

# Lender Item Guarantee

## Guarantee wording

Our General [Terms of Service](#) and [Privacy Policy](#) apply to this guarantee.

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### 1. What is Covered?

- 1.1. We will guarantee your listed items against damage occurring during the period of cover and in the course of a booking. Each item is covered up to its full value, providing that it falls on or below the threshold and meets the criteria laid out in this document. The threshold in the UK is £25,000 and in the US is \$30,000 per item.
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### 2. What is not covered?

We will not make any payment for:

#### 2.1. Damage:

- 2.1.1. caused by mechanical and/or electrical fault or breakdown;
- 2.1.2. caused by inherent defects; e.g. defects caused by corrosion, moth or vermin, humidity, extreme temperature;
- 2.1.3. caused by previous incidents of damage; e.g. underlying structural weakness from previous impact; for the avoidance of doubt 'previous' means prior to the rental in which the problem occurs;
- 2.1.4. caused by previous alteration; e.g. extension, cleaning, repair, renovation, restoration or similar process; misuse and faulty workmanship or the use of any faulty materials;
- 2.1.5. caused by wear and tear; for the avoidance of doubt, 'wear and tear' is minor damage that occurs during the normal and proper usage of the item that does not affect the functionality of it;
- 2.1.6. damage which cannot be proven to have occurred during the rental period;
- 2.1.7. minor superficial or cosmetic damage that does not affect the functionality of the item; e.g. small dents, scratches;
- 2.1.8. caused as a result of war, terrorism or natural disaster; e.g. flood, earthquake, hurricane;
- 2.1.9. flat tyres or punctures of pneumatic (soft) tyres on electric scooters;

- 2.2. Income owed due to late returns or from work you were unable to fulfil due to the temporary absence of a functioning item;
  - 2.3. Incidents of public or product liability; e.g. if any person or property is injured / damaged as a result of your equipment during a Fat Llama rental;
  - 2.4. Real estate, campervans and motorhomes, people, persons or services; chemicals, liquids, consumables or anything that can be reasonably classified as a weapon.
  - 2.5. Items rented out whilst the claim on them is ongoing.
  - 2.6. Any items handed over to a third party which is not the verified borrower themselves.
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### 3. Who is eligible to claim on this guarantee?

You are eligible to claim on this guarantee if you meet *all* of the following criteria;

- 3.1. You are the person who created the account on Fat Llama which rented out the item in question.
  - 3.2. You uploaded the correct verification documents when requested.
  - 3.3. You haven't been convicted of, or charged with, any offence other than motoring offences in the past 5 years.
  - 3.4. You have never been subject to a county court judgement (CCJ), a debt relief order (DRO), an individual voluntary arrangement (IVA) or to bankruptcy proceedings.
  - 3.5. You have never had insurance cancelled, refused or declined or had any special terms imposed.
  - 3.6. You have not made more than 2 insurance claims in the past 5 years.
  - 3.7. You have not handed over the item(s) until the transaction has been approved by the Fat Llama Verification process.
  - 3.8. You must only hand over the item(s) to the person verified to borrow by Fat Llama. We cannot guarantee rentals that were handed to any third parties.
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### 4. How much will we pay?

- 4.1. We will pay for the cost of repair, replacement or the original value, whichever is less. The 'original value' is determined by the price you paid for it and must be evidenced by you (e.g. with a proof of purchase).
- 4.2. It is at the discretion of our Resolution Team to determine if something can be reasonably repaired or is deemed 'irreparable'. If they cannot easily determine this, then you will be asked to seek a 3<sup>rd</sup> party appraisal from a reputable repairer.

4.3. The Claims Team will determine when it is appropriate to initiate the Claims process, which varies by case. As the Borrower is liable for the items that they rent according to the Terms of Service, compensation must be sought from the Borrower by the Resolutions Team before the Claims Team will consider initiating the Claims process.

## 5. What are your obligations?

- 5.1. We will not make any payment under this guarantee unless you as the Lender:
  - 5.1.1. make a demand against their Borrower seeking compensation for any damage, loss or theft of your items during the rental period;
  - 5.1.2. in the case of theft, report the incident to the police as soon as reasonably possible, and obtain a crime reference number from them;
  - 5.1.3. included each item you're claiming for in your original listing which the borrower used to rent out the items;
  - 5.1.4. ensure the 'Estimated Value' is reasonably accurate. For the avoidance of doubt, 'reasonably accurate' is within 10% of the value you claim for. You can amend your estimated values here\_ <https://fatllama.com/my-items>;
  - 5.1.5. provide us with the appropriate documentation to support the claim, including but not limited to;
    - 5.1.5.1. an itemised breakdown of all items that have suffered damage, loss or theft;
    - 5.1.5.2. evidence of the value when you purchased the items;
    - 5.1.5.3. serial numbers on items (particularly electronics);
    - 5.1.5.4. photos or videos of the item(s) taken immediately (and no more than 24 hours) before the rental before to prove they were in your possession undamaged at that time;
    - 5.1.5.5. in the case of damage, photos or videos taken immediately (and no more than 24 hours) after the rental to prove the damage happened during the rental and not during your own subsequent use.
  - 5.1.6. do not post on social media, online, or make public information about your claim before the claim process has completed.
- 5.2. If the Contents are owned by a business or a professional, you (/they) must have valid underlying insurance in place covering the Contents and we will ask you to first try to claim on your existing insurance before you can proceed with a claim on this guarantee. If this proves unsuccessful, you will need to provide us with written evidence that the insurers declined the claim, in order to claim on this guarantee.
- 5.3. If your item is covered by a warranty from the supplier, you must attempt to use this to cover the repair or replacement before you can proceed with a claim on this guarantee. If this proves unsuccessful, you will need

to provide us with written evidence that the suppliers declined the claim, in order to claim on this guarantee.

- 5.4. You must inform us as soon as possible, and in any event within 24 hours of the end date of the rental of any incident which you may need to claim for under this guarantee.
  - 5.5. You must give us all assistance which we may reasonably require to pursue recovery of the items themselves, and thereafter of the amounts owed to us by the borrower.
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## 6. Fraud

- 6.1. If you or anyone entitled to cover in respect of any claim or loss, or anyone on behalf of you or such other person, tries to deceive us by deliberately giving us false information or making a fraudulent claim under this policy then:
    - 6.1.1. we shall be entitled to refuse to make any payment under the guarantee in respect of any claim made or any loss; not limited to the claim in question but inclusive of all future and ongoing claims;
    - 6.1.2. You must reimburse all payments already made by us relating to claims made or losses occurring after the date of any fraudulent act or claim or the provision of such false information;
    - 6.1.3. we shall be entitled to pursue you with legal action for the act;
    - 6.1.4. your use of the platform will be permanently suspended.
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## 7. Who do we work with?

- 7.1. This guarantee is underwritten by [Hiscox](#).