

# FAQ's for QDOS -Home Buyers' Protection Insurance



## Q. Who is it for?

A. Anyone looking to purchase a residential or buy to let property looking to protect themselves from losing money through no fault of their own if the purchase falls through.

## Q. Who is eligible?

A. A property purchaser who is UK-resident and over 18 years of age, where the purchase is not subject to a contract race, auction or sealed bids, and a solicitor or licenced conveyancer is used to conduct the conveyancing of the property.

## Q. How does it work?

A. You make an offer to buy a property, which is accepted by the vendor, and instruct a solicitor to undertake the conveyancing of the property. Your solicitor will purchase the policy on your behalf and you will start to pay solicitors fees and disbursements, survey fees and mortgage arrangement fees. Once a policy has been purchased you are covered from the date on which you instruct your solicitor to commence the conveyancing process, which must be after you have received written acceptance of your formal offer to purchase the property from either the vendor or their representatives.

## Q. What is covered?

A. If the purchase falls through for no fault of you own you can reclaim up to **£1,500**:

- Up to £750 for conveyancing fees
- Up to £250 for mortgage arrangement fee/lender fees
- Up to £500 for survey fees/valuation fees

## Q. For what reasons can I reclaim?

A. Any of the following events that occur during the period of insurance and lead to the failure of the property purchase:

1. The property is withdrawn from sale by the vendor for reasons beyond your control
2. The vendor receives and accepts an offer which is at least £1,000 greater than the offer they have accepted from you
3. A local authority search highlights that the property is subject of a compulsory purchase order
4. The vendor is not legally entitled to sell you the property
5. You or the person purchasing with you, die, are made redundant or are relocated, and you are unable or unwilling to continue with the purchase of the property
6. The initial mortgage lender's valuation is less than 90% of the sum you have offered for the property which has been accepted by the vendor
7. Prior to the release of funds the mortgage lender insists on rectification work to the property and the cost exceeds 10% of the sum offered by you which has been accepted by the vendor
8. The mortgage lender applies a retention on the loan which is more than 10% of the sum offered by you which has been accepted by the vendor; or
9. The property is damaged during the period of cover and the cost of rectification work exceeds 10% of the property value.

## Q. How long am I covered?

A. A maximum of 6 months from the start date or until you make a claim, cancel the policy, or complete on the purchase of the property, whichever is sooner.

## Q. What am I not covered for?

A. Expenses incurred before the start date of the policy or if you withdraw from the purchase of the property for reasons other than those covered (such as change of mind to purchase). If you are purchasing a mobile home, caravan or any other type of non-permanent dwelling or purchasing outside of England, Wales or

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Northern Ireland. There are a few other reasons so **“please read the limits, terms and conditions for in the key facts and policy document.”**

Q. Who do I contact if I have any questions

A. Please call 01455 852111 or send email to [insurance@qdosunderwriting.com](mailto:insurance@qdosunderwriting.com)

Q. What do I do if I want to make a claim

A. Please call 01455 852100 or send email to [claims@qdosunderwriting.com](mailto:claims@qdosunderwriting.com).

## Solicitor – FAQs

**Q. Are the sums payables under the policy (i.e. to solicitors and surveyors) inclusive of exclusive of VAT?**

A. The indemnity provided is the maximum we will pay in total so includes VAT (i.e. if the solicitors fees were £90 + VAT = £118, we would pay £100).

**Q. What are our duties as the sellers of the policy?**

A. You are required to follow the SRA's rules and advice regarding insurance mediation.

**Q. The policy refers to the properties being used for private use only. Are buy to let investments covered?**

A. Yes, so long as the buy to let properties are only for private use, restriction applies to commercial properties (shops, offices, etc)

**Q. The policy refers to solicitors and licensed conveyancers. What if the purchase was dealt with by a Legal Executive?**

A. This is okay, so long as they are employed by a law firm and are acting under the supervision of a qualified Solicitor/Licensed conveyancer.

**Q. If the client speaks to their lender pre commencement of the policy but the paperwork is not issued until after the policy has commenced would the policy cover the arrangement fee?**

A. The start date of the policy is 7 days prior to instructing a solicitor and costs incurred before that date would not be covered.

**Q. What evidence would you require in relation to a claim? Would you deal with the client direct or would we be involved?**

A. Relevant disbursement vouchers/invoices and solicitors bill. In most instances would deal with the client direct, but may refer to the solicitor/licensed conveyer for cover checks and claims verifications where required

**Q. Would we invoice you or our client for our fees and searches?**

A. The invoice should generally be made out to the client this would be required in the event of a claim and they would be reimbursed directly.

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**Q. Regarding the Dual insurance; is this generally covered by standard household insurance?**

A. Whilst we can't provide a blanket guarantee, I am not aware of a household policy that would provide similar or equivalent cover.

## **Regarding the General Conditions:**

**Q. Condition 5 - is there a time limit for this?**

A. In theory there is no limit. However, the clause is intended to protect the insurer in circumstances where a claim can be made, but the policyholder purchase the property regardless. E.g. where the lenders valuation is less than 90% of the sum offered for the property, the policyholder may still wish to make purchase, but would obviously be unable to claim under the policy.

**Q. Condition 11 - does this include health or life or car insurance?**

A. No, this would apply to policies covering the same broad risks as the Home Buyers policy.

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