



WE ARE YOUR
EXPERT
GUIDES

WE ARE
CRL

MEMBERSHIP

TERMS & CONDITIONS

HANDBOOK

1. DEFINITIONS AND INTERPRETATION

1.1 Wherever any of the following words appear in bold and have capital initial letters they shall have the meanings stated below. If a defined word or phrase is printed with a lower case initial letter and/or does not appear in bold, it is not intended to have the meaning stated below.

Adjusted Premium

An increased amount of premium which the **Insurer** may require **the Developer** to pay (or a decreased amount of premium which the **Insurer** may repay to the **Developer**) at anytime if:

- **The Insurer** becomes aware that facts or assumptions on which it based the **Initial Premium** or previous **Adjusted Premium** are, in its reasonable view, materially inaccurate, materially incomplete or materially changed; and
- The facts and assumptions which are inaccurate, incomplete or changed are, in its reasonable view, material considerations in the pricing of the **Premium**, which facts may include but are not limited to:
 - o the contract value of the **Construction Works** including its land value; and
 - o the reinstatement value of the **New Structure**.

Appeal

An **appeal** made under **Rule 36.1**.

Appeals Committee

The **Appeals Committee** for the time being appointed under the **Rules** which will comprise of one **CRL** Director, one Contractor and one Solicitor to be appointed by **CRL**.

Applicant

A person who completes an **Application** for **Membership**.

Application

An application form completed by an **Applicant** for **Membership**. For the purposes of the **Rules** this definition is also deemed to mean any application to renew **Membership**.

Builder

Any person carrying on the business of constructing **New Structures** and/or converting existing buildings into residential accommodation.

Building Control Body

A body responsible under statute for the implementation of **Building Regulations**, which, in the United Kingdom, may include a Local Authority Building Control service and a private sector Approved Inspector Building Control service.

Building Regulations

The statutory building regulations in force in the territory in which the **New Structure** is situated when the plans or documents which relate to a **New Structure** are submitted to the local authority or any body of a like nature.

Buyer

The original buyer having a freehold, leasehold, Scottish title or commonhold interest in the **New Structure** or his successor in title or any mortgagee in possession or less or (other than the **Developer** or **Builder** of the New Structure).

Common Parts

Those parts of a multi-ownership building (of which the **New Structure** is part) for a common or general use for which the **Buyer** has joint ownership or legal responsibility.

Construction Register

The register of **Members** maintained by **CRL**. For the purposes of the definition of **Membership** being removed from the **Construction Register** is termination of **Membership**.

Construction Works

Construction works that fall under the cover of a relevant **Policy** as indicated on the **Notification** for any such **Policy** and for which a **Notification** must be submitted before cover is considered under any such relevant **Policy**. For the purposes of this definition **Construction Works** is deemed to include completed **New Structures**.

CRL

CRL Management Limited who maintains the **Construction Register** and whose registered address is 68 Lombard Street, London EC3V 9LJ.

CRL Technical Requirements

The procedural design and construction requirements of **CRL** in force at the date on which documentation dealing with the **Construction Works** was submitted to the local authority pursuant to the **Building Regulations**. The **CRL Technical Requirements** will include but will not be restricted to:

- the requirements of the **Building Regulations**;
- the requirement that the design and specification shall provide for satisfactory performance; and
- the requirement that all materials, products and building systems shall be suitable for their intended purpose.

Damage

Damage caused by **Defect**.

Defect

A failure to comply with a requirement in the **CRL Technical Requirements** in respect of the **Construction Works** which will or is likely to cause **damage** to the **New Structure**.

Deposit(s)

The **Deposit** paid by the **Buyer** to the **Developer** to reserve the **New Structure** and pre-payments made by the **Buyer** under his contract with the **Developer**.

Deposit Protection cover

Cover for **Deposit(s)**

Developer

Any person organising or involved with the organisation, via a **Builder**, of the construction of **New Structures** and/or the conversion of existing buildings into residential accommodation units and the sale of such **New Structures** and/or units.

Developer Warranty Period

Two years from the date of the **Post-completion insurance certificate** - except for **Common Parts**, where it is 3 years from the first completion date for homes which share the **Common Parts** and which are protected by a **Policy** or similar protection the **Insurer** provides.

Forms

One of the forms prescribed in the **Rules** as from time to time amended.

Initial Premium

The premium notified by **CRL** to the **Developer** in its **Quotation**.

Insurer

The insurance undertaking providing the cover under the **Policy**.

Member

A member of the **Construction Register**. A person whose **Application** has been accepted and whose name has been entered onto the **Construction Register**.

Membership

To have **membership** is to have the status of **Member**.

New Structure

A house or other residential accommodation or commercial building or mixed use building, either newly constructed or newly converted from an existing building,

which is or is intended to be accepted for cover under a **Policy**, and as so defined in the **Policy Documents** relating to a particular Policy arranged by **CRL** comprising (when complete):

- a) the **Structure**
- b) all non-load bearing elements, fixtures and fittings for which the **Policyholder** is responsible;
- c) any **Common Parts** relating to boundary walls forming part of or providing access for the disabled;
- d) the drainage system within the perimeter of such property for which the **Policyholder** is responsible; and
- e) any garage or other permanent out-building.

It does not include, and the **Policyholder** will not have insurance cover for, any swimming pool, temporary structure, free-standing household appliance, fence, retaining or boundary wall not forming part of or providing support to the **Structure**, any path or roadway not providing access for the disabled or any item listed as an exclusion under the Endorsement section of the **Post-completion Insurance Certificate**.

Notification

A **notification** by the Member to **CRL** as required by Rule **23.1**.

Policy

Any insurance or guarantee arranged by **CRL**.

Policy Documents

The documents from time to time issued by **CRL** in relation to a **Policy**, that is:

- The **Policy** document
- The **Pre-completion Insurance Certificate**
- The **Post-completion Insurance Certificate**

Policyholder

The insured person named where relevant on the **Policy Documents**, which may be:

- The person or their successor reserving the **New Structure** from the **Developer**;
- The buyer or owner of the **New Structure** acquiring or having a freehold leasehold, Scottish title or commonhold interest in the **New Structure** or their successor in title; or
- any mortgagee or lessor whose interest has been noted under the Policy.

Post-completion Insurance Certificate

The certificate issued on behalf of the **Insurer** to signify acceptance of each **New Structure** for insurance under Sections 2 and 3 of the Cover section of the **Policy** following the notification of satisfactory practical completion by the appointed building inspector.

Pre-completion Insurance Certificate

The certificate issued by **CRL** to signify initial acceptance of the **Construction Works** for cover under a **Policy**, including acceptance of the Buyer's **Deposit(s)** for insurance under Section 1 of the Cover section of the **Policy**.

Premium

The **Initial Premium** and any **Adjusted Premium**.

Quotation

The form in which **CRL** notifies the **Member** of the sum including the **Premium** payable for and any other conditions to be imposed and as the case may be under Rule 23A.1 in order for a **New Structure** to be built or constituted by conversion of an existing building to be included in a **Policy**.

Quotation Acceptance

The form in which the **Member** notifies **CRL** that the **Quotation** is acceptable under **Rule 23**.

Registered

To be a **Member** on the **Construction Register**.

Regulations

The **Appeal** regulations agreed by the **Appeals Committee** and as from time to time amended or extended.

Responsibilities

The responsibilities undertaken by the **Member** in contract with the **Buyer** pursuant to Rule 21.

Rules

The **rules** set out in this document as amended from time to time.

Self-builder/Self-build/Self-built

A person who builds or organises the building of a **New Structure** for their own occupation/a **New Structure** built or organised to be built by a **Self-builder** for their own occupation.

Speculative Builder/Speculatively Built/Speculative Building

A person who builds or organises the building of a **New Structure** speculatively for future sale to a **Buyer** not yet ascertained/A **New Structure** built or organised to be built by a **Speculative Builder** for future sale/the building of such a **New Structure**.

Structure

The following elements:

- a) foundations;
- b) load-bearing parts of floors, staircases and associated guard rails, walls and roofs, together with load-bearing retaining walls necessary for stability;
- c) roof covering;
- d) any external finishing surface (including rendering) necessary for the water-tightness of the external envelope; and
- e) floor decking and screeds.

Technical Committee

The **Technical Committee** for the time being appointed by **CRL**.

1.2 Except where the context shows otherwise:

- (1) words in the singular also mean in the plural and the other way round;
- (2) words in the masculine also mean in the feminine and neuter and the other way round;
- (3) references to a person include an individual, company or firm;
- (4) references to a document include any revision made to it in accordance with these Rules;
- (5) references to a statute or statutory instrument include any amendment or re-enactment of it from time to time and any subordinate legislation or code of practice made under it; and
- (6) references to a standard include any current relevant standard that replaces it.

2 ENTRY INTO FORCE

2.1 These **Rules** shall come into force on 1st December 2015 and supercede any **CRL Membership Terms and Conditions** previously in force .

3 ELIGIBILITY

3.1 An **Applicant** must satisfy the conditions below to be eligible for **membership**:

3.2 The applicant must;

- (1) be a **Builder, Developer, or Self-builder**;
- (2) be, and likely to continue to be, solvent;
- (3) have the technical ability to carry out **Construction Works** to the **CRL Technical Requirements** or to ensure that **Construction Works** are carried out to the **CRL Technical Requirements**; and
- (4) comply with the **Responsibilities**.

3.3 **CRL** may request such information from or make such enquiries of or carry out such investigations into the suitability of the **Applicant** for **Membership** as **CRL** sees fit.

4 REGISTRATION

- 4.1 A person must have attained **Membership** of the **Construction Register** in respect of any Policy which he wishes **CRL** to arrange for a **New Structure**.

5 RULES

- 5.1 An **Applicant** shall be entitled to apply for **Membership** in respect of any **Policy** or combination of **Policies** in the manner stipulated by **Rule 7**. An **Applicant** whose **Application** has been accepted shall be bound by the **Rules** and, insofar as the **Rules** are expressed to apply to persons who have been removed from the Construction Register, shall continue to be bound by them in respect of all actions taken under them.

6 CHANGES TO THE RULES

- 6.1 **CRL** may amend the **Rules** from time to time so as to allow for changes in the law or developments in good building practice or any other reason.
- 6.2 The **Appeals Committee** may amend the **Regulations** from time to time to take account of changes in the law, to increase administrative efficiency or in the interest of justice but no such amendments, save those required by law, shall take effect until they have been approved by **CRL**.
- 6.3 The **Forms** may from time to time be amended by **CRL**.
- 6.4 All amendments provided for in sub-rules 6.1, 6.2 and 6.3 above shall take effect when stated and shall without delay be notified to all **Members** on the **Construction Register**.

7 FORM OF APPLICATION

- 7.1 Each **Application** must be made by completing a **membership** application form provided by **CRL** for that purpose and shall be subject to the payment of a non-returnable fee of such amount as **CRL** may direct.

8 ACCEPTANCE

- 8.1 **CRL** shall deal with any **Application** (including an **Application** to renew) in any way it may in its absolute discretion see fit and shall within a reasonable time decide: (a) to accept the **Application** without conditions; or (b) to accept the **Application** subject to such conditions as **CRL** may impose; or (c) to defer the **Application**; or (d) to refuse the **Application**.
- 8.2 **CRL's** decision shall be notified to the **Applicant** forthwith in writing.

9 ACCEPTANCE SUBJECT TO CONDITIONS

- 9.1 **CRL** shall have absolute discretion as to the conditions imposed on any acceptance of an **Application** and in particular **CRL** may require that the **Applicant**:
- (1) pays to **CRL** such amount in excess of the usual charge relating to **Construction Works** subject to a **Notification** as stipulated in **Rule 23**;

- (2) gives such security as may be required by **CRL** to guarantee the proper performance of its duties pursuant to the **Rules**; and/or
- (3) be required to satisfy, or give such security as **CRL** may require relating to any liability to which **CRL** has been or may become subject because of any acts or omissions of the **Applicant** or any of the **Applicants** affiliates.

10 CONSTRUCTION REGISTER

- 10.1 The Construction Register will be maintained by **CRL**. The **Construction Register** will be made available for inspection within normal office hours subject to an appointment at the discretion of **CRL**.

11 PUBLICATION OF REGISTER

- 11.1 **CRL** may publish the **Construction Register** annually in such form as it may see fit and in accordance with **Rule 47**.

12 RENEWAL AND RENEWAL FEE

- 12.1 Each **Member** must complete an annual renewal application form. An annual renewal fee in respect of each **Membership** of the **Construction Register** shall be payable to **CRL**. The fee shall be set at **CRL's** absolute discretion.

13 REMOVAL FROM THE CONSTRUCTION REGISTER

- 13.1 Where a person is removed from the **Construction Register** under **Rule 14**, **Rule 15** or **Rule 16** below, **CRL** may require that person to:
 - (1) give such security to **CRL** as **CRL** may require; or
 - (2) pay **CRL** a sum in lieu of security which shall not be refundable; in respect of any liability, contingent or otherwise, to which it may be subject with respect to any **Construction Works** carried out by that person, or on behalf of that person. Where a person is removed from the **Construction Register** for disciplinary reasons, the removal may be published in the building press at the absolute discretion of **CRL**.

14 VOLUNTARY REMOVAL FROM THE REGISTER

- 14.1 A person may be removed from the **Construction Register** at his own request in writing.

15 REMOVAL FROM THE REGISTER BY CRL

- 15.1 **CRL** shall be entitled to remove a **Member** from the **Construction Register** or impose such restrictions or conditions on a **Member** as **CRL** deems fit where:

- (1) the **Member** is in breach of any obligation imposed on the **Member** pursuant to these **Rules**;
 - (2) the **Member** or any employee or agent of the **Member** is convicted by any court of competent jurisdiction of any offence involving dishonesty;
 - (3) any civil action judgment is given against the **Member** in circumstances involving a fraud or dishonesty on the **Member's** part;
 - (4) the **Members** actions are such that in the opinion of **CRL** the reputation of the **Construction Register** will suffer as a result;
 - (5) the **Insurer** has made a decision to pay any sum relating to the **Construction Works** due to the **Member's** acts or omissions;
 - (6) the **Member** has failed to reply fully within one month to any correspondence sent by recorded delivery from **CRL**;
 - (7) the **Member** has made or attempted to make any arrangement or composition with his creditors or, being a company, has passed any resolution pursuant to which the **Member** will stop trading or enter into voluntary liquidation;
 - (8) A power of sale is exercised by a mortgagee in possession prior to conveyance to a **Buyer** in respect of any **New Structure** covered under a **Policy** provided by **CRL** whether contracts of sale with a **Buyer** have been agreed, exchanged or not;
 - (9) any cheque or other bill of exchange drawn on or by the **Member** is not honoured on presentation;
 - (10) any fee payable by the **Member** pursuant to these **Rules** has not yet been paid when due; or
 - (11) the **Member** is or becomes subject to the control of or in the opinion of **CRL** is or becomes otherwise associated with a person:
 - (a) who has been removed from the **Construction Register**; or
 - (b) whose control or association with the **Member** will in the opinion of **CRL** cause the reputation of the **Construction Register** to suffer as a result.
- 15.2 The rights of **CRL** pursuant to this **Rule** are without prejudice to the generality of any other rights of **CRL** and any delay by **CRL** in exercising its rights under this **Rule** shall not amount to a waiver of its rights to remove a **Member** from the **Construction Register**.

16 AUTOMATIC REMOVAL FROM THE CONSTRUCTION REGISTER

16. If a **Member** becomes bankrupt or, being a company or firm, has a petition presented for its winding up or enters liquidation or if a receiver, administrator or administrative receiver is appointed in respect of any part of its affairs, the **Member** shall on the occurrence of any such event be

removed from the Register. Any **Member** to whom this **Rule** applies must inform the trustee, receiver, liquidator or administrator as the case maybe of **CRL's** interest.

17 NOTICES OF EVENTS WHICH MAY CAUSE REMOVAL FROM REGISTER

- 17.1 Where **CRL** becomes aware of the happening or alleged happening of events which may entitle it to remove a **Member** from the **Construction Register** under the terms of **Rule 15** above, it shall as soon as conveniently practicable give notice thereof to the **Member** in writing. The **Member** concerned shall within 14 days of the date on the notice (or within such further time as may be granted by **CRL**) give a full reply to the notice using in writing. Having made such investigations as it sees fit, **CRL** shall make its decision on the issue without unreasonable delay and forthwith communicate the same to the **Member** in writing.

18 CONSEQUENCE OF REMOVAL FROM REGISTER

- 18.1 A person who has been removed from the **Construction Register** shall continue to be bound by the **Rules** with respect to any **Construction Works** which have been completed or are being carried out by that person or on behalf of that person not withstanding removal of that person from the **Construction Register**.
- 18.2 Any sum which a person who has been removed from the **Construction Register** is liable to pay under the **Rules** to **CRL** in respect of **Construction Works** shall remain payable by that person notwithstanding the removal of that person from the **Construction Register** and notwithstanding the liability of that person to pay such sum does not arise until after such removal.
- 18.3 A person who has been removed from the **Construction Register** shall not avoid any actual or contingent liability to a **Buyer** or **CRL** because of the removal of that person from the **Construction Register**.
- 18.4 Following the removal of a person from the **Construction Register** that person shall not be entitled to use logos or emblems of **CRL** or the **Policies** and shall not be allowed to be held out as being **Registered**.

19 CRL TECHNICAL REQUIREMENTS

- 19.1 **Members** shall procure that **Construction Works** shall each be carried out to the **CRL Technical Requirements**.

20 RESPONSIBILITIES OF MEMBERS

- 20.1 If a **Member** of the **Construction Register** elects to carry out or market **Construction Works** which are not to be covered by a **Policy** arranged by **CRL** the **Member** must ensure that all parties who have any interest or express potential interest in such **Construction Works** are made aware at the earliest possible opportunity that although the **Member** is on the **Construction Register** none of the **Policies** shall apply to the **Construction Works** concerned.
- 20.2 Where a housing association contracts with **CRL** to enter into a **Policy** and

agrees that the **Rules** shall be incorporated in the terms of the contract:

- (1) the **Rules** shall so far as practicable be applied as if the housing association were a **Member** of the **Construction Register**; and
 - (2) the housing association shall not employ any **person** who is not a **Member** of the **Construction Register** to carry out **Construction Works**
- 20.3 Unless the **person** is a **Member** of the **Construction Register** he shall not be entitled to carry out **Construction Works** for the purposes of these **Rules** under any Policy.
- 20.4 Insofar as a **Builder** who is a **Member** of the **Construction Register** acts as a **Developer** he must also comply with the **Rules** relating to **Developers** and be deemed to be a **Developer**.
- 20.5 Sub-contractors of a **Builder** who is a **Member** of the **Construction Register** shall not be required to be on the **Construction Register** but the **Member** shall be bound to employ competent sub-contractors and to take full responsibility for work done by any sub-contractors the **Member** employs.
- 20.6 **Members** involved with sheltered housing schemes shall comply with the relevant codes of practice and conduct for that business sector; and
- 20.7 **Members** must not treat any **Buyer** in a way that is likely to bring the **Construction Register** into disrepute.

21 CONTRACTUAL RESPONSIBILITIES OF BUILDERS AND DEVELOPERS

- 21.1 Subject to sub-rule 21.2 below, if a **Developer** enters an agreement with a **Buyer** of a **New Structure** such **Developer** shall warrant that:-
- (1) he is currently a **Member** of the **Construction Register**;
 - (2) he will fulfill his obligations under the **Rules**;
 - (3) the **Construction Works** will have been carried out pursuant to the **CRL Technical Requirements** and in a workmanlike fashion such that it is fit for human habitation;
 - (4) he will (if he has not already done so) apply to the relevant **Building Control Body** for an inspection of the **New Structure** pursuant to the **Building Regulations** and procure the delivery of an approval notice/plans certificate from the **Building Control Body** when requested by **CRL**;
 - (5) he will organise cover under the relevant **Policy** (the premium for such cover being the sum payable by the **Developer** on submitting the **Notification**);
 - (6) once the **Building Control Body** has inspected the **New Structure** he will procure the delivery of their final certificate to **CRL** as soon as possible;

- (7) he will comply with the **Developer's** responsibilities (which shall be set out in full in such agreement);
 - (8) unless provision is made for such charges in the contract price of a **New Structure** no charge will be made on any **Buyer** by the **Developer** for any document or service rendered by **CRL** in relation to the **Policy** under which the **New Structure** is covered;
 - (9) he will be liable for and will repair any **Damage** or rectify any **Defect** which the **Buyer** notifies to him during the **Developer Warranty Period** including any **Damage** or **Defect** which is the result of his building on adjoining property and any consequential **damage** to the **New Structure**; and
 - (10) he will not complete the sale to a **Buyer** of a **Speculatively Built New Structure** until the **Post-completion Insurance Certificate** has been issued by **CRL**.
- 21.2 Where a **Member** who acts as a **Developer** wishes to obtain a relaxation of his contractual obligations under **Rule 21.1** in relation to a **New Structure** he may make an application in writing to **CRL**. **CRL** may alter these obligations in relation to a particular **New Structure** where:
- (1) the **Member** has established to the satisfaction of **CRL** that the design or the construction or conversion of a **New Structure** will be carried out under the supervision of or by an architect or qualified building surveyor or other suitably qualified person who has been approved by **CRL** and who has been employed by the **Buyer** pursuant to a RIBA or like form of agreement;
 - (2) the **Buyer** of the **New Structure** and the **Member** have entered into an agreement the form of which has been approved by **CRL** and the effect of which is to limit the duty of the **Builder** or **Developer** to design or carry out **Construction Works** according to the **CRL Technical Requirements**; or
 - (3) the relaxation relates to structural aspects of the **CRL Technical Requirements** and potential **Buyers** are advised by the **Developer** of the change in **CRL Technical Requirements**.

22 PREMIUMS

- 22.1 **CRL** will set the **Premium** and notify it to the **Member** initially in the **Quotation**.
- 22.2 **CRL** may:
- (1) set an **Initial Premium** and an **Adjusted Premium**; and
 - (2) require a **Member** to pay a insurance premium or premium deposit as may be required from time to time by **CRL** which will be credited towards the **Premium** stated in the **Quotation** if issued.

- 22.3 In setting **Premiums**, **CRL** shall be entitled to consider:
- (1) the contract value of the **Construction Works** and where relevant, the value of the land;
 - (2) the size, contract value and replacement or (re)building cost of the **Construction Works** whichever is applicable to the relevant **New Structure**;
 - (3) the claims record of the **Member** and, where appropriate, the respective experience and ability of the **Member**;
 - (4) the time which has been taken or will be taken to undertake relevant inspections of the **Construction Works**. Surveyors carrying out inspections will be appointed by **CRL**;
 - (5) the timely compliance or otherwise with deadlines;
 - (6) the requirements, instructions and guidance of the **Insurer**; and
 - (7) such other matters as it may see fit.
- 22.4 **CRL** may set an **Adjusted Premium** at any time, including at any time after it has given a **Post-completion Insurance Certificate**, when:
- (1) it has become aware that facts and assumptions on which it based the **Initial Premium** or previously **Adjusted Premium** are, in its reasonable view, materially inaccurate, materially incomplete or materially changed; and
 - (2) the facts and assumptions which are inaccurate, incomplete or changed are, in its reasonable view, material considerations in the pricing of the **Premium**, which facts and assumptions may include but are not limited to the matters set out in **Rule 22.3** above.
- 22.5 Among other things, **CRL** may set an **Initial Premium** if the contract value of the **Construction Works** is not known at the time of the **Notification**. **CRL** will base the **Initial Premium** on an estimate of the contract value of the **Construction Works** including its land value carry out for each **New Structure** pursuant to an agreement between him, the **Builder**, and a **Buyer**; and
- (2) when the **Builder** is to carry out **Construction Works** in respect of a **New Structure** to be sold by a **Developer** ensure that a **Notification** is submitted by the **Developer** and not the **Builder**.
- 22.6 If **CRL** sets an **Initial Premium** in the circumstances in **Rule 22.5**, it may set an **Adjusted Premium** following a declaration as to the actual price including the land value (as necessary) so as to reflect the likely replacement or rebuilding costs whichever is applicable to the relevant **Construction Works** as compared with that factored into the original estimate of price.
- 22.7 Insofar as any **Adjusted Premium** is due to be paid by the **Developer** such premium shall be payable on demand by **CRL**.

- 22.8 Where (1) the **Construction Works** begin more than 12 months after the submission of the **Notification** in respect of it or (2) a **Post-completion Insurance Certificate** has not been issued before 3 years have elapsed from the date of the submission of the applicable **Notification** then **CRL** shall also be entitled to require an **Adjusted Premium** to be paid by the **Member** before issuing a **Post-completion Insurance Certificate**.
- 22.9 **CRL Management Limited** acts as an Appointed Representative of **BCR Legal Group Limited** and arranges structural insurance policies with **Alpha Insurance A/S**, and **Casualty and General Insurance Company (Europe) Limited**, holding your money as agent of the insurers in respect of collection of premiums, payment of claims and refund of premiums.

23 NOTIFICATION

- 23.1 A **Member** initiates the process of application for, and acceptance of, cover under a **Policy** by making a **Notification** to **CRL**.
- 23.2 A **Member** may make a **Notification** in relation to **Construction Works** which are, or are intended to be for a **New Structure**:
- (1) Bought off-plan by the **Buyer**
 - (2) **Speculatively built**.
 - (3) **Self-built**.
- 23.3 A **Notification** shall be:
- (1) made in such form as may be prescribed from time to time by **CRL** but normally using the **application** form for the relevant **Policy** or in writing, via e-mail or telephone contact with **CRL**;
 - (2) subject to sub-rule 23A.1 below, submitted to **CRL** not less than 6 weeks before **Construction Work** is intended to begin or at such other time as **CRL** may specify; and
 - (3) accompanied by such insurance **Premium** or premium deposit as may be required from time to time by **CRL** which will be credited towards the **Premium** stated in the **Quotation** if issued.
- 23.4 The **Member** must state which type or types of cover is required. **CRL** will publish the types of cover from time to time available on its website.
- 23.5 If the **Construction Works** are, or are intended to be for a **New Structure** Bought off-plan by the **Buyer**, the **Member** must include **Deposit Protection** cover in his **Notification**.
- 23.6 A **Developer** who is a **Member** and who wishes to organise the **Speculative Building** of any **New Structure**, including a conversion, refurbishment or repair, shall submit a **Notification to CRL** in accordance with this **Rule**.

- 23.7 The **Builder** shall;
- (1) submit a **Notification** in respect of **Construction Works** which he intends to carry out for each **New Structure** pursuant to an agreement between him, the **Builder**, and a **Buyer**; and
 - (2) when the **Builder** is to carry out **Construction Works** in respect of a **New Structure** to be sold by a **Developer** ensure that a **Notification** is submitted by the **Developer** and not the **Builder**.
- 23.8 Where the land on which **Construction Works** are to be carried out in respect of a **New Structure** causes an unusual risk of **Damage** or **Defects**, the **Builder** or **Developer** shall submit the **Notification** not less than 9 weeks before **Construction Work** is intended to begin, or at such other time as **CRL** may specify.
- 23.9 The phrase “the land on which **Construction Works** are to be carried out in respect of a **New Structure** causes an unusual risk of **Damage** or **Defects**” includes but is not confined to the ground conditions specifically set out in the form of **Notification**.

23 A QUOTATION AND QUOTATION ACCEPTANCE

- 23.1 Upon receiving a **Notification**;
- (1) **CRL** will decide, in its absolute discretion, whether or not to accept the **Notification** and if so whether any conditions shall apply;
 - (2) If **CRL** decides to accept a **Notification**, it will issue a **Quotation** in such form as it may decide stating what **Premium** and conditions, if any, apply and enclosing a **Quotation** which shall be in such form as **CRL** may decide; and
 - (3) if a **Member** decides to accept the **Quotation**, he shall complete and return the **Quotation Acceptance** form to **CRL** and pay the **Premium** at least 3 weeks before the **Construction Work** is intended to begin.

24 POLICY DOCUMENTS

- 24.1 When it receives a **Quotation Acceptance** and **Premium**, **CRL** will issue:
- (1) a conditional cover letter in respect of planned **Construction Works** for each **Quotation Acceptance** for **Speculatively Built** or **Self-built development**; or
 - (2) a **Pre-completion Insurance Certificate** for each **Quotation Acceptance** for bought off-plan development.
- 24.2 A **Pre-completion Insurance Certificate** may or may not include **Deposit Protection cover**, depending on the arrangements made for the protection of the **Deposit(s)**.

- 24.3 Subject to sub-rule 24.4 below a **Member** is obliged to transmit the **Policy Documents** to the **Buyer** of the **Construction Works** at the time of exchange of contracts or when a contract is concluded between the **Member** and the **Buyer** pursuant to which the **Construction Works** are to be carried out.
- 24.4 In respect of **New Structures** the **Member** shall only deliver **Policy Documents** to a person if the **Member** is named in the **Policy Documents** as the **Developer** and:
- (1) the **Member** has received authority in writing from **CRL** to deliver the **Policy Documents** to that person; or
 - (2) that person is the **Buyer** who is buying or leasing the **New Structure** from the **Member**.

25 PLANS AND INSPECTIONS

- 25.1 The **Member** shall supply such plans as are required on the prescribed form of **Notification** or as may otherwise be required by **CRL**.
- 25.2 When so requested the **Member** shall provide **CRL** with such further detailed plans, calculations and site investigation reports as **CRL** may require in relation to the proposed **Construction Works** or the site including, where relevant, any special reports on land adjoining the site.
- 25.3 The construction plans submitted to the **Building Control Body** relating to a **New Structure** shall be made available on the site by the **Member** at any time within normal working hours.
- 25.4 **CRL** shall be provided by the **Member** with all facilities and information which may be required from time to time during and on completion of **Construction Works** including the provision of test samples.

26 COMMENCEMENT OF WORK

- 26.1 No **Construction Works** shall be begun unless at least 2 working days' notice has been given to **CRL**. Late registration charges will be imposed upon late **Notifications**.

27 AUTHORITY TO CRL

- 27.1 **Notification** by a **Member** is sufficient authority to **CRL** to allow **CRL** to issue insurance on behalf of the **Member** to the **Buyer** in such **Notification**.

28 TAKEOVERS

- 28.1 Where a **Developer** has acquired a **New Structure** or **Construction Works** contract or while **Construction Works** are being carried out and a **Notification** has not been lodged in relation to those **Construction Works** then the **Member** shall inform **CRL** forthwith if it intends to make the **Construction Works** subject to cover under the relevant **Policy** and /or:
- (1) promptly submit a **Notification**;
 - (2) pay such **premiums** and additional **premiums** as **CRL** may require;

- (3) reimburse **CRL** in respect of any expense incurred in inspecting the **New Structure** to establish whether it complies with the **CRL Technical Requirements**; and
- (4) carry out any remedial work and otherwise ensure that the **Construction Works** when completed comply with the **CRL Technical Requirements**.

29 POST-COMPLETION INSURANCE CERTIFICATE

29.1 Where:

- (1) **CRL** is of the opinion that in relation to completed **Construction Works** or in respect of a completed **New Structure** and all **Common Parts** relating thereto the **Member** has fulfilled his obligations pursuant to these **Rules** then subject to the remaining paragraphs of this **Rule** it will provide a **Post-completion Insurance Certificate** in respect of the **Construction Works** excluding the **Common Parts** and/or in respect of **Common Parts** as the case may be;
- (2) a **Member** has failed to comply with part of his obligations pursuant to these **Rules** then **CRL** may provide **Post-completion Insurance Certificate(s)** bearing an endorsement under which specified items are excluded from the cover under the relevant **Policy**; and
- (3) either (a) the **Construction Works** begin more than 12 months after the submission of the **Notification** in respect of it or (b) a **Post-completion Insurance Certificate** has not been issued before 3 years have elapsed from the date of the submission of the applicable **Notification** then **CRL** shall be entitled to require an **Adjusted Premium** to be paid by the **Member** before issuing a **Post-completion Insurance Certificate**;
- (4) Sub-Rule 29.1(3) above does not affect **CRL's** right to require, and the **Member's** obligation to pay, an **Adjusted Premium** at any time, including at any time after it had given a **Post-completion Insurance Certificate** for the **New Structure**.

29.2 Where **CRL** is unwilling or for any reason declines to provide a **Post-completion Insurance Certificate** relating to **Construction Works** due to a failure on the part of a **Member** to fulfil any obligation under the **Rules**, **CRL** may where appropriate serve notice on the **Member** concerned. A **Member** in receipt of such notice shall (subject to sub-rule 29.3 below) be obliged to undertake forthwith such work as may be specified in it so that the **Construction Works** comply with the **CRL Technical Requirements** in full.

29.3 A **Member** shall be entitled to exercise his rights under **Rule 42** to challenge the action of **CRL** in calling upon him to undertake work specified as a pre-requisite to the provision of a **Post-completion Insurance Certificate** by **CRL**.

29.4 A **Developer** shall not complete the sale to a **Buyer** of a **Speculatively Built**

New Structure until the **Post-completion Insurance Certificate** has been issued by **CRL**.

30 BUILDING CONTROL BODY CERTIFICATE

30.1 When a **Member** receives a final certificate or equivalent document from the relevant **Building Control Body** he shall copy it to **CRL** forthwith.

31 CLAIMS

31.1 When a **Policyholder** makes a claim under the cover of a **Policy** arranged by **CRL**, as soon as reasonably practicable the **Member** if he receives it shall notify **CRL** and **CRL** if it receives it shall notify the **Member** and the **Member** shall promptly:

- (1) provide full co-operation to **CRL** in any investigations of the claim including attending at such places as may be required, providing any documents that may be necessary including plans pertaining to the **Construction Works** or its surroundings;
- (2) perform such investigations as **CRL** may require and reinstate any damage caused by such investigation; and
- (3) meet any costs arising by reason of paragraphs (1) and (2) above.

32 DEFECTIVE WORK

32.1 Where **CRL** considers that a **Member** has not performed his obligations under a **Policy** or the **Rules** then **CRL** may:-

- (1) prohibit continuation of **Construction Works** in relation to which the **Member** has so failed except for such work as may be specified by **CRL**; or
- (2) serve the **Member** with notice in writing specifying work and timescale which is of the opinion is required to remedy the position.

33 UNFULFILLED RESPONSIBILITIES

33.1 When a **Developer** is in breach of his obligations pursuant to a **Policy** then the **Builder** of the **New Structure** to which those obligations relate must perform the obligations of the **Developer** insofar as those obligations relate to the design, construction or conversion of the **New Structure** for which the **Builder** is or was liable to the **Developer**.

34 FAILURE TO COMPLY WITH INSTRUCTIONS

34.1 If a **Member** does not carry out any instructions given to him by **CRL** as soon as practicable **CRL** may instruct another person to carry them out at the expense of the defaulting **Member**.

35 ARBITRATION OF DISPUTES INVOLVING BUYER

35.1 Where a dispute arises between the **Member** and the **Buyer** relating to

Construction Works within a **Policy**, **CRL** shall act as far as practicable to encourage agreement between the parties and the **Member** shall participate in such attempt.

- 35.2 Where the latter fails to resolve the dispute then, subject to the agreement of the **Buyer**, the dispute shall be submitted to an arbitrator who shall be appointed by the Chartered Institute of Arbitrators. The parties to the arbitration shall accept the arbitrator's award as final and binding on each of them.
- 35.3 The **Developer** must promptly, fairly and professionally:
- (1) investigate, assess and resolve any notification from the **Buyer** of **Damage** or **Defect** during the **Developer Warranty Period**;
 - (2) co-operate with the building surveyor appointed by **CRL** to resolve a dispute between the **Buyer** and the **Member** about the investigation, assessment and resolution of such a notification; and
 - (3) carry out any repair and rectification work determined by the building surveyor to repair the **Damage** and/or rectify the **Defect**.

36 APPEALS

- 36.1 **Appeals** to the **Appeals Committee** may be brought by a **Member** relating to any decision of **CRL**:
- (1) pursuant to **Rule 8.1** (b) and (c); or
 - (2) to remove him from the **Construction Register** in any of the circumstances listed in **Rule 15**.
- 36.2 The **Appeals Committee** may:
- (1) confirm, vary or revoke any decision made by **CRL**;
 - (2) impose sanctions on any person subject to these **Rules** who contravenes any order or directions made by it in relation to any **Appeal**; and
 - (3) provide for costs in such manner as it may see fit.
- 36.3 Orders and decisions made by the **Appeals Committee** shall be binding on the **Member** and on **CRL** and shall take effect upon their being announced or otherwise notified to the party or parties affected by them.

37 APPEALS REGULATIONS

- 37.1 All procedures and matters relating to **Appeals** and to challenges made under **Rule 42** shall be governed by the **Regulations**.

38 PUBLICITY

- 38.1 **CRL** may publish any of its decisions (except those on which it is aware an **Appeal** is pending) and such orders and decisions of the **Appeals Committee** as it may see fit.

39 DENIAL OF LIABILITY

- 39.1 A Member shall not be entitled to avoid the **Responsibilities** on the basis that any successors in title to a **Buyer** or mortgagees in possession where not parties to a contract with him.

40 RECOVERY

- 40.1 Sums which a **Member** is liable to pay either to a **Buyer** or to **CRL** pursuant to a **Policy** may be recovered from the **Member** on demand and shall carry interest at the rate of 4% per annum above the base rate of the National Westminster Bank PLC prevailing at that time.

41 COMPLAINTS

- 41.1 Where any complaint has been made to **CRL** about a **Member**, **CRL** shall make proper enquiries of the complainant, and the **Member** and take such action and make such orders as it considers appropriate.

42 CHALLENGES

- 42.1 Any **Member** who is aggrieved by any action of **CRL** other than action to remove him from the **Construction Register** shall have the right to challenge it subject to the procedures laid down by the **Appeals Committee**. **CRL** or the **Appeals Committee**, as the case may be, may in its discretion confirm, vary or revoke the action under challenge or any previous action touching the same matter.

43 RESOLUTION OF TECHNICAL DISPUTES

- 43.1 Any dispute between **CRL** and a **Member** relating to the technical standard and technical issues relating to on-site inspections shall be referred to the **Technical Committee** who may regulate their proceedings as they think fit and whose decisions shall be final and binding.

44 COMMUNICATION

- 44.1 Communications may be sent by **CRL** to a **Member's** address on the **Construction Register**. Such communications despatched by first class post shall be deemed to have been communicated to the **Member** not later than 3 days following posting (not counting Saturdays, Sundays and Bank Holidays).
- 44.2 Where any communication is sent to a **Member** by **CRL** he must despatch any reply to that communication to the address of **CRL** stated in the communication.
- 44.3 Correspondence from **Members** not covered by the terms of (b) above should be sent to **CRL** at 68 Lombard Street, London EC3V 9LJ (email: info@c-r-l.com).
- 44.4 A communication of a decision to remove a **Member** from the **Construction Register** shall be despatched by recorded delivery.

45 DUTY TO NOTIFY CRL OF NEW CIRCUMSTANCES

45.1 A **Member** must notify **CRL** of:

- (1) any circumstances which could result in his being removed from the **Construction Register** under **Rule 15** or **Rule 16**;
 - (1) any change of address;
 - (2) the name and address of any **Buyer** of a **New Structure** from him promptly on the completion of the sale or lease to such **Buyer**; and
 - (3) his current financial circumstances by sending the annual report and accounts to **CRL** as soon as they become available.

46 ADVERTISING

46.1 No **Member** shall inform any third party of the rating category allotted to him by **CRL** where applicable nor may such rating category be used for or referred to in advertising.

46.2 **Policy Documents** are only available to current **Members** of the **Construction Register** and **Members** are bound by any terms of business, **rules** or byelaws of the **Insurer** providing the **Policy** as applicable, relating among other things to continued retention and return of **Policy Documents** to the **Insurer** or its intermediary, including **CRL**.

47 DATA PROTECTION

47.1 Where **CRL** publishes the **Construction Register** it will not publish any of the **Member's** personal, company or firm data. For the purposes of **Rule 11** publishing the **Construction Register** shall mean publishing the **Member's** name as it appears on the **Construction Register** unless permission is otherwise granted by the **Member**.

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