Buildmark

Applies to newly built and converted homes registered with NHBC from 1 October 2019
Contact details

How to contact us

At any point during your Buildmark cover we’d be happy to hear from you.

Call: 0800 035 6422 or 0344 633 1000
(Monday to Friday 08:30 to 17:30)

Email for general enquiries:
cssupport@nhbc.co.uk

Email for claims:
claims@nhbc.co.uk

Email for complaints about NHBC:
consumeraffairs@nhbc.co.uk

Visit: nhbc.co.uk

Write to:
NHBC, NHBC House,
Davy Avenue, Knowhill,
Milton Keynes, Bucks MK5 8FP

Who to contact and when

Before the home is complete

Call: 0800 035 6422 or 0344 633 1000
(Monday to Friday 08:30 to 17:30)

Visit: nhbc.co.uk
Email: cssupport@nhbc.co.uk

During the builder warranty period

The builder – their contact details will be on your Buildmark certificate. If you can’t find these details, or if you need to use our resolution service, please contact us.

Call: 0800 035 6422 or 0344 633 1000
(Monday to Friday 08:30 to 17:30)

Visit: nhbc.co.uk
Email: claims@nhbc.co.uk

After the builder warranty period

Call: 0800 035 6422 or 0344 633 1000
(Monday to Friday 08:30 to 17:30)

Visit: nhbc.co.uk
Email: claims@nhbc.co.uk

Visit nhbc.co.uk or call 0800 035 6422
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Welcome to your new home warranty and insurance policy for newly built and newly converted homes. It provides varying levels of protection for you within the policy period.

(i) The policy

Subject to the conditions and any endorsements printed on the policy schedule, this policy helps protect you against certain problems with your home and your land resulting from the builder:

- Becoming insolvent
- Failing to meet the NHBC requirements.

All builders registered with us must meet the NHBC requirements. These are contained in the NHBC Standards we publish, which are available on our website at nhbc.co.uk. Or you can contact us for a free copy.

The NHBC Standards include supporting guidance and performance standards. If we need to refer to these when we are dealing with a claim under this policy, we will refer to the NHBC Standards that applied when the builder started building your home.

This policy is an agreement between you, the builder and us, entered into on your behalf. The sections of cover which have been purchased on your behalf, including the relevant periods of cover, are shown on the policy schedule.

If your home is in a continuous structure (such as an apartment block), the protection provided by this policy may not cover all of your responsibilities under your lease agreement.

This document contains the terms and conditions of this policy and should be accompanied by a Buildmark certificate and a policy schedule. It is not valid without them. You should read all the documents including the definitions and conditions, and any endorsements printed on the policy schedule, in order to fully understand the cover.

(ii) Information given to us

In deciding to accept this policy and in setting the terms and premium, we have relied on the information given to us on your behalf. You must take care when answering any questions we ask by ensuring that all information provided is accurate and complete. If we establish that information provided to us was deliberately or recklessly false or misleading, we will treat this policy as if it never existed and decline all claims. If we establish that information provided to us was carelessly false or misleading, it could adversely affect your policy and any claim. For example, we may:

- Treat this policy as if it had never existed and refuse to pay all claims and return the premium paid. We will only do this if we provided you with insurance cover which we would not otherwise have offered
- Amend the terms of your insurance. We may apply these amended terms as if they were already in place if a claim has been adversely impacted by the carelessness
- Reduce the amount we pay on a claim in the proportion the premium paid bears to the premium we would have charged
- Cancel your policy in accordance with the Right to cancel condition (E12).

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We will write to you if we:

• Intend to treat your policy as if it never existed
• Need to amend the terms of your policy.

If you become aware that information you have given us is inaccurate, you must inform us as soon as practicable.

(iii) Builder warranty

In addition to setting out the insurance cover provided by NHBC, this agreement records the terms of the Buildmark warranty provided by the builder during the builder warranty period. Primary protection during the builder warranty period is provided by the builder, us. We offer a resolution service to help resolve problems with the builder in connection with issues raised with the builder during the builder warranty period. We can also offer our guarantee (see page 17).

(iv) Resolution service

If the builder is not insolvent but unreasonably refuses to meet their obligations within a reasonable period, and provided that it was reported by you in writing (or you can demonstrate evidence that it was reported) to the builder during the builder warranty period, we will offer you our resolution service. If we advise in our resolution report that the builder failed to meet the NHBC requirements we will tell the builder to undertake the necessary work. If the builder refuses to carry out the work within a reasonable period, and provided you have complied with your obligations, we will either pay for the work to be completed or undertake the work ourselves.

All of your policy documents should be provided to you by your conveyancer or NHBC. If you have not received them please contact your conveyancer or NHBC. Our contact details are on page 2.

The general conditions and exclusions that apply to all parts of this policy are listed in part E. Please ensure you read them, as well as part F of this policy document.

Certain words in this policy have specific meanings. These meanings are shown in the definitions section (see page 6). The words appear throughout the policy in bold type.

For the insurance cover provided by NHBC under section 1 to be effective, you must have entered into a contract for the home and the builder must have been registered with NHBC when that happened.

For the insurance cover provided by NHBC under section 2.3 and section 3 to be effective, in addition to the conditions that apply for cover under section 1, NHBC must have issued a Buildmark certificate.

Buildmark cover is intended to benefit each and every owner of a home from time to time during the period of the cover. Each successive owner will be entitled to the balance of the Buildmark cover. No one other than the owner of a home from time to time has any rights to claim under Buildmark cover or otherwise enforce the Buildmark cover.

Your rights against the builder under the Buildmark cover are in addition to and do not replace any other legal rights (for example, contractual, statutory or common-law rights) that you may have against the builder in connection with your home.

If your policy has not been activated, this must be done before we can assist under our resolution service or settle a claim. The policy can be activated by your conveyancer or us.

If you are not sure about anything in this document, you can contact us to check what protection you have for your home.
Definitions of key words and phrases

Certain words or phrases used in bold throughout this document have a specific meaning, as detailed below. In addition:

- Words in the singular include the plural and vice versa
- References to things done or to be done by the builder (for example work of building, conversion or renovation) also refer to such things done or to be done on behalf of the builder
- References to any legislation include any statutory extension, modification or re-enactment of it and regulations made under it
- The words ‘including’, ‘such as’ and ‘for example’ are used for illustration or emphasis only
- References to ‘sections’ refer to the sections (1-3) in this booklet.

**builder**
The NHBC registered builder, being the person, firm or company referred to on the policy schedule and on the Buildmark certificate as ‘the builder’. Where the first owner acquired the new home from a developer, references in this policy to builder shall be read to include the developer and all the obligations imposed on the builder are imposed jointly and severally on the developer also.

**builder warranty period**
The period stated on the policy schedule. For matters involving shared parts, the builder warranty period is 3 years and does not start until the completion date of the first home that shares those parts.

**Building Regulations**
Regulations made under the Building Act 1984, The Welsh Ministers (Transfer of Functions) (No. 2) Order 2009, the Building (Scotland) Act 2003, the Building Regulations (Northern Ireland) Order 1979 or similar legislation that applies to the construction of your home and which were in force at the time the ‘notice to build’ (or equivalent) was deposited with the local authority.

**Buildmark certificate**
The certificate we issue to the first owner to confirm a home(s) is protected by this policy.

**completion date**
This is the later of the following dates:
- The date of legal completion of the purchase by the first owner (or, in Scotland, the date of entry)
- The warranty release confirmation.

However, if a builder builds a home under a building contract (for example, on land owned by or to be bought separately by the first owner) or someone is living in a property before the date of legal completion (or, in Scotland, the date of entry) of the purchase by the first owner, the completion date is always the warranty release confirmation date.

**continuous structure**
A newly built or converted structure, which contains two or more homes built by the builder. For example, we would treat a newly built terrace of houses as one continuous structure, but we would treat two apartment blocks joined by a bridge, walkway or an underground car park as two continuous structures. A single building containing a new home and other parts of the same building used for some other purpose e.g. such as an office or garage, would also be considered a continuous structure.

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The **contract** (or, in Scotland, **missive** between the **builder** or **developer** and the first **owner** of a **home** to buy from the **builder** or **developer**, or for the **builder** to build or convert, the **home**.

**conversion, converted** Where the new **home** includes all or part of an existing structure, regardless as to whether that structure was originally intended to be used as a dwelling or not.

**defect** The breach of any mandatory **NHBC requirement** by the **builder** or anyone employed by or acting for the **builder**. Failure to follow the guidance supporting an **NHBC requirement** does not amount to a **defect** if the performance required by the **NHBC requirement** is achieved by other means.

**developer** The person, firm or company from whom the first buyer acquires the new **home**.

**endorsement** A change to the terms of the policy agreed by **us** in writing and shown on your policy schedule.

**home, homes, home(s)** Under section 2 of this policy the **home** is defined as:

The new property or **conversion** described on the **Buildmark certificate**, including any:

a. **Shared parts**

b. Garages included in the **contract**

c. Drives and paths within the curtilage of the property giving access to the main and second entrance door, and

d. Newly constructed underground drainage systems serving the **home**, installed by the **builder** which **you** are responsible for, including: newly constructed pipes, channels, gullies and inspection chambers within the property described in the **Buildmark certificate** for which the buyer is responsible

e. Any security or surveillance systems installed by the **builder**

f. The external handrails and balustrades, paths, driveways, gardens, boundary and retaining walls and paved areas that were newly built by the **builder** at the **completion date** provided that they all fall within the curtilage of the property

g. The electrical fixed-wiring and fixed-lighting system, heating system, air-conditioning system, smoke alarms, waste-disposal unit, water-softening equipment, and any other mechanical and electrical equipment needed to meet the **Building Regulations** that was newly installed in the **home** by the **builder** at the **completion date** and that is for your **use only**

h. Basements or semi-basements.

Under section 3 of this policy the **home** is defined as:

The new property or **conversion** described on the **Buildmark certificate**, including any:

i. **Shared parts**

j. Garages included in the **contract**

k. Walls, but only where they form part of or provide support to the structure of the dwelling

l. Newly, constructed underground drainage systems serving the **home**, installed by the **builder** within the curtilage of your property which **you** are responsible for, including: newly constructed pipes, channels, gullies and inspection chambers within the property described in the **Buildmark certificate** for which the buyer is responsible

m. Basements or semi-basements designated as habitable living space at the time of construction.
The home is not (under any section of the policy):
barns, stables, swimming pools, lifts and escalators, temporary structures, other permanent
outbuildings, garden structures and sheds, access roads, supply pipes and cables, fences, household
appliances, carpets, electronic keys, contents, original structures and services, other items specifically
excluded or not included in items a) to m) on the previous page, any septic tanks, treatment plants,
outfalls, soakaways, pumping equipment, and associated equipment and any other items not within the
legal boundary of the home or shared parts or any work not carried out by or on behalf of the builder
and not part of the contract with the first owner.

insolvent The builder is insolvent if they:
• Are declared bankrupt (or, in Scotland, sequestrated)
• Are in liquidation
• Have had an administrator appointed
• Have had an administrative receiver or a receiver or manager appointed over any or all of their
  property, assets or business undertakings; or
• Are the subject of any other insolvency procedure or have a judicial factor appointed to their
  business.

land The ground (as recorded with the Land Registry) that surrounds and supports your home and was:
a) Sold with your home to the first owner under the contract or if your home is leasehold, the
  ground for which you pay a charge to the freeholder; or
b) Owned, or to be purchased by the first owner when the original contract was entered into.

managing agent A person or company appointed by the freeholder(s) of a property, or a management company
(including a company formed under the right to manage) to manage the property.

NHBC, we, our National House-Building Council, incorporated and registered in England and Wales with company
number 00320784. Registered office: NHBC House, Davy Avenue, Knowhill, Milton Keynes, Bucks
MK5 8FP.

NHBC requirements R1, R2, R3, R4 and R5 of the mandatory NHBC Technical Requirements contained in the NHBC
Standards, the current version of which is set out below:
• R1. Work shall comply with all relevant Building Regulations and other statutory requirements
  relating to the completed construction work. Please note this does not include statutory requirements
  for planning permission, which are not covered by the NHBC Standards
• R2. Design and specification shall provide satisfactory performance
• R3. All materials, products and building systems shall be suitable for their intended purpose
• R4. All work shall be carried out in a proper, neat and workmanlike manner
• R5. Structural design shall be carried out by suitably qualified persons in accordance with British
  Standards and Codes of Practice
• R6. (For newly converted properties only) Survey requirement for conversions and renovations.
  Existing buildings shall be surveyed to determine their condition and the work required to bring them
  in to a durable and habitable state.

The NHBC Standards that apply to your home will be those in force at the time the foundations
were started.

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<th>Term</th>
<th>Definition</th>
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<td><strong>original specification</strong></td>
<td>The specification the builder used, or agreed to use, to construct the home.</td>
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<td><strong>physical damage</strong></td>
<td>Damage that is clearly visible and impairs performance, as well as being more than purely cosmetic.</td>
</tr>
<tr>
<td><strong>policy schedule</strong></td>
<td>The document we provide with your Buildmark certificate showing your insurance details including applicable sections of cover, endorsements, financial limits and minimum claim value.</td>
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<td><strong>related party</strong></td>
<td>Any person or entity who is a builder or developer, or any party with a financial, executive or managerial interest in a builder or developer, including any parent company or any party in which the builder or developer has a financial, executive or managerial interest, including any subsidiary company.</td>
</tr>
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<td><strong>resolution report</strong></td>
<td>A written report we issue as part of our resolution service.</td>
</tr>
<tr>
<td><strong>resolution service</strong></td>
<td>The service we provide (at our sole discretion) to decide if the builder has failed to meet the NHBC requirements and what they should do to meet their responsibilities under section 2 of this policy.</td>
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| **shared parts** | The following parts, which you share with other people the responsibility to contribute towards the cost of repair and that responsibility came with your home at the completion date:  
   a) In the case of a flat or maisonette, the structure of the building containing it  
   b) The drainage system serving the dwelling.  
In addition, for the purposes of section 2, shared parts shall be deemed to include the following parts, which you share with other people the responsibility to contribute towards the cost of repair and that responsibility came with your home at the completion date:  
   c) The garages, retaining walls and boundary walls  
   d) The external handrails and balustrades, paths, drives, gardens and paved areas, newly built by the builder at the completion date.  
The shared parts do not include any heating or energy production system, shared by more than one home. |
| **statutory notice** | A notice served by an enforcement body under:  
• Part IIA of the Environmental Protection Act 1990 or part III of the Waste and Contaminated Land (Northern Ireland) Order 1997  
• Any equivalent law of the Isle of Man  
• Any legislation which amends or replaces any of the legislation above and which requires you to take action to put right contamination. |
| **warranty release confirmation** | The confirmation we issue to the builder confirming the home(s) meets our requirements in order to offer the Buildmark cover. |
The insured person(s) or organisation, as shown on the policy schedule, who entered into the contract for your home, or any subsequent owner. A subsequent owner means the person(s) or organisation who take over the freehold, unless the property is a leasehold property, in which case the owner is the leasehold title holder of the property, in addition where this applies, any mortgage provider who has taken possession of your home. If there is uncertainty as to the identity of the owner of a home at any time, NHBC may in its sole discretion decide, for the purposes of Buildmark cover for the home, who the owner is. To be an owner, a person (other than a mortgagee in possession or heritable creditor in possession) must also be, or have contracted to be, the owner of the freehold of the home or of a lease of the home of at least 20 years (21 years in Scotland).
Financial limits

The financial limits available under this policy for an individual **home** (including alternative accommodation), **homes** in a **continuous structure** and the **land** are detailed on the **policy schedule**.

If **your home** is in a **continuous structure** the limit that applies to **your home** contributes to, and is included within, the overall limit for the **continuous structure**.

The limit for a **continuous structure** is the sum of all the limits of all of the **homes** in it up to the maximum amount specified on the **policy schedule**.

The overall financial limits for claims involving **shared parts** will reduce in proportion to the number of **homes** sharing those parts that are not within cover. For example, if there are four **homes** in a terrace each with £1m of cover remaining the overall limits for claims involving **shared parts** would be £4m if all of the **homes** were still under cover.

If the cover on one **home** has not commenced, expires or is exhausted then the available limits for a **shared parts** claim would reduce by £1m. The amount payable in relation to a shared part claim will be reduced proportionally: **we** will pay that proportion of the claim that represents the percentage share attributable to **your home**.

Limits are used up as **we** pay claims. If **you** are not the first **owner** of **your home**, the limits may already have been partly or fully used up by claims from earlier **owners**. When the overall limit is reached, **we** will be unable to pay any further claims. The financial limit shown on the **policy schedule** (including sub-limits) is the maximum amount of **our** total liability for **your home**. Payments made by **NHBC** under any section of the policy will reduce the amount available for claims under other sections.

**Your policy schedule** may show different financial limits for different types of claim, but all are subject to **your** policy’s overall financial limit. When the overall limit is reached, there will be no further cover available under any section of the policy.

On each anniversary of the **completion date**, the applicable overall limit of liability will increase by 5% of the original limit (not the current limit) every year up to the expiry of the Buildmark cover. The applicable limit will be calculated at the date of claim notification to **us** or date of claim validity, if higher.

Contact **us** if **you** would like to know the remaining financial limits under **your** policy.
The warranty and insurance

The following part of the policy booklet describes the sections of cover that are available under the Buildmark policy. Not all sections of cover may be relevant or available to you. Please refer to your policy schedule to see which sections of cover you have.
Cover for builder insolvency before completion

This section provides insurance cover in the event that the builder becomes insolvent before the completion date of your home(s). It provides cover so long as you can demonstrate, to our reasonable satisfaction, that at the time you entered the contract, you had reasonable grounds to believe the builder could satisfy their obligations to complete the contract.

1.1 What is covered
Provided that the builder becomes insolvent during the period of insolvency cover shown on the policy schedule, we will indemnify you up to the limit shown in the schedule, for:

a) The loss of any amount you have paid to the builder in accordance with the contract

b) The reasonable additional amount, over that stipulated in the original contract, you have to pay to complete the building of the home(s) because the builder is insolvent.

1.2 What is not covered
If you knew (or reasonably should have known) before you entered into the contract that the builder was insolvent or likely to become insolvent, cover under this section of the policy is excluded.

General conditions and exclusions apply which are detailed on page 24.

1.3 When you can claim
You can claim during the period shown on the policy schedule for this section of cover.

1.4 Who to contact
Contact us. Our contact details are on page 2.

1.5 What we will do and pay for
Subject to 1.1 above, we will pay either:

a) The reasonable cost of completing the home to the original specification

b) The reasonable extra cost above the contract price, including appropriate professional fees, for work necessary to complete the home(s) to the NHBC requirements; or

c) The amount paid to the builder in accordance with the contract which cannot be recovered from them or any other party.

We will decide which of the above options is most suitable.

In addition, we will pay the cost of reasonable precautions to secure the work defined in the contract against unauthorised entry, theft and vandalism until work resumes.
Where the **contract** is for more than one **home**, the policy limit available to **you** under this section will reduce proportionally to the **contract** value of the **home(s)** already completed under the **contract** at the time of the claim. For example, if **home(s)** completed at the time of the claim equate to 10% of the **contract** value, the available financial limit will reduce by 10%.

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or call 0800 035 6422
Builder warranty

This section explains what protection is provided by the builder, not us, for any defect (or physical damage to your home caused by defect) arising from the builder’s failure to meet NHBC requirements.

2.1.1 What is covered

If you notify the builder in writing (or you can demonstrate evidence that it was reported) during the builder warranty period about something you believe is due to their failure to meet the NHBC requirements, they must put this right at their own cost and within a reasonable time. This includes:

- Remediying the defect and repairing physical damage to your home(s) and the continuous structure, resulting from their failure
- Taking action to treat, isolate or remove contamination from the land in line with any statutory notice or improve the condition of the land to prevent a statutory notice from being issued
- Paying for the reasonable cost of removing and storing your possessions and alternative accommodation, if necessary, while work is being done.

Concerns raised about defects or physical damage notified during the builder warranty period will remain the responsibility of the builder even after that period ends.

2.1.2 What is not covered

General conditions and exclusions apply which are detailed on page 24.

2.1.3 Who to contact

Contact the builder as soon as you reasonably can and keep a record of what you said, and who you wrote or spoke to, and when.

If you believe the builder will not be able to meet their responsibilities, or you have not been able to contact them or they do not put things right, please contact us.

2.1.4 What we will do

If, after you contact the builder, they do not put things right, please contact us and we will speak to the builder on your behalf. Our contact details are on page 2.
A service we offer to help resolve problems between you and the builder arising during the builder warranty period.

2.2.1 What is covered
The resolution service is designed to help resolve disputes between you and the builder about what work needs to be done by the builder to meet their responsibilities under the builder warranty.

2.2.2 What is not covered
The resolution service only helps with disputes about the builder's responsibilities under the builder warranty. We cannot help with other matters such as disputes over boundaries, planning and contractual and financial matters. There may be occasions where we consider the matter is not suitable for the resolution service and it may be necessary for you to consider an alternative method of dispute resolution.

If you don’t accept any part of the resolution report it may be necessary for you to consider an alternative method of dispute resolution for those items.

General conditions and exclusions apply which are detailed on page 24.

2.2.3 When you can use the resolution service
The period when you may use the service will be shown on the policy schedule for this section, and any request to use the resolution service must be notified to us during the stated period.

2.2.4 Who to contact
Contact us. Our contact details are on page 2.

2.2.5 What we will do
Under the resolution service we will contact the builder about the problems you reported to us, provided we consider they relate or may relate to the builder's failure to build your home to meet the NHBC requirements.

If the builder still does not deal with the matter to your satisfaction and you tell us, we will investigate whether the builder has failed to meet the NHBC requirements when building your home and decide what the builder must do to meet their responsibilities.

We will then tell you and the builder what we decide in a written resolution report.

If the builder still does not put things right after the resolution service says they should, you are protected by our guarantee (see page 17).

The resolution report is binding on the builder but not on you.

2.2.6 Alternative action you can take
If the builder does not meet their responsibilities, or you disagree with the content of the resolution report, you may choose to:

- Use an alternative dispute resolution service, such as the Independent Dispute Resolution Scheme. The Independent Dispute Resolution Scheme is run by CEDR Ltd, the Centre for Effective Dispute Resolution: www.cedr.com; or
- Take them to court.
NHBC guarantee

We guarantee the obligations of the builder under the builder warranty.

2.3.1 What is covered

The items contained in:

- The resolution report
- An alternative dispute resolution report
- A court judgement (or, in Scotland, a decree)
- Our claims investigation and report (if the builder is insolvent).

which details what the builder should have done to meet their responsibilities under the builder warranty or what we will do if the builder is insolvent.

2.3.2 What is not covered

Anything that is not due to the builder failing to meet their responsibilities under the builder warranty, and is not included in:

- The resolution report
- An alternative dispute resolution report
- A court judgement
- Our claims investigation (if the builder is insolvent).

General conditions and exclusions apply which are detailed on page 24.

2.3.3 When you can claim

You can claim between the start and end dates shown on the policy schedule for this section of cover.

2.3.4 Who to contact

Contact us. Our contact details are on page 2.

2.3.5 What we will do and pay for

If the builder failed to meet the NHBC requirements when building your home(s) and has not put things right after the resolution service says they should we will either pay you or your managing agent what it would cost us to have the work done or, if we choose to, we will undertake the work.
Cover for physical damage resulting from a defect (newly built homes)

The cover we provide for physical damage resulting from a defect to specific parts of your newly built home(s) after the builder warranty period. If you have this cover it will be shown on your policy schedule.

3.1.1 What is covered

Physical damage to your home resulting from a defect because the builder failed to meet certain NHBC requirements when building the following parts of your home:

- Foundations, external cladding, curtain walling, external render, external vertical tile hanging, roofs, ceilings, balconies, load-bearing floors (i.e. the structural parts of the floors in the home, but not including the floor coverings such as floor tiles and their fixings for example, grout and adhesive), flues, chimneys and the main access steps to the home
- Staircases, floor decking (for example, floorboards) and screeds (for example, a cement-based top layer applied to the structural floor) to the inside of the home
- Walls, but only where they form part of, or provide support to, the structure of the home
- Double- or triple-glazing panes to outside windows and outside doors of the home
- Drainage below the ground which serves the home, if you are legally responsible for it.

3.1.2 What is not covered

- Claims with a repair value below the minimum claim value shown in your policy schedule
- Damage to the roof covering (including any underlays, fixings, mortar and weatherproofing details) unless there is a defect causing water to get into your home
- Cracking, spalling (a chip, fragment or flake of masonry coming off the home), or mortar erosion that does not weaken the structural stability of your home or mean it is no longer weather tight
- Water entering, or dampness or condensation in, an underground garage or non-habitable basement, where its structural stability is not affected
- The transmission of sound into, within or from your home
- Damage which only affects floor coverings (such as tiling, laminate and wooden flooring), including any fixing material such as adhesive or grout
- Changes in the colour or texture of, or staining to, external finishes
- Replacing solar roof tiles or panels because they do not produce sufficient heat or electricity
- Any amount exceeding your share of the cost.

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You cannot claim for something under this section if you could have notified it to the builder or made a claim for it under the builder warranty – see page 15, or if you could have done when you first knew about the problem.

General conditions and exclusions apply which are detailed on page 24.

3.1.3 Minimum claim value
The amount of your minimum claim value is shown on your policy schedule.

The minimum claim value applies to each item of physical damage for which you claim.

The minimum claim value will be calculated based on the date you first notified your claim to us.

If the cost of the work you are claiming for is below the minimum claim value we will not do the work or pay anything towards the cost. However, if the cost to us of the remedial work for your claim is above the minimum claim value, we will pay the reasonable costs in full, up to the relevant policy limit or do the work, and you will not have to make a contribution.

For claims involving shared parts, the minimum claim value applies to your share of the cost. We may still pay or take responsibility for having work done to the shared parts, even if your share of the cost is less than the minimum claim value. We will do this if the total cost to us of the work we are responsible for paying for under this policy and similar protection we provide for your neighbours is more than 10 times the minimum claim value.

3.1.4 When you can claim
You can claim during the period of cover shown on the policy schedule for this section of cover.

3.1.5 Who to contact
Contact us. Our contact details are on page 2.

3.1.6 What we will do and pay for
We will pay to put right the defect and physical damage to the home or pay your share of the work to the continuous structure to put right the defect and physical damage, or take responsibility for having the work done in order to meet the NHBC requirements.

We will also pay the reasonable and necessary costs of demolition or dismantling, site clearance and removal of debris, and shoring up of the home(s) in the event of a valid claim.

If we choose to, we will pay you or your managing agent what it would cost us to have the work done.
Cover for physical damage resulting from a defect (newly converted homes)

The cover we provide for physical damage resulting from a defect to specific parts of your newly converted home(s) after the builder warranty period. If you have this cover it will be shown on your policy schedule.

3.2.1 What is covered

Physical damage to your home resulting from a defect arising from the conversion because the builder failed to meet certain NHBC requirements when building the following parts of your home:

- Foundations, external cladding, curtain walling, external render, external vertical tile hanging, roofs, ceilings, balconies, load-bearing floors (i.e. the structural parts of the floors in the home, but not including the floor coverings such as floor tiles and their fixings for example, grout and adhesive), flues, chimneys and steps to the main home access
- Internal staircases, floor decking (for example, floorboards) and screeds (for example, a cement-based top layer applied to the structural floor) of the home
- Walls, but only where they form part of, or provide support to, the structure of the home
- Double- or triple-glazing panes to outside windows and outside doors in the home, if these were newly installed at the completion date
- Drainage below the ground which serves the home, if you are legally responsible for it.

3.2.2 What is not covered

- Claims with a repair value below the minimum claim value shown in your policy schedule
- Damage resulting from work prior to the conversion of your home by the builder
- Damage to the roof covering (including any underlays, fixings, mortar and weatherproofing details) unless there is a defect causing water to get into your home
- Cracking, spalling (a chip, fragment or flake of masonry coming off the home) or mortar erosion that does not weaken the structural stability of your home or mean that it is no longer weather tight.
- Water entering, or dampness or condensation in, an underground garage or non-habitable basement, where its structural stability is not affected
- The transmission of sound into, within or from your home.
- Damage which only affects floor coverings (such as tiling, laminate and wooden flooring), including any fixing material such as adhesive or grout
- Changes in the colour or texture of, or staining to, external finishes
- Replacing solar roof tiles or panels because they do not produce sufficient heat or electricity

Visit nhbc.co.uk or call 0800 035 6422
• Any items subject to local planning or listed buildings restrictions
• Any amount exceeding your share of the cost.

You cannot claim for something under this section if you could have notified it to the builder or made a claim for it under the builder warranty (see page 15) or if you could have done when you first knew about the problem.

General conditions and exclusions apply which are detailed on page 24.

3.2.3 Minimum claim value

The amount of your minimum claim value is shown on your policy schedule.

The minimum claim value applies to each item of physical damage for which you claim.

The minimum claim value will be calculated based on the date you first notified your claim to us.

If the cost of the work you are claiming for is below the minimum claim value we will not do the work or pay anything towards the cost. However, if the cost to us of the remedial work for your claim is above the minimum claim value, we will pay the reasonable costs in full, up to the relevant policy limit, or do the work, and you will not have to make a contribution.

For claims involving shared parts, the minimum claim value applies to your share of the cost. We may still pay or take responsibility for having work done to the shared parts, even if your share of the cost is less than the minimum claim value. We will do this if the total cost to us of the work we are responsible for paying for under this policy and similar protection we provide for your neighbours is more than 10 times the minimum claim value.

3.2.4 When you can claim

You can claim during the period of cover shown on the policy schedule for this section of cover.

3.2.5 Who to contact

Contact us. Our contact details are on page 2.

3.2.6 What we will do and pay for

We will pay to put right the defect and physical damage to the home or pay your share of the work to the continuous structure to put right the defect and physical damage, or take responsibility for having the work done, in order to meet the NHBC requirements.

We will also pay the reasonable and necessary costs of demolition or dismantling, site clearance and removal of debris, and shoring up of the home(s) in the event of a valid claim.

If we choose to, we will pay you or your managing agent what it would cost us to have the work done.
Cover for alternative accommodation

The cover we provide for alternative accommodation in the event that your home(s) is uninhabitable because of a failure to meet NHBC requirements. If you have this cover it will be shown on your policy schedule.

3.3.1 What is covered

In the event of your home requiring remedial work and not being habitable under sections 3.1 or 3.2 of your policy, we will cover:

- The costs of reasonable comparable alternative accommodation for those who permanently live in the home and temporary storage of your furniture; and
- The reasonable ancillary costs while your home is unfit to live in; or
- Rent you can prove you should have received that you cannot claim for elsewhere.

3.3.2 What is not covered

Any costs that we have not agreed to in advance.

General conditions and exclusions apply, which are detailed on page 24.

3.3.3 When you can claim

You can claim during the period shown on the policy schedule for this section of cover.

3.3.4 Who to contact

Contact us. Our contact details are on page 2.

3.3.5 What we will do and pay for

We will either arrange or pay for the reasonable and necessary costs for alternative accommodation, the removal and storage of your possessions and reasonable ancillary costs while work is being done which necessitates the need for you or your tenants to move out of the home.

Reasonable costs will be based on local market rates, on the date you first notified your claim to us or the date of claim validity (if higher) for your home and your circumstances.

A maximum of 10% of the overall financial limit is available to pay for the reasonable costs associated with alternative accommodation or for the loss of rent.
Cover for contaminated land

The cover we provide if your land is deemed to be contaminated. If you have this cover it will be shown on your policy schedule.

3.4.1 What is covered
Work required to improve the condition of your land if you receive a statutory notice for your land or a statutory notice could be issued because of the condition of your land.

3.4.2 What is not covered
Anything relating to the land which is not on the statutory notice or could not be the cause of a statutory notice being issued.

Anything relating to non-native and invasive plants such as:
- Japanese knotweed
- Common ragwort
- Spear thistle
- Creeping or field thistle
- Broad-leaved dock
- Curled dock.

General conditions and exclusions apply which are detailed on page 24.

You cannot claim for something under this section if you can or should have claimed for it under sections 2.1, 3.1 or 3.2 (see pages 15, 18 and 20) or if you could have done when you first knew about it.

3.4.3 When you can claim
You can claim during the period shown on the policy schedule for this section of cover.

3.4.4 Who to contact
Contact us. Our contact details are on page 2.

3.4.5 What we will do and pay for
We will take responsibility for having the work done to treat, isolate or remove contamination from your land in line with the statutory notice you have received or, if you have not received one, so that the condition of your land improves to so that a statutory notice should not be issued.

If we choose to, we will pay you or your managing agent what it would cost us to have the work done.
The following conditions shall apply to this policy.

**E1 Notification to NHBC**

When you become aware of something which would entitle you to seek our assistance or claim under this policy or something which is likely to give rise to a claim under this policy you shall as soon as reasonably possible:

a) Take all reasonable steps to prevent further loss
b) Where section 2 applies, ensure notice has been given to the builder
c) Give notice to us.

If we or the builder ask you to, you must:

d) Allow access to your home and your land at all reasonable times to carry out investigations and work
e) Take all reasonable steps to obtain permission to access neighbouring land and get any other permission needed to allow investigations and work
f) Provide any information and help that is reasonably needed for us to deal with your claim. We may ask you to take action, such as:

(i) Send us photographs of the problem
(ii) Send us a report about the problem, confirming its cause – for example, for a blocked drain, we may ask you to get a report from an independent drainage specialist or for a problem with a gas flue, we may ask you to get a report from an independent registered heating engineer or a fire consultant. If we accept your claim, we will refund your reasonable expenses of providing the report (subject to proof of costs being provided)
(iii) For some types of claims we may require you to send us reports from specialist experts. If we subsequently accept your claim we will reimburse the reasonable expenses incurred in obtaining any expert reports that we asked you to obtain (subject to proof of costs being provided)
(iv) Provide us with maintenance records
(v) Provide us with evidence of rental income.

If you have difficulty doing these things, contact us and we will try to help. Never do anything that might put you or someone else in danger.

**E2 Corresponding with NHBC**

If you are abusive or threatening towards our staff, in any type of communication, we will be under no obligation to provide any of the services, or coverage, described within this policy.

**E3 How we calculate what we have to pay**

If we have to pay for a claim you make, we will calculate the amount we will pay based on the amount it will cost us to have the work done. However:

- We will not pay more than a reasonable amount
- We will not pay to replace an undamaged item because it does not match a replacement item
- We will not be responsible for costs resulting from your unreasonable delay in making a claim nor your failure to observe any of the requirements in the sections above.

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E4 Matters involving shared parts

If we accept a claim involving shared parts, unless we agree otherwise, we will pay your managing agent the cost of the repairs subject to the financial limits available. You agree to co-operate with us, the freeholder and the managing agent in all matters relating to the claim. A signed mandate may be required from you and those who share the shared parts before we proceed with offering our resolution service, a claim or a payment is made.

For matters involving shared parts, the builder warranty period is three years and does not start until the latter of the date the first home that shares those parts has received a warranty release confirmation from us or the date of legal completion for the first home that shares those parts.

For matters involving shared parts, other than as set out above, all the same terms and exclusions from the relevant section of this policy apply.

When your home includes shared parts, our liability for all claims relating to them (subject to the limit referred to on your policy schedule) will be limited to that portion of the total cost of doing all the work that has to be done in connection with those shared parts that we decide is reasonable to attribute to your home.

If a claim is made by the owner of another home in connection with any shared parts that are shared by your home, we may ask you to claim under this section in respect of those shared parts or we may proceed as if you had. We may then deduct the costs we incur from the relevant financial limit of cover for your home.

For claims under section 3.1 and 3.2 involving shared parts, the minimum claim value applies to your share of the cost. We may still pay or take responsibility for having work done to the shared parts, even if your share of the cost is less than the minimum claim value. We will do this if the total cost to us of the work we are responsible for paying for under this policy and similar protection we provide for your neighbours is more than 10 times the minimum claim value.

E5 Recoveries from third parties

If any payment is to be made under this policy in respect of a claim, we will be subrogated to all your rights of recovery regardless of whether or not payment has been made. We shall be entitled to pursue and enforce such rights in your name, and you will be required to provide us with reasonable assistance and co-operation to enable us to do so. Any amount recovered in excess of our total payment shall be paid to you, less the cost to us of such recovery.

E6 Fraudulent claims

If you make a fraudulent claim under this policy, we:

a) Are not liable to pay the claim

b) May recover from you any sums we have incurred and/or paid to you in respect of the claim
c) May, by notice to you treat the policy as having been terminated with effect from the time of the fraudulent act.

If we exercise our right under clause (c) above:

a) We shall not be liable to you in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to our liability under the policy (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim)
b) We need not return any premiums paid.

E7 Retention

Any monies retained or withheld by you from the builder under the terms of a contract or for any reason shall be taken into consideration and may be offset against any claim. We shall have the option to refuse to offer our resolution service or to accept any claim until a dispute between you and the builder over retention monies has been settled.

E8 Notification of change of ownership or managing agent

You shall notify us of any change of ownership of the freehold, commonhold or leasehold interest in the home as soon as possible.
If there is a change to the appointed managing agent you must notify us of the name and contact details of the new managing agent.

**E9 Limitation of our liability**

Our liability is limited to the insurance included in this policy only or as altered by endorsement.

Any site inspections or other risk control procedures adopted by us are solely for our benefit and do not confirm or imply that the home is or will be free of defects or damage.

**E10 Termination**

This policy shall terminate automatically without refund of premium in the event that:

a) The home is destroyed by a cause other than that insured against in this policy; or

b) We have paid our maximum liability.

**E11 How we protect your privacy**

We will normally keep personal information about you confidential. However, there are certain circumstances when we may need to pass on information about you. We may:

a) Need to pass on personal information, such as your name and address, to the builder or to a contractor to help deal with matters under the resolution service or a claim

b) Be required by law to pass on personal information to another person, for example, if a court or government body says that we must

c) Need to tell a future owner and your neighbours about matters raised under the resolution service or claims you made, if that affects what the future owner and your neighbours can claim.

For further information about how we process your personal data please visit www.nhbc.co.uk/Legal/PrivacyPolicy.

**E12 Your right to cancel**

You have the right to cancel this policy within 14 days of accepting it by telling us in writing (by email or letter – our contact details are on page 2). However, we are unable to return to you any premium paid to us. Before you decide to cancel the policy it is important to check with your mortgage lender that you will not breach any conditions of your loan. You may also want to consider whether cancellation could affect the ability of any subsequent buyer to obtain a mortgage.

**E13 General exclusions**

This policy does not protect you against every event or circumstance – it only protects you against matters covered in this document.

You cannot claim or seek our assistance under this policy for any of the following, or for anything resulting from any of them:

a) Anything that is not part of the home

b) Any loss that is caused by anything other than the failure by the builder to build to the NHBC requirements

c) Any repair that exceeds the original specification for the home

d) Reinstatement of any areas not directly affected by physical damage

e) Additional costs arising from unreasonable delays in reporting an issue either to us or the builder

f) Anything that the policy schedule or the Buildmark certificate says is excluded

g) Anything to do with any fence, temporary structure, or swimming pool

h) Anything to do with a lift other than in relation to the structure of the lift shaft

i) Anything which you (or a previous owner) have already had considered under our resolution service or a claim under this policy or otherwise

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j) Anything **you** can claim for, or have claimed for, under a different insurance, warranty or guarantee scheme, or a formal compensation scheme (for example, for subsidence caused by coal mining or pumping brine), or any contractual rights and responsibilities

k) Anything that **you** knew about before **you** bought your **home** and for which **you** could have or did agree a reduction in the price or were compensated for in some other way

l) Anything resulting from compliance by the **builder** with written instructions given by or on behalf of the first **owner** in respect of design, materials or workmanship

m) Anything done to your **home** or the **land** after the completion date, even if carried out by the original **builder**, except for work **we** or the **builder** have done to meet the responsibilities **we** or they have under this policy

n) Gradual deterioration, wear and tear, neglect and failure to do appropriate maintenance

o) Damage caused by apparatus operating as it is designed to do – for example, sprinkler systems, flood-protection systems and drainage systems (including sustainable urban drainage systems which are used to help with surface-water drainage)

p) Damage caused by anything which is not part of your **home**, the shared parts or the **land** (for example, damage caused by a crane or scaffolding)

q) Anything relating to the parts of a shared heating system or energy production plant

r) Damp, condensation, shrinkage, thermal movement (expansion and contraction as a result of temperature changes) and movement between different types of materials that is not a result of the **builder** failing to meet the **NHBC** requirements

s) The **builder** failing to get planning permission, or failing to build in line with planning permission

t) Work done by anyone other than the **builder**

u) Reduction in the value of your **home** or **land**

v) Any:
   i) Loss of enjoyment
   ii) Loss of use
   iii) Loss of income (unless provided under section 3.3) or business opportunity
   iv) Inconvenience or distress
   v) Any loss arising or cost incurred (or both) only indirectly, as a result of the events or circumstances that led to your claim

w) The cost of getting professional advice in connection with your claim (unless **we** asked **you** to do so as set out in E1(f), or agreed in advance)

x) Claims brought by or on behalf of a **related party**

y) Storms and other severe weather conditions

z) Flooding and changes in the water-table level

aa) Fire and smoke

bb) Death or injury (including injury to mental health)

cc) War, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, use of military or usurped power, or confiscation, nationalisation, requisition or destruction of or damage to property by or under the order of any government or public or local authority, acts of terrorism (regardless of the timing of another contributing cause or event), or action taken to control, prevent or suppress an act of terrorism. ‘Terrorism’ means acts, including force, violence or threat, by a person or group, whether acting alone or on behalf of, or in connection with, an organisation or government that are committed for political, religious, ideological or similar purposes, including the intention to influence a government or to put people in fear.

If **you** are not sure about what is not covered by this policy, please contact **us**.
F1 The law that applies to this policy

Under European law, we and the first owner may together choose which law will apply to this policy. However, unless we and the first owner agree otherwise at the time they accept this policy, the law that applies is the law where your home is located in the United Kingdom or the Isle of Man.

Your rights under this policy are in addition to and do not replace or prevent you from using other legal rights (for example, rights you have under a contract or by law) that you may have against the builder or anyone else in connection with your home.

F2 Selling your home

Each owner automatically has the benefit of the protection provided by this policy, under the terms and conditions in this document.

You must pass on all policy documents to any subsequent owners of your home. Under these terms and conditions, when you sell your home, you:

a) Have the right to continue with any claim made before the sale is completed (but that right will transfer to the new owner at completion of the sale)

b) Have no right to make new claims after the sale is completed.

F3 Our regulators

We are an insurance company authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority to provide insurance. Our firm reference number is 202261. The Financial Conduct Authority keeps a register of all regulated firms, so you can check that we are registered with them.

For more about the Prudential Regulation Authority:

Call: 0203 461 4878
Visit: bankofengland.co.uk/pra
Write to: Bank of England, Threadneedle Street, London EC2R 8AH

For more about the Financial Conduct Authority:

Call: 0800 111 6768
Visit: register.fca.org.uk
Write to: Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN
F4 The Financial Services Compensation Scheme

We are a member of the Financial Services Compensation Scheme. You may be entitled to compensation from this scheme in the unlikely event that we cannot meet our obligations.

For more about the Financial Services Compensation Scheme:

Call: 0800 678 1100  Visit: fscs.org.uk

Write to: Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU

F5 Complaints

We pride ourselves on the service we give our policyholders and we hope that you do not have a reason to complain.

If you are not satisfied with our service, or a decision we have made, please contact us and tell us you have a complaint. We will explain how we will deal with your complaint and give you written details of our complaints procedure. This will also include information about the types of complaint you can refer to the Financial Ombudsman Service if you are not satisfied with our final response to your complaint.

Call: 0800 023 4567  Visit: financial-ombudsman.org.uk

Write to: Financial Ombudsman Service, Exchange Tower, London E14 9SR

You can download a copy of our Customer Charter from our website at nhbc.co.uk/customercharter or you can call us for a copy.

F6 Contact details

Please let us know if there are any specific requirements / circumstances you would like us to be aware of or need to know so that we can take those into account when we are dealing with you.

Please call us if you would like to receive this information in an alternative format, such as large print, audio or Braille.

Call: 0344 633 1000 or 01908 746 000 (Monday to Friday 08:30 to 17:30)

Calls may be monitored or recorded for training purposes. Calls to 0800 numbers are free from landlines and calls from mobiles may cost considerably more. You may want to check this with your service provider.

Visit: nhbc.co.uk  Write to: NHBC, NHBC House, Davy Avenue, Knowhill, Milton Keynes, Bucks MK5 8FP

Email for general enquiries: cssupport@nhbc.co.uk

Email for claims: claims@nhbc.co.uk

Email for complaints about NHBC: consumeraffairs@nhbc.co.uk
Call us now on:  
0800 035 6422 or 0344 633 1000  
(Monday to Friday 08:30 to 17:30)

Email us:  
For general enquiries: cssupport@nhbc.co.uk  
For claims: claims@nhbc.co.uk  
For complaints about us: consumeraffairs@nhbc.co.uk  
Or visit nhbc.co.uk

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