

# HireGuard®

# Scheme

# Procedures

## HireGuard - Scheme Procedures

- Carry out Security Checks.
- Clearly document on the Contract Note and Hire Invoices that:
  - The **document pack**; Certificate of Insurance, Customer Summary of Cover, Status Disclosure, What You Need to Know Leaflet, Policy wordings, IPID and terms of business TOBA has been provided to the hirer.
  - HireGuard insurance has been accepted
  - Proof of identification taken (or examined and recorded) for future reference
- It is recommended that you collect a deposit representing at least the total policy excess applicable in the event of a claim, i.e. if the value of the item is £500 a deposit of £25 should be collected, or an account of your choosing.
- Debit the HireGuard insurance premium (excluding VAT) for the equipment hired. **Please note it is against FCA Regulations to charge more than the agreed HireGuard rate for insurance unless specifically documented pre hire with the hirer.** If an administration charge is made this must be clearly stated on the Invoice and on the What You Need to Know Leaflet document (Cash Customers) and confirmed in writing prior to hire to Account customers with the appropriate VAT rate applied if applicable.
- At the close of each month (month end usually) the details of all HireGuard premiums invoiced (debits and credits paid or unpaid) should be declared to us. These details should include Contract and/or Invoice numbers, equipment hire charge(s) and corresponding HireGuard premium(s), all totalled. If we have agreed with you that a summary only can be declared, that is all that is required.
- For ongoing hires (remembering that insurance can only be accepted at the commencement of the hire) the HireGuard premium should be charged out in line with your usual accounting and invoicing practices. Thus, for an ongoing hire you may have not yet invoiced any values (no declaration required) or you may have only invoiced charges generated to date, once a value has been reached or invoiced in any event (all three options require the corresponding declaration).
- For Account Customers where insurance is required please follow the Account Approval Process and, **if required**, send to HAE / EHA Insurance Services (please fax on 01482 388 655 for the attention Sandra Holness or email [Sandra Holness](mailto:sholness@haeinsuranceservices.com) [sholness@haeinsuranceservices.com](mailto:sholness@haeinsuranceservices.com)). Insurance cover can only be offered to your Account Customer on an Account basis once cover has been approved by either yourself (per the pre agreed matrix document) or HAE / EHA Insurance Services, but can be offered to your Account Customer on a Cash basis pending approval. HAE / EHA Insurance Services will respond to requests within 24 hours of receipt of written details. Please ensure all correspondence is clear and concise.
- **N.B.** Inclusion of HireGuard insurance once hire has started. The only circumstance when this can be accommodated is by an official Off Hire procedure by yourselves (existing Contract will not show HireGuard nor will you have provided documentation to the hirer) and then re-hire under a new Contract Note (with supporting documentation).
- Within **seven days** after the month end you are required to:
  - send a Declaration by email to [sholness@haeinsuranceservices.com](mailto:sholness@haeinsuranceservices.com) and BACS payment to HAE Insurance Services, details as below; for security and efficiency this is our preferred method:

<b>Sort Code:</b>	<b>20-43-56</b>
<b>Account Number:</b>	<b>83106896</b>
<b>Account Name:</b>	<b>Jelf Insurance Brokers Limited – Client Account</b>
<b>Bank Name:</b>	<b>Barclays Bank Plc 53/55 Broadmead, Bristol, BS1 3EA UK</b>

- Declarations are currently acceptable via email and BACS payments/cheques to be made payable to HAE Insurance Services. Payment has only been made when cleared funds are received by HAE / EHA Insurance Services

## HireGuard - Scheme Procedures Continued

- A template declaration form is available or you can complete your own declaration spreadsheet. Computer accounting print outs are also acceptable by prior approval, total number of transactions to be shown.
- The BACS transfer (or cheque payment) must represent the insurance charges less your retained declaration fee of 5% of the insurance charge.
- If no HireGuard insurance has been transacted during the preceding month, **a 'NIL' return must be given**.
- It is your responsibility to ensure that declarations and the appropriate cleared payment are received by HAE / EHA Insurance Services within **seven days** after the month end. We recommend that you set up an appropriate diary system to ensure deadlines are adhered to.
- If you wish to cease offering HireGuard to hirers then you must immediately inform HAE / EHA Insurance Services in writing or by email and:
  - Cease issuing Contract Notes itemising HireGuard
  - Provide a "month end" declaration and corresponding payment to HAE / EHA Insurance Services within 7 working days
  - Confirm all open hires not contained in the declaration which have HireGuard applying to them and declare them with the corresponding payment on completion of the hire period

## HireGuard- Claims Procedure

### You need to explain to Customers how the Customer makes a Claim

#### The Customers' Responsibilities

- **At the time of discovery of loss or damage** to the hired equipment, the hirer **must** immediately notify you, the hire company, of the date, time, location and brief details of the circumstances of the loss and also the details of any other party involved.
- **If the loss involves Theft, Malicious Damage or Riot**, the appropriate Police Authority must also be notified **by the hirer** immediately and a crime or log number obtained by the hirer and provided forthwith to the hire company.
- **In the case of Riot**, the loss **must be** reported to HAE / EHA Insurance Services and the Police within **seven days from time of discovery**. Failure to comply with these requirements may invalidate any claim.
- **A Claim Form must be completed** by both the hirer and you the hire company. Ensure that this is signed by both parties before forwarding it to HAE / EHA Insurance Services.

#### Your Responsibilities as the hire company

- **Upon receiving notification** of a potential or actual loss, you must advise HAE / EHA Insurance Services immediately by telephone, fax or email.
- **HAE / EHA Insurance Services will** then provide you with all relevant advice on how to handle the next stages of the claim.
- **You and the hirer** should take all reasonable efforts to preserve any damaged or defective property (and relevant photographs taken as required) that might support the claim and / or be required to be examined by Insurers, Loss Adjusters or their representatives.
- **A Claim Form will be required to be completed** by both you and the hirer – ensure that this is signed by both of you before sending it to HAE / EHA Insurance Services.
- **Appropriate supporting documentation must be provided** as soon as possible. This might include:
  - Original hire documentation e.g. Contract Note signed by the hirer
  - Contract Note signed by you in the case of cross hires from another hire company
  - Original purchase invoice for the lost or damaged items of equipment
  - Confirmation of any Police crime or log number (send this later if all other documentation is to hand)
  - An appropriate estimate for repair or replacement of the equipment from yourselves or third parties as appropriate
  - Any invoices for temporary or emergency costs incurred – these should only be incurred with the approval of HAE / EHA Insurance Services or Insurers.
- **AE / EHA Insurance Services have delegated authority from the Insurers** to settle claims directly, depending upon the values involved. If the loss falls outside of this authority HAE / EHA Insurance Services will advise Insurers immediately of the claim on your behalf. Insurers will then decide if they are to deal with matters themselves or appoint a Loss Adjuster or other party to investigate the claim.
- **You will be kept informed** and updated on the progress of your claim by HAE / EHA Insurance Services. Any questions you have should in the first instances should be addressed to HAE / EHA Insurance Services.
- You should ensure that the hirer is aware of the potential value of the claim and the excess that will thus apply to the claim. They or you will be responsible for this excess value which will be deducted from any settlement payments made by Insurers.

## HireGuard - Policy & Scheme Conditions

- Compliance with the HireGuard Terms and Conditions of Agreement.
- Your current Certificate of Insurance, Status Disclosure document and Customer Summary of Cover details must be on public display wherever you facilitate HireGuard.
- Security checks must have been carried out and documented prior to hire, as required.
- Claims (possible or actual) are reported as soon as is practicable and Theft losses are reported to the Police immediately.
- In the case of Riot, the loss **must be** reported to HAE / EHA Insurance Services **and the Police** within **seven days from time of discovery**. Failure to comply with these requirements may invalidate any claim.
- Any equipment hired for the purpose of re-hire shall be undertaken upon Conditions of Contract no less onerous than the Standard form of Hire Association Europe Conditions or as previously agreed in writing with HAE / EHA Insurance Services and Insurers.
- Equipment hired out shall be hired out under the Standard form of Hire Association Europe Conditions or as previously agreed in writing with HAE / EHA Insurance Services and Insurers.
- Property must be collected within 5 working days of being off-hired, or as previously agreed in writing by HAE / EHA Insurance Services and Insurers.
- The policy will be suspended if the declarations and payments are NOT received by HAE / EHA Insurance Services within 14 days of the due date.
- **The policy will be cancelled if the declaration and cleared payment are NOT received by HAE / EHA Insurance Services within 28 days of the due date.**
- Membership of Hire Association Europe and / or Event Hire Association shall be maintained throughout any period that HireGuard is offered to and / or provided to customers.
- Should membership of Hire Association Europe or Event Hire Association cease for any reason whatsoever the Appointed Representative will inform HAE / EHA Insurance Services without delay.
- Access to your premises and all HireGuard records shall be provided to HAE / EHA Insurance Services and the Financial Conduct Authority at all times, such times shall not be unreasonable given the nature of the hire companies operations. Such access shall be inter alia to ensure and verify compliance with regulations governing the Scheme and to enable HAE / EHA Insurance Services to carry out periodic audits (physical or via the Internet) of the Scheme as operated by you. Failure to provide such access, information and documentation in a reasonable time and fashion may result in your suspension from being able to offer HireGuard to hirers.
- The Terms offered by this Insurance are reviewed annually on 1 January by Insurers. However, Terms can be amended at any time should this be deemed necessary. Any such amendments will be advised to the Approved Person by letter or email. The insurer and/or HAE / EHA Insurance Services are however under no obligation to offer renewal of the facility.
- Any changes to your Company's form, style, ownership or financial standing, Approved Person personal information or customer facing staff dealing, processing, selling or promoting HireGuard must be reported in writing to HAE / EHA Insurance Services immediately.
- All customer facing staff dealing, processing, selling or promoting HireGuard must first pass the On Line Training Modules programme before facilitating HireGuard to customers.
- All **Scheme Procedures** must be complied with.

**Failure to comply with a Policy Condition can result in HireGuard being withdrawn or for the policy cover to fail to operate fully.**

## HireGuard - Summary of Cover

### PROPERTY HIRED OUT UNDER HIREGUARD INSURANCE IS COVERED FOR:

- Physical Loss or damage at any situation in UK & Western Europe (or other geographical areas as agreed with insurers) including whilst in transit between such situations.
- Limit of liability up to £100,000 any one occurrence with no Single Article Limit.
- Full Replacement Value for all property up to 24 months old; property replaced to nearest higher specification when necessary; property more than 24 months covered on an indemnity basis.

### EXCESS (amount deducted from each agreed claim in respect of each occurrence)

£1 - £500	-	£ 25.00
£501 - £1,000	-	£ 50.00
£1,001 - £2,000	-	£ 75.00
£2,001 - £2,500	-	£100.00
£2,501 - £5,000	-	£250.00
Over £5,000	-	£500.00

### PRINCIPAL EXCLUSIONS

- ▶ Policy Excess
- ▶ Continuing hire charges and any loss which happens as an indirect result of an event for which you are insured.
- ▶ Loss or damage to cutting edges (other than diamond cutting systems), tools, trailing cables, flexible pipes other than:
  - a) when such loss or damage results during operation of the complete item of Insured Property
  - b) when such loss or damage results from the total loss of the complete item or items of Insured Property
  - c) when such attachment is a separate item specified on a Contract Note
  - d) when it is a standard part of the equipment package supplied and cannot in normal circumstances be omitted from such equipment package
- ▶ Loss or damage whilst in or on a vehicle unless:
  - a) all doors are locked and windows/openings are closed and securely fastened whilst unattended
  - b) property is securely mounted or fixed to the vehicle or kept in a suitable container whilst in transit
- ▶ Loss or damage due to:
  - a) cleaning or failure to clean and conduct of routine maintenance of the property
  - b) breakdown or breakdown prior to commissioning or wear and tear
  - c) willful act or neglect
  - d) derangement
- ▶ Any difference between any claim payment and any sum payable under Hire Association Europe Terms and Conditions
- ▶ Loss or damage to property on the First Insured's premises when not under a Contract with HireGuard to the Second Insured
- ▶ Loss or damage due to Fraud or Dishonesty of Employees
- ▶ Equipment not collected 5 working days after being officially accepted as "off hire"
- ▶ Inventory losses and unexplained losses
- ▶ Loss or damage to brittle items unless loss or damage of the consignment occurs during the operations of packaged pending loading or transit, during loading, transit or unloading or packaged pending unloading
- ▶ Legal liability for injury to third parties or damage to their property
- ▶ Loss by fraud or theft if security checks have not been undertaken as specified
- ▶ When more specific insurance has been arranged by a representative of the First Insured
- ▶ Loss or damage caused by multiple lifts which are not carried out in accordance with BS7121
- ▶ Pollution or change in water table
- ▶ Terrorism

**This is a summary of cover only and is not intended to replicate full policy Terms and Conditions and should not be relied upon. Master Policy can be viewed at the offices of HAE Insurance Services. A copy is available on request.**

## HireGuard - Security Checklist

<u>Cash (Non Account) Customers</u>	<u>Credit Account Customers</u>
<p>Any 2 of the following, 1 of which must contain the address of the hirer:</p> <ol style="list-style-type: none"> <li>1. <b>Photo Driving Licence</b>– current and valid</li> <li>2. <b>Official Document confirming name and address</b> – Council Tax, Utility or Land Line Telephone Bill</li> <li>3. <b>Bank or Credit Card</b> – which is supported by an Address Verification Service</li> <li>4. <b>Warrant Card with name and photograph</b></li> <li>5. <b>Known</b> person for whom the identity has already been verified</li> <li>6. <b>Passport – current and valid</b></li> </ol> <p><i>As an alternative to <u>one</u> of the above, the first insured may;</i></p> <ol style="list-style-type: none"> <li>7. <b>Telephone the hirer’s employer</b> to verify identity, using a contact number that you have obtained from a trusted source – do not use a contact number provided to you directly by the hirer</li> <li>8. Confirm that both the identity and address of the hirer are already known to him</li> <li>9. Retain a <b>Photograph</b> of the hirer confirming the time and date of hire</li> </ol>	<p>Any 1 of the following:</p> <ol style="list-style-type: none"> <li>1. <b>Hirer’s Employee brings written Purchase Order Document (POD) or Company Order</b> – record the employee’s name, retain order, record POD number</li> <li>2. <b>Telephone Order with POD</b>, check name and position in Company of person ordering, record this and order number</li> <li>3. <b>Known Person</b> for whom identity has already been verified</li> </ol>

### **Particular attention should be paid to the following adverse features:**

- CUSTOMER WITH ADDRESS OR DELIVERY ADDRESS OUT OF LOCALITY - Paying significant distance delivery charge
- CUSTOMER UNABLE TO GIVE LANDLINE TELEPHONE NUMBER OR BUSINESS ADDRESS
- CUSTOMER TAKING MORE THAN ONE HIGH VALUE ITEM
- CUSTOMER IN A HURRY OR ORDERING / ARRIVING AT YOUR CLOSING TIME
- CUSTOMER CLAIMING HE HAS JUST MOVED HOUSE OR BUSINESS PREMISES
- SIGNATURE SCRAWLED OR HASTILY WRITTEN – Verification by telephone recommended
- DELIVERY REQUIRED TO CAR PARK, FORECOURT OR UNMARKED OR UN-MANNED WORKING SITE
- UNUSUAL COMBINATION OF EQUIPMENT
- CASH ONLY TRANSACTION

**Retain written records whenever possible**

**Photograph of hirer or his vehicle registration if you have any concerns**

## HireGuard - Duties of the Approved Person

- To ensure all information and documentation supplied by HAE / EHA Insurance Services is communicated to all staff members offering HireGuard in a timely and organized fashion.
- To ensure any changes to your personal details as previously notified are reported to HAE / EHA Insurance Services immediately.
- To ensure any changes to the company as previously notified are reported to HAE / EHA Insurance Services immediately.
- To ensure that HAE / EHA Insurance Services are informed immediately of any changes to their customer facing staff dealing, processing, selling or promoting HireGuard.
- Ensure the Continuous Professional Development (CPD) logs are kept up to date
- To ensure the business and personnel comply with regulatory and Scheme requirements and meet all criteria as set by the Financial Conduct Authority – including, but not restricted to, honesty, integrity and reputation, competence, capability and financial soundness and transparency in all HireGuard dealings.
- To subject yourself and those engaged by the Company / Firm in dealing, processing, selling or promoting HireGuard facility to regulatory Training and Competency assessments as required by HAE / EHA Insurance Services and the Financial Conduct Authority.
- **In the event of a HireGuard complaint arising, the correct line of communication is for the Approved Person to ascertain the preliminary details from the customer. Whilst that is being undertaken, it should be referred to The Claims Manager, Jelf Insurance Brokers (details below) for complaints handling.**

Contacting Us –Your HireGuard Team		
Administration Training, Declarations & Premium payments	Sandie Holness Account Handler	01482 388552 <a href="mailto:sholness@haeinsuranceservices.com">sholness@haeinsuranceservices.com</a>
Your Relationship Manager	Laura Wilkinson Development Executive	01905 892163 (w) 07552 287986 (m) Email <a href="mailto:Laura.Wilkinson@Marshcommercial.co.uk">Laura.Wilkinson@Marshcommercial.co.uk</a>
HireGuard Claims	Michael Glanton Claims Manager	01172 402025 or Group 01172 40 2025 <a href="mailto:Bristol.claims@Marshcommercial.co.uk">Bristol.claims@Marshcommercial.co.uk</a>
HireGuard Complaints	Aaron Hill Complaints Manager	Write to: Jelf Insurance Brokers Ltd Castlemead, Lower Castle Street, Bristol BS1 3AG
Business Development	Paul Buckle Managing Director for Schemes and Affinities	01482 388654 (w) 07801 237821 (m) Email: <a href="mailto:Paul.Buckle@Marshcommercial.co.uk">Paul.Buckle@Marshcommercial.co.uk</a>
Compliance and Auditing	Nicola Smith Third Party Engagement Business Partner	07808 730106 (m) 01482 388612 (w) <a href="mailto:Nicola.Smith@Marshcommercial.co.uk">Nicola.Smith@Marshcommercial.co.uk</a>