



HOMEOWNER GUIDE TO INSURANCE BACKED GUARANTEES

www.qanw.co.uk



VALUABLE CONSUMER PROTECTION

An Insurance Backed Guarantee (IBG) is an insurance policy - paid for by the installing contractor - which provides valuable protection for consumers when undertaking home improvement projects.

The purpose of an Insurance Backed Guarantee is to honour the terms of the written guarantee, originally issued by the installing contractor, where that contractor has ceased to trade as defined within the policy document and is therefore unable to satisfy claims against that guarantee.

Why?

Many contractors will be happy to guarantee their work against defects in workmanship or materials for between 1 year and 10 years, which is the period often given by home improvement companies such as glaziers and roofers. If a fault arises in the works, the contractor would normally honour his responsibilities by attending to the fault at no cost to you.

Although a contractor's written guarantee sets out their obligation to rectify defects in installations carried out by them, it cannot guarantee that they will always be around. If a contractor ceases to trade, and defects subsequently develop in an installation, the contractor's guarantee, although made in good faith and with the best of intentions, would be useless.

What Happens If I Do Not Have Insurance Backing?

Hopefully, your chosen contractor will always be there to respond to any problems that may arise over the period of their written guarantee, and as such will perform any remedial works required. However, even the most financially sound company can fail in these uncertain economic times.

If you do not have an Insurance Backed Guarantee then you may incur substantial costs in the future if faults arise in the works.

What Does An Insurance Backed Guarantee Cover?

An Insurance Backed Guarantee provides protection to the customer in the event that the original contractor ceases to trade for reasons such as Liquidation, Receivership, Administration or the winding up of the business owing to the Bankruptcy, State Retirement or Death of the Principal(s).

If a fault is discovered in the insured works after the contractor has Ceased Trading for specified reasons and they are unable to honour their guarantee then a claim can be intimated.

In the event of a claim, the Policy Holder would be asked to complete a simple claim form and a report would then be prepared by another contractor. This would determine the cause of the problem as well as the cost of repair.

If the fault falls under the terms of the original contractor's written guarantee, and the terms of the Policy of Insurance, then the Insurance Backed Guarantee would meet the reasonable cost of rectifying the defects up to a limit of the original contract price.

What Is The Policy Term?

The policy term is set out within the policy documents and is normally the period stated on the policy document, or the length of the contractor's original written guarantee; whichever is the lesser.

What Does The QANW Logo Mean?

QANW is an insurance intermediary, authorised and regulated by the Financial Conduct Authority, and does not purport to be a trade organisation or an accreditation body. As such QANW is not in a position to promote the commercial offerings of particular contractors; nor is it in a position to recommend one contractor - or group of contractors - over another; nor can it mediate in disputes involving contractors and customers.

With this in mind, where a contractor makes use of the QANW logo on their literature, promotional materials or websites; it should not be construed as a recommendation or endorsement -by QANW- of that contractor. Use of the QANW logo simply demonstrates that the contractor has the facility to insurance back their own guarantee to the customer. Where the contractor has made use of this facility, a certificate of insurance is issued directly to the customer. No insurance cover is in place until the certificate of insurance has been issued in the customer's name. If a contractor has made a verbal or written representation to their customer that insurance cover is in place, in spite of the customer not being in receipt of the certificate of insurance after more than 60 days from the completion of the works, the customer should contact QANW to raise this matter because no insurance cover is in place until the certificate of insurance has been issued in the customer's name.

Is The Cover Transferable?

If the contractor's written guarantee states that it is transferable to subsequent owners of the property then the insurance cover will also be transferable upon the payment of an administration fee, as specified within the Policy of Insurance. If the contractor's written guarantee does not state that it is transferable, then the Insurance Backed Guarantee, also, cannot be transferred.

General Information

Please note that this is a general information leaflet only and you should always refer to your own Policy of Insurance, Key Facts and Policy Summary to confirm the insurance cover that has been provided to you. No insurance cover is in place until a certificate of insurance has been issued.

Competent Persons Scheme



Following changes to Part L of the Building Regulations, which took effect from 1st April 2002, glazing contractors in England and Wales who are registered with a Competent Persons Scheme can self certify their domestic window and door installations without the need to go through Local Authority Building Control for permission for this work.

A condition of membership of a Competent Person Scheme is that financial protection, such as an insurance backed guarantee, is provided freely to all domestic consumers. QANW recommend Certass Ltd as a Competent Persons Scheme Operator.

For more information on this scheme contact QANW or go to www.certass.co.uk



TrustMark

Launched on 31st January 2006, TrustMark is a Government endorsed scheme, also supported by the Building Industry and Consumer Groups to help you find reliable and trustworthy tradesmen to make home improvements or repairs to your home. As part of the scheme criteria, every TrustMark Registered Contractor must give their domestic customers the opportunity to purchase an insurance policy covering certain defects if they were to go out of business.

For more information on this type of cover contact QANW or go to www.trustmark.org.uk.



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About our Insurance Services.

1. The Financial Conduct Authority (FCA).

The FCA is the independent watchdog that regulates financial services. Use this information to decide if our services are right for you.

2. Whose Products Do We Offer?

We only offer products from Guarantee Protection Insurance Ltd for Insurance Backed Guarantees.

3. Which Service Will We Provide You With?

You will not receive advice or a recommendation from us in respect of Insurance Backed Guarantees. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.

4. What Will You Have To Pay Us For Our Services?

There is no fee for our services. You will receive a quotation which will tell you about any other fees relating to any particular insurance Policy.

5. Who Regulates Us?

Warranty Services Ltd trading as QANW, PO Box 26332, Ayr, KA7 9BJ is authorised and regulated by the Financial Conduct Authority. Our Financial Services Register Number is **309580**.

Warranty Services Ltd's permitted business is insurance intermediary, advising, arranging and administering insurance contracts.

You can check this on the Financial Services Register by visiting the Financial Services Register's website (www.fsa.gov.uk/register) or by contacting the FCA on **0800 111 6768**.

6. Ownership.

Guarantee Protection Insurance Ltd owns 100% of the share capital of Warranty Services Ltd. Kinnell Holdings Ltd owns 100% of the share capital of Guarantee Protection Insurance Ltd.

7. What To Do If You Have A Complaint.

If you wish to register a complaint, please contact us:

Write to: PO Box 26332, Ayr, KA7 9BJ
Telephone: 01292 268020

If your complaint cannot be settled directly with us, you may be entitled to refer it to the Financial Ombudsman Service.

8. Are We Covered By The Financial Services Compensation Scheme (FSCS)?

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Compulsory insurance, such as motor third party and employers' liability insurance, including mediation is covered for 100% protection with no upper limit. Non-compulsory insurance is covered for 90% of the claim, with no upper limit. Further information about compensation scheme arrangements is available from the FSCS.



Head Office:

PO Box 26332, Ayr, KA7 9BJ

T : 01292 268020

E : info@qanw.co.uk

F : 01292 291108

www.qanw.co.uk

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