requisition by order of any government, public, municipal, local or customs authority,
 - 6.3 any loss which is or can be recovered under any other contract of insurance or any other means whatsoever
 - 6.4 the cost of replacing a whole area, part or item irrespective of mismatch of colour, design or function after the repair of a damaged area or part only. Examples include, but are not limited to the repair of paved areas, paint, rendering, flooring, carpets and tiled roofs.
 - 6.5 any works undertaken without the consent of the Insurer
 - 6.6 any defect or fault that occurred before the Contractor Ceased to Trade.

7 Conditions

- 7.1 The Person Insured shall take all necessary precautions to avoid losses that are or may be recoverable under this insurance.
- 7.2 The Person Insured shall provide to the Insurer at their own expense in writing all details of any claim together with such proofs, explanations and other evidence as may reasonably be required by the Insurer.
- 7.3 The Person Insured's benefit under this insurance is governed by English Law and will be forfeited if that Person Insured knowingly makes a fraudulent claim.
- 7.4 The Insurer may at its expense take such proceedings as it sees fit in the name of the Person Insured to enforce any rights and remedies against or obtain relief or indemnity from other parties to which the Insurer shall be or may become entitled or subrogated under this insurance and the Person Insured shall at the request and expense of the Insurer do such acts and things as may reasonably be required by the Insurer for that purpose.
- 7.5 The Insurer will not indemnify the Person Insured against loss or damage which is covered by any other warranty, guarantee or policy.

8 Enquiries and Complaints

- 8.1 Any enquiries or complaints you may have regarding this insurance should be addressed to HomePro Insurance, Austen House, Station View, Guildford, Surrey GU1 4AD, or phone 0800 131 0123. Please quote the Certificate number so that the enquiry can be dealt with quickly.
- 8.2 If Your complaint cannot be resolved within 3 working days, a Final Response letter will be issued within eight weeks of the **Administrator** having received the complaint.
- 8.3 In the unlikely event that the matter is unresolved once the above have been contacted, you can then approach: The Financial Ombudsman Service, Exchange Tower, London E14 9SR, telephone 0800 023 4567. There are some instances where the Financial Ombudsman Service is unable to consider complaints. This procedure will not prejudice your right to take legal proceedings.

9 Privacy and Data Protection Notice

- 9.1 Red Sands Insurance Company (Europe) Limited and Homepro Limited ("Both Parties") are committed to protecting and respecting your privacy in accordance with the current Data Protection Legislation ("Legislation"). This notice sets out the basis on which both parties will process any personal data that both parties collect from you, or that you provide to both parties. For the purposes of the Legislation, Red Sands Insurance Company (Europe) Limited will qualify as the Data Controller and Homepro Limited will qualify as the Data Processor in relation to any personal data you supply to both parties. Below is a summary of the main ways in which both parties process your personal data. To see the full Privacy Policies please visit the following websites at http://www.redsands.gi/en-GB/notice/privacy_legal_notice and <https://www.homepro.com/privacy-policy>
- 9.2 OUR PRIVACY PRINCIPLES: When both parties collect and use your personal information, it is kept no longer than is necessary, both parties ensure it is looked after properly and use it in accordance with both parties' privacy principles, both parties keep it safe and will never sell it.
- 9.3 INFORMATION WE MAY COLLECT OR RECEIVE ABOUT YOU: Both parties may collect and process personal data that you provide directly to both parties by filling in forms, sending emails, over the phone or that both parties receive via third parties such as partners.
- 9.4 HOW WE USE YOUR INFORMATION: For the purposes of providing insurance, handling claims, research or statistical purposes and any other related purposes. Both parties will also use your data to safeguard against fraud, money laundering and to meet general legal or regulatory obligations.
- 9.5 DISCLOSURE OF YOUR PERSONAL DATA: Both parties may disclose your personal data to third parties involved in providing products or services to both parties, or to service providers who perform services on both parties' behalf, these include reinsurers, legal advisors, regulatory authorities and as may be required by law.
- 9.6 INTERNATIONAL TRANSFERS OF DATA: Both parties may transfer your personal data to destinations outside the European Economic Area ("EEA"). Where both parties transfer your personal data outside of the EEA, both parties will ensure that it is treated securely, and in accordance with both parties' privacy notice and the Legislation.
- 9.7 YOUR RIGHTS: You have the right to see a copy of the personal information both parties hold about you, to have your data deleted (subject to certain exemptions), to have any inaccurate or misleading data corrected or deleted, to ask both parties to provide a copy of your data to any controller and to lodge a complaint with the local data protection authority. Red Sands Insurance Company (Europe) Limited as Data Controller is responsible for your personal data and our full details (including registration and address details) can be found within your policy wording. Red Sands Insurance Company (Europe) Limited have appointed Homepro Limited to act on our behalf in respect of all matters relating to the protection of your personal data and to oversee questions in relation to this privacy notice. If you have any questions about this privacy notice, including any requests to exercise your legal rights, please contact Homepro Limited at 24 Nicholas St, Chester CH1 2AU.

10 Cancellation

- 10.1 Within 14 days of you receiving the policy documents, you may cancel the policy by contacting the **Administrator**. Subject to no claims having been made, and the **Administrator** receiving the premium, the premium will be refunded to the party who made the payment to the **Administrator**. You may cancel the policy at any stage after the cooling off period, but no premium refund will apply.

11 Other Important Information

- 11.1 Red Sands Insurance Company (Europe) Limited is registered in Gibraltar (Incorporation No: 87598). Registered office: Level 3 Ocean Village Business Centre, 23 Ocean Village Promenade, Gibraltar. Red Sands Insurance Company (Europe) Limited is authorised and regulated by the Gibraltar Financial Services Commission and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority in respect of business underwritten in the UK (Financial Services Register No: 231635). Red Sands Insurance Company (Europe) Limited is a member of the UK's Financial Services Compensation Scheme and Association of British Insurers.

12 Financial Services Compensation Scheme

- 12.1 Both HomePro and the Insurer are covered by the Financial Services Compensation Scheme ("FSCS") which is the UK's statutory fund of last resort for customers of financial services. This means that depending on the nature and circumstances of the claim, and subject to the FSCS's applicable financial limitations at the time, you may be entitled to compensation from the FSCS if we are unable, or likely to be unable, to meet our obligations. Further information is available from the FSCS who can be contacted by telephone 0800 678 1100 or 020 7741 4100 and by email via their website at: www.fscs.org.uk/contact-us/

Insurance Backed Guarantee

Insurance Product Information Document

Manufacturer: Red Sands Insurance Company (Europe) Limited

Company: HomePro Limited

Product: Building Regulations & Contractor's Guarantee Insurance

This Insurance Product Information Document is only intended to provide a summary of the main coverage provided by Deposit Protection Insurance and also to highlight the significant policy exclusions; it is not personalised to any specific individual needs in any way. Complete pre-contractual and contractual information on the product is provided in the Policy of Insurance document.

What is this type of insurance?

This type of insurance is Deposit Protection Insurance, which is designed to provide protection against the loss of the policy holder's deposit payment, where the contractor has collected the deposit payment, but has ceased trading and is, as a consequence, unable to complete the proposed works.

What is insured?

- ✓ Deposit Protection Insurance will protect the policy holder against the unforeseen costs that might be incurred in respect of the loss of a deposit payment in the event that the contractor that the policy holder contracted with has ceased trading and as a consequence the contractor is unable to complete the proposed works.
- ✓ To settle a claim, Warranty Services Limited will arrange for the completion of the proposed works by an alternative firm. The policy holder will be required to contribute the outstanding balance that remains in their possession and Accelerant will contribute the shortfall in costs in order to complete the proposed works (up the financial limits of the policy).
- ✓ The maximum amount payable in respect of all claims made against Deposit Protection Insurance is the lesser of:
 - 25% of the contract value; or
 - the amount of the deposit payment; or
 - £10,000.

What is not insured?

Deposit Protection Insurance does not provide cover for:

- ✗ any loss incurred by the policy holder where the contractor has not ceased trading.
- ✗ any monetary amount which is above the financial limits of the policy.
- ✗ any monetary amount over and above the shortfall in costs to complete the proposed works (which may be less than the deposit payment made by the policy holder).
- ✗ any loss that occurs outside the duration that the policy is effective for.
- ✗ any loss or damage that does not relate specifically to the completion of the proposed works.
- ✗ any loss or damage to the policy holder's property, which does not form part of the proposed works.

Are there any restrictions on cover?

- ! The cover provided by Deposit Protection Insurance is provided on the basis that the policy holder has made a deposit payment to the contractor. The policy holder will be required to provide proof of a deposit payment made to Warranty Services Limited in the event of a claim. It is important for the policy holder to be aware that if they have not made a deposit payment to the contractor, they may not be able to make a claim. **Where the policy holder does not have proof of a deposit payment made to the contractor by the time Deposit Protection Insurance has been issued, they should request a receipt from the contractor as a matter of urgency.**
- ! In accordance with Section 75 of the Consumer Credit Act 1974: Where the policy holder has made payment of the deposit payment to the contractor by credit card or via a finance agreement; the credit provider may have equal liability for breaches of contract by the contractor. **Where the policy holder is protected by Section 75 of the Consumer Credit Act 1974; prior to making a claim against Deposit Protection Insurance; they must firstly seek recourse through the relevant credit provider.**
- ! The cover provided by Deposit Protection Insurance is specifically related to costs incurred in completing the proposed works that the policy holder has contracted with the contractor to have installed at their property. Therefore, any other loss that the policy holder might incur as a consequence of a claim against Deposit Protection Insurance (such as loss of profit, loss of use, or loss of enjoyment) is not covered by Deposit Protection Insurance.

Where am I covered?

- Deposit Protection Insurance applies only to risks insured within England, Wales, Scotland, Northern Ireland, and the Channel Islands.

What are my obligations?

- The policy holder needs to check that the information shown within the Policy Schedule of their Deposit Protection Insurance is correct. If the information shown is correct they do not need to take any action. However, if it is incorrect, they should contact HomePro to advise of the amendments that may be required. HomePro may ask that the policy documentation is returned to them for amendment.
- If the policy holder cannot contact the contractor and find that they have ceased trading, they should contact HomePro within 30 days by e-mailing enquiry@homepro.com in order to intimate a claim. Alternatively, you can contact HomePro telephoning 0800 131 0123 during office hours, or by writing to HomePro Limited, Austen House, Station View, Guildford, GU1 4AD.
- Where the policy holder has a valid claim against Deposit Protection Insurance, they need to contribute the outstanding balance towards the cost of completing the proposed works.
- The policy holder is obliged to co-operate with Warranty Services Limited during the claims process. This may include the policy holder obtaining like for like quotations (in respect of specification of works) for the proposed works and supplying them to Warranty Services Limited. Warranty Services Limited will advise the policy holder of what will occur in order for a claim to be resolved i.e. the details of the arrangements being made for an alternative firm to complete the proposed works.



When and how do I pay?

- In respect of Deposit Protection Insurance; HomePro collects the applicable insurance premium from the contractor who the policy holder has contracted with to carry out the proposed work at their property. The policy holder does not need to pay any insurance premium or any additional fee in respect of the Deposit Protection Insurance.



When does the cover start and end?

- Deposit Protection Insurance comes into effect on the date that the policy holder makes a deposit payment to the contractor for the provision of the proposed works, and cover is effective for a period of 120 days.

It is important to note that Deposit Protection Insurance can lapse earlier if certain events occur prior to 120 days from the date the policy holder makes a deposit payment to the contractor. Deposit Protection Insurance will lapse immediately on the completion date or immediately if the policy holder cancels their contract with the contractor for the provision of the Proposed Works.



How do I cancel the contract?

- The policy holder has the right to cancel Deposit Protection Insurance within 14 days of receipt, if they decide that it is not required. They can do so by providing written notice to HomePro Limited, Austen House, Station View, Guildford, GU1 4AD. When doing so, you should return the policy documentation to HomePro, and they will confirm both receipt and cancellation of cover to you.
- Where the insurance premium has been paid to HomePro by someone other than the policy holder (i.e. the contractor) or a claim has been intimated, then no refund of premium will be made when Deposit Protection Insurance is cancelled.
- If Deposit Protection Insurance is cancelled, then no claim will be able to be made at any time in the future.

SAMPLE DOCUMENT