

Product: Residential Property Latent Defects Insurance

Insurance Product Information Document

Insurer: Casualty & General Insurance Company (Europe) Limited is registered in Gibraltar under company number 89400 with a registered address at Suite 3A, Centre Plaza, 2 Horse Barrack Lane, Main Street, Gibraltar. Casualty & General Insurance Company (Europe) Limited is authorised by the Gibraltar Financial Services Commission and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of its regulation by the Financial Conduct Authority and Prudential Regulation Authority are available on request.

Scheme Administrator: CADIS MGA Ltd is an Authorised Representative of International Financial Security Ltd which is authorised and regulated by the Financial Conduct Authority - FCA FRN: 969653.



What is insured?

Section 1 – insolvency of the developer (if applicable)

If, after issue of the Initial Certificate:

- ✓ Construction of the residential property does not commence due to the insolvency or fraudulent acts of the developer, we will refund the deposit paid by the insured up to a limit of 10% of the originally agreed purchase price.
- ✓ The residential property does not achieve practical completion due to the insolvency or fraudulent acts of the developer, we will at our sole option either:
 - Pay the additional cost required to complete the residential property to its original specification; or
 - Refund the loss of money paid by the insured to the developer as a deposit for the construction of the residential property.

Section 2 – defects Insurance for a period of up to 24 months after practical completion.

- ✓ In respect of all claims first discovered and notified after the insurance commencement date and during the first 24 months, we will pay the reasonable cost of repairing or rebuilding in full or in part and to its original specification.
- ✓ We shall only be liable to make a payment under this section where the insured has:
- ✓ Confirmed to the scheme administrator that the developer has unreasonably refused to undertake the work or meet the costs of such work; is unable to undertake the work in a reasonable timescale; or is in insolvency; and
 - Received confirmation in writing from the scheme administrator that the claim is covered under this insurance.
 - Contacted the developer in writing setting out either the defect or major damage and asking the developer to repair, replace or rectify the defect or major damage;
 - Confirmed to the scheme administrator that the developer has unreasonably refused to undertake the work or meet the costs of such work; is unable to undertake the work in a reasonable timescale; or is in insolvency; and
 - Received confirmation in writing from the scheme administrator that the claim is covered under this insurance.

Section 3 – Structural insurance after 24 months have elapsed from practical completion.

- ✓ In respect of all claims discovered and notified to us after the insurance commencement date and during the structural insurance period we will pay the reasonable cost of repairing or rebuilding in full or in part and to its original specification each residential property which has been affected by major damage.

Section 4 – Contaminated land cover.

- ✓ In respect of all claims discovered and notified to us after the insurance commencement date and during the defects insurance period or the structural insurance period we will pay:
 - The costs of remediation, including costs and expenses of treating or isolating or removing any substance from the site in a controlled manner.



What is not insured?

Loss or damage caused by or attributable to:

- ✗ Alterations to property after the insurance commencement date.
- ✗ Change in colour.
- ✗ Japanese knotweed.
- ✗ Radioactive contamination.
- ✗ Settlement or bedding down of the residential property.
- ✗ Sonic bangs.
- ✗ Toxic mould.
- ✗ Vermin.
- ✗ Wear and tear.
- ✗ Consequential loss. Loss or damage due to or arising from any consequential loss of any description whatsoever unless as expressly provided for by this insurance policy.
- ✗ Defects in existing works. Loss or damage due to or arising out of any defect in the design, workmanship, materials or components of the residential property that was installed or constructed prior to the refurbishment /renovation/construction works undertaken by the builder that are the subject of this insurance.
- ✗ Humidity. Loss or damage due to or arising from humidity in the residential property that is not the direct result of the ingress of water caused by a defect in the design, workmanship, materials or components of the waterproofing elements of the waterproof envelope of the residential property.

- ✗ Maintenance and use. Loss or damage due to or arising from inadequate maintenance of or abnormal use of the residential property or the imposition of any load greater than that for which the residential property was designed or the use of the residential property for any purpose other than that for which it was originally designed.
- ✗ Personal injury. Any costs, losses, expenses or damages for death, bodily injury, disease, illness or damage to mental health.
- ✗ Prior knowledge. Anything which would constitute a valid claim under this insurance and about which the insured was aware of prior to arranging the insurance.
- ✗ Special perils. Loss or damage caused by or consequent upon a peril that can be insured under a household buildings or property owners' insurance policy, whether insured or not.
- ✗ Subsidence. Loss or damage caused by or consequent upon subsidence, heave or landslip.
- ✗ War and terrorism risks. Any claim whatsoever in respect of loss, damage or liability directly or indirectly occasioned by, happening through or in consequence of war or hostile event.
- ✗ Water table. Loss or damage resulting solely from a change in the water table level. This exclusion shall not however apply to any seasonal change in the water table level.
- ✗ Wilful acts. Any wilful act, neglect or criminal act of the insured or any other party.



Are There Any Restrictions On Cover?

- ! Section 1 – We are only liable under this section in respect of the amount paid by the insured to the developer, subject to a maximum of 10% of the original purchase price or £100,000 (whichever is the lesser), for each residential property.
- ! Section 2 and 3 - The maximum we will pay for all claims:
 - Relating to a residential property is £5,000,000 or the total sum insured shown in the Certificate of Insurance; or
 - In one continuous structure is £10,000,000 or the rebuilding cost of the continuous structure, whichever is the lesser.
- ! Section 4 – The maximum we will pay for all claims:
 - relating to a residential property is £1,000,000 or the total sum insured shown; or
 - The maximum we will pay for all claims relating to one development is £2,000,000 or the total rebuilding cost of the development, whichever is the lesser.
- ! For sections 2, 3 and 4; Any amount that is under the amount of the excess on the policy, as detailed in the insurance certificate.



Where am I covered?

In the United Kingdom and Guernsey



What are my obligations?

To satisfy endorsements listed on your **Quotation Schedule** and **Initial Certificate Endorsement Schedule**. To abide by the technical inspection regime as set out in the **Initial Certificate Covering Letter**.



When does cover start?

Cover starts upon practical completion (no later than 2 years from commencement of works on-site). Cover ends 10 years after completion.



When and how do I pay?

Payment is due at inception of the policy. Please pay your insurance broker, who will provide you with the necessary account details. They will forward funds on to the CADIS MGA Client Account.



How do I cancel the contract?

You have the right to cancel this insurance policy. If you wish to do so you must write to the scheme administrator within 14 days of receiving your policy documents. Their address is

CADIS MGA Ltd
Trot House
11 Fore Street Torpoint Cornwall
PL11 2AB

Please quote the policy number shown in the Certificate of Insurance.

The premium paid will be refunded to the entity that paid the premium. Please note that any survey costs, registration costs or administration fees are non - refundable.

CADIS MGA Ltd - Registered Office: Trot House, 11, Fore Street, Torpoint, Cornwall, PL11 2AB.
CRN (England & Wales):12534516 FCA FRN: 1001011.

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