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SECTION 14

General Information

GGF Deposit Indemnity Fund Rules

14.3 January 2020

1. Scope

This data sheet provides GGF Member companies with the Rules of the GGF's Deposit Indemnity Fund (the Fund).

The GGF Deposit Indemnity Fund is administered by GGF Fund Limited.

2. Definitions

Assistance: At the option of GGF Fund Limited, either: to enable the work of the subject of the relevant Contract to be carried out or completed (as the case may be) by another GGF Member at a Fair Market Price to the Customer, less the amount of the relevant Deposit and/or Stage Payment; or, in cases of hardship or special circumstances, as determined by GGF Fund Limited, payment of up to an amount equal to the Deposit and/or Stage Payment.

Claim: An application to GGF Fund Limited by any Customer who has paid a Deposit and/or Stage Payment under a Contract to which a Defaulting Member is a party, to receive Assistance from the Fund.

Contract: Any legally binding agreement between a GGF Member and a Customer to supply, or to supply and install, home improvement products, or to effect repair and maintenance work to an existing installation in domestic premises situated in the United Kingdom, Isle of Man, Channel Islands or Republic of Ireland the terms of which are clearly evidenced in writing.

Contract Value: The price payable by reference to a Contract for its performance without variations or additions thereto, unless agreed in writing.

Customer: Any private individual who has personally entered into a Contract with a GGF Member.

Default: The circumstances in which a Contract cannot be completed by a GGF Member, by reason of that Member being adjudged bankrupt, or, where a GGF Member is incorporated, where an administration order or a winding-up order has been made by the Court, or a resolution has been adopted for a creditors' voluntary winding-up.

Date of Default: The date on which the circumstances of Default are deemed to have occurred.

Defaulting Member: A GGF Member who is in Default in relation to a Contract for one of the reasons given in the Definition of Default.

Deposit & Stage Payments: In respect of a domestic Contract to supply and install or for repair and maintenance: the sum paid by the Customer to the Member concerned as Deposit and/or Stage Payments under the terms of the Contract, limited to 50% of the total Contract Value or £12,500 whichever is the lower (less the Fair Market Price of any goods and services already supplied by the Defaulting Member).

Fair Market Price: Such price as shall, in the opinion of GGF Fund Limited, represent the open market value, at the time at which any Assistance is to be provided.

The Fund: The GGF Deposit Indemnity Fund administered by GGF Fund Limited in accordance with these Rules.

Member: A Member of the Glass and Glazing Federation who routinely take Deposits on domestic Contracts and contributes to the Fund or, if the Glass and Glazing Federation shall be dissolved or if there shall be a payment of surplus assets of the Fund pursuant to these Rules, the persons who were Members of the Glass and Glazing Federation and whose Membership in respect of the Fund had not ceased or been terminated pursuant to these Rules at the time of such dissolution or payment (as the case may be), and Membership shall be construed accordingly.

Premises: Any private domestic premises covered by a Contract with a GGF Member, including a dwelling house, bungalow, flat or maisonette.

Rules: The terms and conditions contained herein, and any future amends approved by GGF Fund Limited



Glass and Glazing Federation

Glass and Glazing Federation
40 Rushworth Street, London. SE1 0RB
Tel: 020 7939 9100
www.ggf.org.uk

While every attempt is made to present up to date information, this data sheet, produced by the Glass and Glazing Federation is issued for guidance but without responsibility for any advice given therein or omission therefrom or for the consequences of acting in reliance thereon and all liability on the part of the Glass and Glazing Federation however arising in connection therewith is expressly disclaimed.

GGF Deposit Indemnity Fund Rules

3. General

The Fund has been established, and will be administered by GGF Fund Limited as a mutual fund for the purpose of protecting Customers' Deposits against the Defaults of Members. The accounting period of the Fund shall be coterminous with that of the Glass and Glazing Federation.

Headings of these Rules are for ease of reference only, and shall not affect the interpretation of these Rules.

4. Claims

- (a) Any Claim shall be made in writing, addressed to GGF Fund Limited, provided that no Claim shall be considered by GGF Fund Limited if received more than six months after the date of Default of the relevant Defaulting Member.
- (b) For the purposes of its consideration of a Claim, GGF Fund Limited will require the Customer to supply such documents and correspondence constituting the relevant Contract as GGF Fund Limited may request. Should a Customer fail, in whole or in part, to comply within three months of any such request, their Claim shall not be considered by GGF Fund Limited any further.

5. Assistance

- (a) If GGF Fund Limited is satisfied that a Deposit and/or Stage Payment was paid to a Member and that such Member will be unable to carry out the work of the subject of the relevant Contract by reason of the relevant Member's Default, then GGF Fund Limited will consider, at its absolute discretion whether Assistance will be provided to the relevant Customer from the Fund and, if Assistance is to be provided, what form it will take.
- (b) If Assistance is to be provided, GGF Fund Limited may, at its absolute discretion:
 - (i) enable the work of the subject of the relevant Contract to be carried out or completed (as the case may be) by another Member at a Fair Market Price to the Customer, less the amount of the relevant Deposit and/or Stage Payment; or
 - (ii) make a payment to the Customer from the Fund up to an amount equal to the Deposit and/or Stage Payments.
- (c) If GGF Fund Limited exercises its discretion as described in Rule 5. (b) (i) above, the Customer will be issued with a voucher redeemable with a Member, to be used against the cost of the successor Contract, providing it is of similar monetary value or work. Vouchers shall be valid for and must be redeemed within one year from the date of issue.
- (d) If Assistance is to be provided, GGF Fund Limited shall

notify the liquidator of the amount that has been settled so that the Creditors' List may be amended accordingly.

- (e) GGF Fund Limited shall not consider a request for Assistance where the Customer making the request may be entitled to recover the Deposit (for example where payment has been made by credit card or a finance agreement has been signed the Customer should be suitably compensated under the Consumer Credit Act 1974) or otherwise claim compensation in respect of non-performance of the relevant Contract from any person other than the relevant Member, unless the Customer can show to the satisfaction of GGF Fund Limited that they have exhausted (or taken all reasonable steps to exhaust) such other possible remedies.
- (f) For Claims against a Defaulting Member in the Republic of Ireland where the Deposit and/or Stage Payment has been paid in Euros, if Assistance is to be provided the voucher will be issued in Euros.

6. The Fund

The Fund is financed by Members' subscriptions (as further provided in Rules 9 and 10 of these Rules). Any surpluses accruing to the Fund belong to the Members as provided in Rules 12 and 18 of these Rules.

GGF Fund Limited is empowered:

- (i) to accumulate and set aside monies which form part of the Fund and to allocate and expend any such monies to any purpose connected with the maintenance, operation and any winding up of the Fund, including contributing to advertising or promotional expenditure by the Glass and Glazing Federation for the benefit of Fund Members, promoting public awareness of the Fund, purchasing insurance to protect the Fund and meeting all costs, charges, outgoings and expenses of GGF Fund Limited in connection with the maintenance, operation and any winding-up of the Fund and
- (ii) to invest such monies or borrow for the purposes of the Fund.

7. Contributions on Winding-up

Every Member under takes to contribute the full amount of the year's subscription to the Fund in the event of the Fund being wound up during the time they are a Member, which they would otherwise have been liable to pay if the Fund had not so been wound up.

8. Successions

Where, in the opinion of GGF Fund Limited, there is a continuity of business following the incorporation of a Member, reconstitution of a partnership or transfer of ownership, the proprietor must honour all existing commitments.

GGF Deposit Indemnity Fund Rules

9. Funding

All Members will pay quarterly subscriptions to the Fund on or by 30 April, 31 July, 31 October and 31 January in each year, being one month after close of the relevant quarter, calculated by reference to Deposits received in that quarter.

10. Rate of Subscription

The rate of subscription will be fixed from time to time by GGF Fund Limited, based on a percentage of Deposits taken and shall be uniformly applied in the calculation of the amount due from each Member. Each Member shall pay their subscription by the date of it falling due as set out in Rule 9. GGF Fund Limited reserves the right to charge interest on the sum outstanding from the due date of payment until payment is received in full at the rate applicable from time to time pursuant to the Late Payment of Commercial Debts (Interest) Act 1998. In the case of a Member being admitted to Membership after the first subscription date of the year, the Member shall pay a subscription based on Deposits already taken.

11. Certificates of Membership

Each of the Members will be issued with a certificate of Membership of the Fund on an annual basis upon receipt of their payment of the first subscription of the year.

12. Surpluses

GGF Fund Limited may return to Members the whole or any part of any surplus not considered by GGF Fund Limited to be required for the purposes of the Fund, by relief of subscriptions, cash refund or by whatever other method GGF Fund Limited may deem appropriate.

Any amount so returned to Members shall be allocated in proportion to their aggregate subscriptions paid during their respective periods of Membership.

13. Termination of Membership

GGF Fund Limited may terminate Membership at any time upon breach of or failure by a Member to observe any requirement upon the Member under these Rules (including but not limited to failure by a Member to pay subscriptions by the date of their falling due). Such termination shall be without prejudice to the Member's liability to perform all their obligations in respect of events occurring before such termination. In such a case, the Member shall have no right to participate in any return or distribution of assets of the Fund.

Upon a Member ceasing to be a Member of the Glass and Glazing Federation, their Membership of the Fund will automatically cease.

14. Publication

If Membership is terminated or ceases as referred to in Rule 13, GGF Fund Limited will remove their name from the published list of Fund Members on the GGF and MyGlazing websites. Claims for Assistance from Customers contracting after such termination or cessation with the Member

concerned shall not be considered.

15. Alteration of these Rules

Alterations of these Rules shall require the authority of a resolution of the Board of Directors of GGF Fund Limited. Unless stated, alterations shall not apply in respect of Contracts made prior to the date of the alteration. In the event of alteration to the Rules and/or any of the accompanying documents, Members will be notified at least one month prior to them becoming effective to allow time to update all relevant literature and websites accordingly.

16. Notices

A notice from GGF Fund Limited to a Member for any purpose connected with these Rules shall be deemed to have been delivered on the third clear day after being put in the post to the address last notified by the Member to the Glass and Glazing Federation or on the day on which the notice is delivered personally to such address (as the case may be).

17. Indemnity

GGF Fund Limited shall be entitled to be indemnified from the assets of the Fund against all costs, charges, losses, expenses, claims and liabilities incurred by GGF Fund Limited in relation to its acts, omissions and decisions as administrator of the Fund except to the extent that the same arise out of its fraud or willful misconduct or that of any of its Directors or other officers or its agents, and GGF Fund Limited shall be entitled to treat the costs of any such indemnification payment as part of the management expenses of the Fund.

18. Termination of the Fund

GGF Fund Limited may terminate the Fund at any time. If the Fund shall be terminated in connection with any establishment of a new fund providing similar benefits, GGF Fund Limited may direct the vesting of all or any part of the assets of the Fund in the persons authorised to administer such successor fund.

Upon termination, otherwise than by investing the assets in a successor fund, the surplus assets attributable to Members shall be ascertained after all Claims made by Customers for Assistance from the Fund prior to commencement of the winding-up have been determined and fully provided for and after full provision has been made for all outgoing of the Fund (including costs and expenses incurred by GGF Fund Limited) which may be incurred in connection with the winding-up and otherwise under these Rules (including the provisions of Rules 6 and 17 hereof).

The distribution of such surplus shall be made to Members [whose subscriptions are fully paid up to the date of the termination], in proportion to their aggregate subscriptions paid during their respective periods of Membership.

19. Laws of England and Wales

The laws of England and Wales shall govern the provisions of these Rules, the GGF Deposit Indemnity Fund Rules.