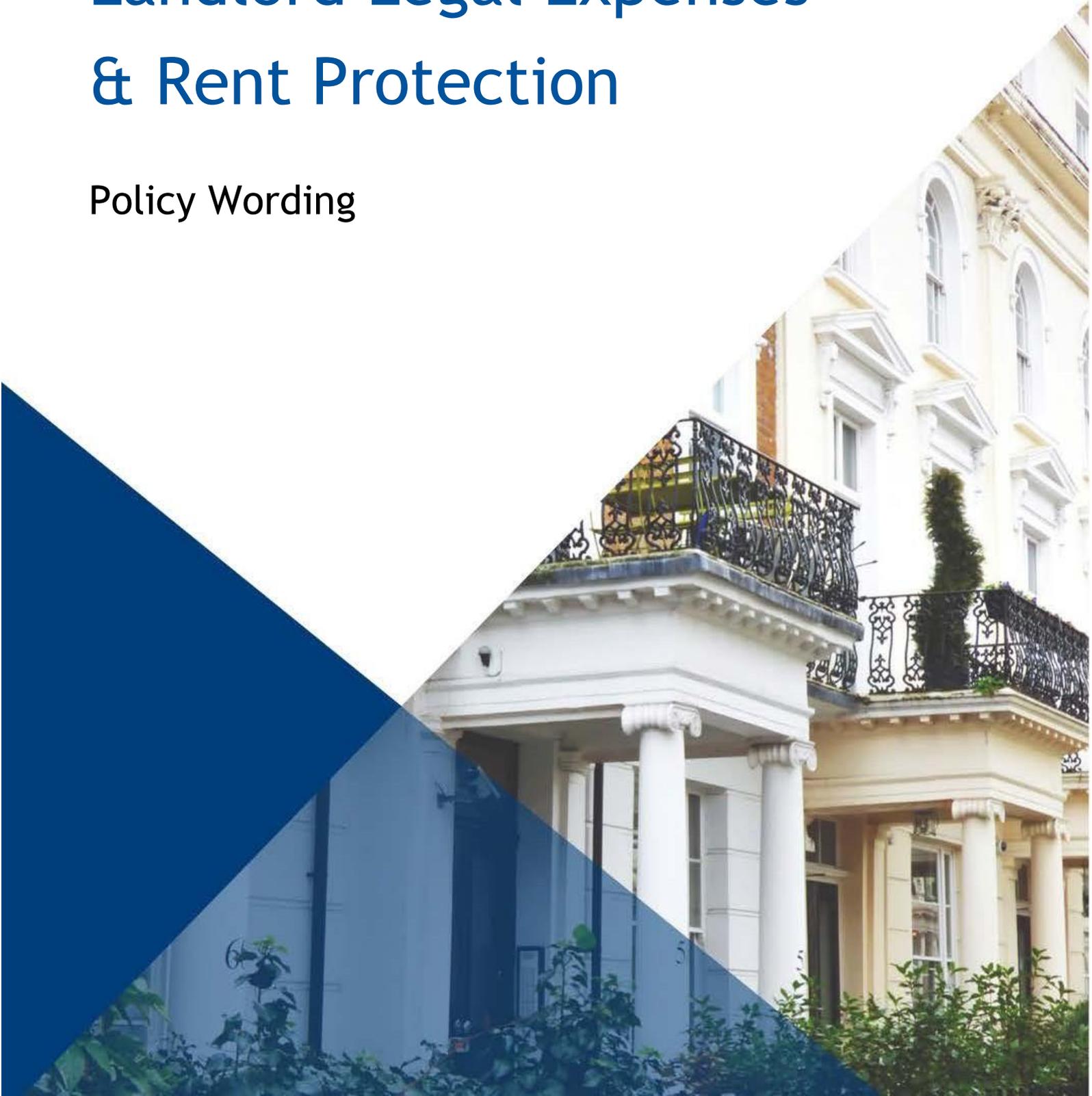




# Landlord Legal Expenses & Rent Protection

Policy Wording



# Welcome

## Assistance Helpline Services

**You** can contact one of our helplines to obtain legal advice and guidance. We will not accept responsibility if any of the helpline services fail for reasons beyond our control.

## Legal Advice Helpline - 01384 885728

This helpline operates 24/7, 365 days a year and can provide advice on legal matters. Please note, this helpline service is not empowered to give advice on the admissibility of a claim under this policy. If **you** wish to make a claim, the helpline can provide **you** with a form that should be submitted directly to Legal Insurance Management Ltd.

## Tax Advice Helpline - 01384 885744

This helpline operates between the hours of 09:00 - 17:00, Monday to Friday excluding Bank Holidays. Please note, this helpline is only in respect of Tax issues and cannot assist with any other insurance matter.

## Making a Claim

If you wish to make a claim, it's important to let us know as soon as possible and during the period of insurance. You can obtain and submit a claim form to us by using one of the contact methods below.

**Online:** Visit [landlord-claims.legalim.co.uk](http://landlord-claims.legalim.co.uk) to submit your claim online.

**Post:** Legal Insurance Management Ltd, 1 Hagley Court North, The Waterfront, Brierley Hill, West Midlands DY5 1XF.

**Call us:** 01384 377000

## Terms of Cover

This policy is written on a 'Claims Made' basis, which means it's important to let us know about any potential claims within 45 days and during this period of insurance. As a consequence, please note all cover therefore ceases upon expiry of this policy.

Please see the Policy Conditions section of this document, which sets out how **we** will assess your claim, your obligations to us under the policy and how **we** will handle your claim.

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# Important Policy Information

## Who does it cover?

This policy covers the individual, company, firm, partnership, management agent, association, or any other entity which owns or is responsible for the **property** shown on the **policy schedule**.

Please note no cover will be provided under section 2d Tax Protection when the policyholder is acting as a letting agent, management agent or limited company.

## Key Requirements

- All claims must be reported no later than 45 days after the **date of event**;
- Contact must be made with the tenant and any guarantor within seven days if any rent is overdue to establish the reason for the arrears;
- Where appropriate all statutory and contractual notices must have been served upon the tenant;
- The **property** must only be used for residential purposes;
- A satisfactory tenant reference must have been carried out on each tenant and/or guarantor before the start of the **tenancy agreement**;
- For long term tenants who have been in the **property** for over 12 months, and you are not undertaking a new tenant reference, there must have been no breaches of the tenancy agreement, no late rental payments in the last 12 months and you must not be aware of any future changes in financial circumstances;
- A **tenancy agreement** must be in place for the duration of this policy;
- The tenant must be aged 18 years or over.

## Your Responsibility

**You** must take reasonable care to:

- a) Supply accurate and complete answers to all the questions **your broker** may ask as part of **your** application for cover under the policy;
- b) Make sure that all information supplied as part of **your** application for cover is true and correct;
- c) Tell **your broker** of any changes to the answers **you** have given as soon as possible.

**You** must take reasonable care to provide information that is accurate and complete answers to the questions **your broker** asks when **you** take out, make changes to and renew **your** policy. If any information **you** provide is not accurate and complete, this may mean that **your** policy is invalid and that it does not operate in the event of a **claim** or **we** may not pay any **claim** in full.

If **you** become aware that information **you** have given **your broker** is inaccurate or has changed, **you** must inform them as soon as possible.

This policy must be read together with **your** current **policy schedule**, Insurance Product Information

Document and any endorsements or certificates. These items together form **your** contract of insurance.

## Legal Advice Helpline

Available 24 hours a day throughout the year to provide **you** with confidential telephone advice about any personal legal problem in the United Kingdom, Isle of Man or Channel Islands. A scheduled call back to **you** may be required during normal working hours subject to the complexity of the matter and/or the country in which **you** are resident.

To contact the helpline, phone: 01384 885728 quoting the reference 'Landlord Legal'.

## How to make a Claim

In the event of a **claim**, please contact **us** within 45 days from the **date of event**, giving **us** as much information as **you** can about what has happened to bring about the **claim**.

**Online:** Visit [landlord-claims.legalim.co.uk](http://landlord-claims.legalim.co.uk) to submit **your claim** online.

**Post:** Legal Insurance Management Ltd, 1 Hagley Court North, The Waterfront, Brierley Hill, West Midlands DY5 1XF.

**Call us:** 01384 377000

**Our claims** line is open 24 hours a day, 365 days a year to assist **you**.

In order for **us** to help **you** more efficiently, please quote 'Landlord Legal' in all communications. **We** will only be able to review **your claim** once **we** are in receipt of the full documentation and information.

In order to progress **your claim**, **we** will require documentation to prove **your** landlord requirements have been met and enable eviction of **your tenant**. This may include, but is not limited to:

- A copy of the **tenancy agreement**;
- A copy of the **tenant reference**(s);
- An up to date **rent** schedule;
- A copy of the **guarantor** referencing and agreements (where applicable);
- Copies of any notices and correspondence which has been exchanged between **you** and the **tenant** (and **guarantor** where applicable), for example, but not limited to, eviction notices, requests for payment of **rent**, etc;
- Confirmation that any **deposit** taken has been properly protected in accordance with the relevant legislation or **deposit** replacement scheme;
- Copies of bank statements showing rental payments received from the **tenant**;
- Copies of the Gas Safety Certificate and confirmation this was provided to the **tenant** at the start of the tenancy (where applicable);
- Copies of the Energy Performance Certificate and confirmation this was provided to the **tenant** at the start of the tenancy;

- Evidence that the How to **Rent** Guide has been issued to the **tenant** prior to the **tenancy agreement** (where applicable).

Additional documentation that may include but is not limited to a copy of the check-in and check-out inventories of contents and conditions of the **property**.

## Important

Please do not appoint **your own appointed representative** before **we** have accepted **your claim**. If **you** do so, **we** will not be liable for any costs incurred before **we** have agreed to them, even if **we** subsequently accept **your claim**.

## Our Regulator and Insurer

This insurance is administered by Legal Insurance Management Ltd and underwritten by Royal & Sun Alliance Insurance plc.

Legal Insurance Management Ltd is authorised by the Financial Conduct Authority. Firm Reference No. 552983.

Royal & Sun Alliance Insurance plc is authorised and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Firm Reference No. 202323.

## Privacy Statement

**Royal & Sun Alliance Insurance plc Privacy Policy**  
**Your** privacy is important to **us** and **we** are committed to keeping it protected. **We** have created this Customer Privacy Notice which will explain how **we** use the information **we** collect about **you** and how **you** can exercise **your** data protection rights. **You** can view **our** full privacy notice by visiting <https://www.rsagroup.com/support/legal-information/partner-privacy-policy/>

If **you**'re unable to access the link or have any questions or comments about **our** privacy notice, please write to: The Data Protection Officer, RSA, Bowling Mill, Dean Clough Industrial Park, Halifax HX3 5WA.

**You** can also email **us** at [crt.halifax@uk.rsagroup.com](mailto:crt.halifax@uk.rsagroup.com)

**Legal Insurance Management Ltd Privacy Notice**  
 Legal Insurance Management Ltd (LIM) needs to collect and store personal data about its clients, insurance **claims**, suppliers and other users of LIM's facilities to allow it to maintain its core operations and meet its customers' requirements effectively. The provision of this personal data is necessary for LIM to administer **your** insurance policy and meet **our** contractual requirements under the policy.

It is important to LIM that **you** are clear on what information **we** collect and why **we** collect it. **You** can withdraw **your** consent at any point by notifying LIM, however if **you** have an on-going **claim** this may affect continued cover under **your** policy. Should **your** data

need updating, this can also be done at any point by contacting LIM.

To view **our** full privacy notice, **you** can go to <https://www.legalim.co.uk/policyholder-privacy-notice> or request a copy by emailing **us** at [dataprotection@legalim.co.uk](mailto:dataprotection@legalim.co.uk). Alternatively, **you** can write to **us** at: Data Protection, Legal Insurance Management Ltd, 1 Hagley Court North, Brierley Hill, West Midlands DY5 1XF.

## How to make a Complaint

It is the intention to give **you** the best possible service but if **you** do have any questions or concerns about this insurance or the handling of a **claim you** should follow the Complaints Procedure below:

### Sale of the Policy

Please contact **your broker** who arranged the Insurance on **your** behalf.

### Claims

If **your** complaint is about the handling of a **claim**, please contact Legal Insurance Management Ltd.

**Write to us at:** Legal Insurance Management Ltd, 1 Hagley Court North, The Waterfront, Brierley Hill, West Midlands DY5 1XF.

**Email us at:** [claims@legalim.co.uk](mailto:claims@legalim.co.uk)

**Call us on:** 01384 377 000

Please ensure **your** policy number is quoted in all correspondence to assist a quick and efficient response. If it is not possible to reach an agreement, **you** have the right to make an appeal to the Financial Ombudsman Service. This also applies if **you** are insured in a business capacity and have an annual turnover of less than €2million and fewer than ten staff. **You** may contact the Financial Ombudsman Service at:

**Post:** The Financial Ombudsman Service, Exchange Tower, London E14 9SR.

**Tel:** 0300 123 9 123

**Email:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

The above complaints procedure is in addition to **your** statutory rights as a consumer. For further information about **your** statutory rights contact **your** local authority Trading Standards Service or Citizens Advice Bureau.

## Financial Services Compensation Scheme

Royal & Sun Alliance Insurance plc is a member of the Financial Services Compensation Scheme (FSCS). This provides compensation in case any member goes out of business or into liquidation and is unable to meet any valid **claims** against its policies. **You** may be entitled to compensation if **we** cannot meet **our** obligations, depending on the circumstances of the **claim**. Further information about the compensation scheme can be obtained from the FSCS.

# Definitions

The words and phrases listed below will have the same meanings wherever they appear in this policy. These words and phrases can be identified in bold throughout the policy.

## Any One Claim

All **claims** or **civil proceedings** consequent upon the same original cause, event or circumstance.

## Appointed Representative

The **panel solicitor** or **non-panel solicitor**, solicitor' firm, barrister, independent mediator or other suitably qualified person appointed or approved by **us** to act on **your** behalf.

## Benefit(s)

Any housing **benefits** claimed by the **tenant(s)**, such as housing **benefit** or universal credit.

## Broker

The company or third party who arranged this policy on **your** behalf.

## Claim(s)

A **claim** under this policy following a breach of the **tenancy agreement** by the **tenant** or any other event that leads to a **claim** covered under this policy.

## Civil Proceedings

Civil court, civil tribunal or civil arbitration proceedings, which are subject to the jurisdiction of the courts of the United Kingdom, the Isle of Man or the Channel Islands.

## Consequential Loss

Any costs that are directly or indirectly caused by the insured event which led to a **claim** unless specifically stated in this policy.

## Date of Event

The date of the first breach of the **tenancy agreement** by the **tenant** or any other event which leads to a **claim** covered under this policy. Where there is more than one such event, the date of the first of these.

## Deposit

The sum of money collected from the **tenant** and held by **you** or **your** agent in accordance with Section 213 of the Housing Act 2004 in respect of a **tenancy agreement** to which it applies to provide an indemnity for losses incurred by **you** arising from the **tenant** failing to perform their obligations set out in the **tenancy agreement**.

## Dilapidations

Any repairs required or damage to the **property**, over and above general wear and tear, for which the **tenant** is liable in accordance with the **tenancy agreement**.

## Excess

The first amount of each and every **claim** as detailed on the **policy schedule** or **insured event**.

## Fees

Any disbursement costs incurred by an **appointed representative** on **your** behalf in respect of services supplied by a third party. Disbursements may include, for example, barristers' **fees** (provided that the barrister is not acting under a conditional fee agreement or equivalent arrangement) or expert report **fees**.

## Guarantor

The individual or organisation shown in the **tenancy agreement** that has received a satisfactory **tenant reference** and has provided a financial guarantee of the **tenant's** performance of their obligations under the **tenancy agreement**.

As a minimum requirement, these checks must include:

- a) A credit check obtained from a licensed credit referencing company showing no County Court Judgements in the immediate preceding three years, no outstanding County Court Judgements and no undischarged bankruptcies;
- b) A written employer's reference confirming the gross monthly salary and that the **guarantor** is in current and permanent employment. **You** must ensure that the amount confirmed as their gross monthly income is equivalent to at least three times the gross monthly **rent** or
- c) Where the **guarantor** is self-employed, confirmation from their accountant of the **guarantor's** gross monthly income or sight of most recent 3 months bank statements or self-assessment tax return showing income received. **You** must ensure that the amount confirmed as their gross monthly income is equivalent to at least three times the gross monthly **rent**;
- d) If the **guarantor** is retired, evidence that their income from pension(s) after the deduction of normal living costs is at least two and a half times the monthly **rent** or that they have consistent savings in an account for at least six months of at least three times the monthly **rent**;
- e) Copies of two acceptable original forms of identification, one of which must be photographic identification.

## HMRC Investigation(s)

The investigation into **your** tax affairs by HM Revenue & Customs (HMRC) following a request by an officer of HM Revenue & Customs (HMRC) to examine **your** tax affairs relating to the letting of the **property** and issues a formal notice under S9A or 12AC of the Taxes Management Act 1970 or under Paragraph 24 (1) Schedule 18 Finance Act 1988.

## Insurer

This insurance is administered by Legal Insurance Management Ltd and underwritten by Royal & Sun Alliance Insurance plc.

## Inventory

A detailed record of the **property's** fixtures, fittings and contents and their respective condition.

## Legal Costs

- a) Any professional legal **fees, mediation fees** and expenses that **you** are bound to pay reasonably incurred by the **appointed representative**;
- b) Any costs incurred by other parties that **you** become liable for in court, tribunal proceedings or under a settlement made with another party with the consent of the **insurer** but excluding any costs which **you** may be ordered to pay by a court of criminal jurisdiction or in adjudication proceedings other than the cost of the adjudicator.

## Limit(s) of Indemnity

The maximum amount payable under this policy, as specified below:

**Section 1a - Rent Protection** - The monthly rent shown in the **tenancy agreement** up to a maximum amount value of £2,500 per month for a maximum of 6 months, following the deduction of the **excess**.

**Section 1b - Eviction - Legal costs and fees** up to £100,000 per **claim**.

## Section 2 - Property Owners Legal Expenses

- **Any one claim:** £100,000
- The total of all **claims** within the **period of insurance:** £100,000

**Section 3 - Attendance Expenses** - maximum of £100 per day and a maximum of £1,000 for **any one claim**.

## Mediation Service

The independent mediation service provided by and paid for by **us**.

## Non-Panel Solicitor

An **appointed representative** appointed by **you** and approved by **us** to represent **you** in pursuing a **claim** which is not a **panel solicitor**.

If **you** decide to appoint a representative of **your** own choosing, they will be referred to within this policy as a **non-panel solicitor**. Please refer general condition 4. **Appointed representative** of this policy.

## Panel Solicitor

A solicitor recommended by **us** to **you** in the event of a **claim**, to act on **your** behalf and provide assistance.

## Part 36 Offer

Any offer made to settle a **claim**, where blame is accepted or not, made by either party throughout the **claim**. To be accepted, the offer must:

- Be in writing;
- Call itself a Part 36 Offer;
- Be open for at least 21 days, when the offeror will pay the opponent's costs, if accepted;
- Specify if the offer covers the whole **claim**, part of it, or an issue that arises in it and, if so, which;
- Advise whether any counterclaim is factored in.

## Period of Insurance

The period for which the **insurer** has agreed to provide this insurance, unless otherwise agreed by **us** this will be 12 calendar months from the inception date of this policy.

## Policy Schedule

The schedule provided in connection with this policy which outlines the cover provided including reference to the **property**.

## Property

Buildings owned by **you** or that **you** are responsible for, and land immediately surrounding them which are used solely for domestic residential purposes within the **territorial limits**, detailed in the **tenancy agreement** and which are declared on the **policy schedule**.

## Proportionate

The reasonable estimate of **your appointed representative's legal costs** acting for **you** must not be more than the amount in dispute of the likely award of damages.

## Reasonable Prospects

A 51% or greater chance that **you** will recover losses or damages (or obtain any other legal remedy that **we** have agreed to, including an enforcement of judgement), make successful defence or make a successful appeal or defence of any appeal in **your** pursuit of **civil proceedings**.

## Rent

The amount payable by the **tenant** to **you** as set out in the **tenancy agreement**.

## Tenancy Agreement

An agreement to use the **property** which amounts to a **property** right between **you** and the **tenant** in relation to the **property** which is:

- a) An Assured Shorthold **Tenancy agreement** as defined within the Housing Act 1998 (as amended); or
- b) A Company Residential tenancy (company let) created after 28th February 1997 where the **tenant** is a Private Limited Company (Ltd) or Public Limited Company (Plc) and the **property** is let purely for residential purposes to an employee of the **tenant**; or
- c) A written common law residential **tenancy agreement** created after 28th February 1997 between individuals where the **rent** is in excess of £100,000 per annum;
- d) For tenancies in Scotland, a Short Assured Tenancy or Assured Tenancy as defined in the Housing (Scotland) Act 1988 or a Private Residential **tenancy agreement** created after the 1st December 2017 as defined within the Private Housing (Tenancies) (Scotland) Act 2016.

## Tenant(s)

The individuals who has entered into a **tenancy agreement** with **you**, who are subject of the **tenant reference** and who occupy the **property**.

## Tenant Reference

Checks carried out on the **tenant** before the commencement of the **tenancy agreement** or this policy. As a minimum requirement, a **tenant reference** check must include:

- a) A credit check obtained from a licensed credit referencing company showing no County Court Judgements in the immediate preceding three years, no outstanding County Court Judgements and no undischarged bankruptcies;
- b) A written employer's reference confirming gross monthly salary and that the **tenant(s)** are in current and permanent employment. **You** must ensure that the amount confirmed as their gross monthly income is equivalent to at least two and a half times the gross monthly **rent**; or
- c) Where the **tenant** is self-employed, confirmation from their accountant of the **tenant's** gross monthly income, or sight of most recent 3 months bank statements or self-assessment tax return showing gross income received. **You** must ensure that the amount confirmed as their gross monthly income is equivalent to at least two and a half times the gross monthly **rent**;
- d) Copies of two acceptable original forms of identification, one of which must be photographic identification;
- e) For tenancies in Scotland, a Short Assured Tenancy or Assured Tenancy as defined in the Housing (Scotland) Act 1988 or a Private Residential **tenancy agreement** created after the 1st December 2017 as defined within the Private Housing (Tenancies) (Scotland) Act 2016.

Where the **tenant** is a company, a company reference must be carried out showing no County Court Judgements and the agreed **rent** must not be greater than 85% of the company's credit limit.

## Cover

### Section 1a - Rent Protection and Dilapidations

#### What is Covered?

The **insurer** will cover **rent** arrears due from the **tenant** under the **tenancy agreement** which **you** have notified to **us** within 45 days of the **date of event** and where **you** are pursuing a **claim** under Section 1b (or where a **claim** cannot be made under section 1b due to the **tenant** leaving of their own accord up until the date that the **tenant** has vacated the **property**) of this policy, subject to the following conditions:

#### Rent Protection

- a) After the initial payment any further **rent** protection payments will be made one month in arrears from the day the payment is due in accordance with the **tenancy agreement**, once confirmation is received that the **tenant(s)** has not vacated the **property** and no **rent** payment has been received;
- b) Where vacant possession is secured between unpaid **rent** payments due in accordance with

Where the **tenant** has failed to meet the requirements of the **tenant reference** a **guarantor** must be sought who must meet the above requirements.

In the event the **tenancy agreement** has been in place for greater than 12 months at the inception date of this policy such checks will not be required provided there have been no breaches of the **tenancy agreement** and no late payments in the last 12 months and **you** are not aware of any changes in the **tenant's** financial circumstances. **We** will require the **rent** schedule for the last 12 months showing confirmation that payments for **rent** have been received in accordance with the **tenancy agreement**.

In the event that the **tenant** has been late in making any **rent** payments in accordance with the **tenancy agreement**, breached their **tenancy agreement**, has failed to make any payment of **rent** within the preceding 12 months, or **you** are aware of changes in the **tenants** financial circumstances before the inception date of this policy **you** must undertake a new **tenant reference** check on the **tenant(s)** prior to the inception of this policy.

#### Territorial Limits

The United Kingdom, Channel Islands and the Isle of Man.

#### You/Your

The individual, company, firm, partnership, management agent, association, or any other entity which owns or is responsible for the **property** shown on the **policy schedule**, which may include at **your** request, any of **your** employees including a director or partner.

#### We/Our/Us

Legal Insurance Management Ltd and Royal & Sun Alliance Insurance plc.

- c) If the **tenant** opts to **claim benefits** after a **claim** is initiated, **rent** will not be paid until the outcome of the **benefits claim** is known. If the **tenant's** **benefit claim** is rejected, **rent** will be paid under the policy backdated to the date that a payment was first due under the policy;
- d) A satisfactory **tenant reference** must have been obtained in respect of all **tenants** and or **guarantor(s)**.

#### Dilapidations

- a) **You** or **your** representative must inspect the **property** before the commencement of the **tenancy agreement** and provide an **inventory** to the **tenant**. The **inventory** must be signed by the **tenant** before the commencement of the **tenancy agreement**.
- b) **You** or **your** representative must inspect the **property** after vacant possession has been obtained and provide a check in and check-out report in the event of any **claim** for **dilapidations**.

### What is Excluded?

- a) The **insurer** will not pay **claims** under this section until the **excess** has been deducted and **rent** has been in arrears for the equivalent of one complete month.
- b) Where **you** issue and serve the appropriate statutory and contractual notices incorrectly on the **tenant** within 14 days from the date **you** can legally service the relevant notice, **we** will not pay any **rent** payments due under the policy. See general condition 2. **Property Legal Disputes & Rent Protection claims** for guidance in relation to this.
- c) **Rent** protection cover ceases once vacant possession has been gained.
- d) The amount equivalent to any **deposit** held will be deducted from the last **rent** protection payment unless the **deposit** is subsequently required to meet the cost of any **dilapidations**.
- e) In the event that **you** have received any overpayments of **rent** **we** reserve the right to recover these costs from **you**.
- f) **Claims** occurring outside the **territorial limits**.
- g) **Claims** not reported within 45 days of the **date of event**.

### Section 1b - Eviction

#### What is Covered?

The **insurer** will provide cover in respect of **legal costs** and **fees** incurred to evict a **tenant** from the **property** for any breach of **tenancy agreement** by the **tenant** within the **territorial limits** subject to:

- a) Contact being made with the **tenant** and any **guarantor** within seven days if any **rent** is overdue to establish the reason for the arrears;
- b) If the **tenant** or **guarantor** cannot be contacted, and it is lawful to do so, **you** must then serve notice of a requirement to undertake an inspection in accordance with **your** obligations within the **tenancy agreement** and visit the **property**. If **you** are unsure that such an inspection is lawful, **you** should seek legal advice;
- c) A satisfactory **tenant reference** must have been provided to the landlord in respect of all **tenants** and or **guarantor(s)**.
- d) Where required by **us** or the law, **you** must attempt in good faith to settle the **claim** using the **mediation service**.

**We** will assist **you** by issuing the appropriate statutory and contractual notices on the **tenant(s)** on **your** behalf. If **you** choose to issue these notices yourself, without assistance from **us**, **we** will not cover any additional loss of **rent** or any associated costs as a result of **your** failure in issuing the notices correctly.

#### What is Excluded?

- a) The **insurer** will not pay any **claims** where the appropriate statutory and contractual notices have not been correctly served on the **tenant** by **you**.
- b) **Claims** not reported within 45 days of the **date of event**.
- c) **Claims** occurring outside the **territorial limits**.

### Section 2a - Property Legal Disputes

#### What is Covered?

The **insurer** will indemnify **you** against **legal costs** and **fees** incurred in any dispute or **civil proceedings** occurring within the **territorial limits** made by or brought against **you**:

- a) In respect of the physical possession of the **property** provided that where appropriate all statutory and contractual notices have been correctly served on the **tenant**. Please refer to general condition 2 - **property legal disputes & rent protection claims** for details of which notices may be applicable.
- b) In respect of the terms of the **tenancy agreement** relating to the use or maintenance of the **property**.
- c) In respect of actual or alleged negligence or nuisance originating from the **property**.
- d) In respect of non-payment of service charges due from a **tenant** provided the amount in dispute being more than £1,000 and any **legal costs** and **fees** being limited to 75% of the amount in dispute.
- e) In respect of actual or alleged **dilapidations** to the **property** subject to the amount in dispute being more than £1,000 and any **legal costs** and **fees** being limited to 75% of the amount in dispute.
- f) Under the Commonhold and Leasehold Reform Act 2002 or as amended; provided that **you** will suffer financial loss if **you** fail to pursue or defend the **claim** or **civil proceedings**.

#### What is Excluded?

The **insurer** will not pay **claims** arising from or associated with:

- a) The pursuit or defence of **claims** relating to the payment or non-payment of any tax and/or mesne profits or any review of **rent** or service charge.
- b) Any dispute relating to **rent**, tax planning or building regulations or decisions or compulsory purchase orders or any actual, planned or proposed works by or under the order of any government or public or local authority.
- c) Any dispute arising from the negotiation, review or renewal of a **tenancy agreement** or the subsequent purchase of the **property** whether or not such purchase is completed.
- d) Any actual or alleged harassment of **you** or a **tenant**.
- e) A dispute over subsidence, heave or landslip howsoever caused.
- f) A contract dispute other than where the contract is a **tenancy agreement**.
- g) Any planning application, review or decision.
- h) **Claims** occurring outside the **territorial limits**.
- i) **Claims** not reported within 45 days of the **date of event**.

### Section 2b - Repair & Renovation Disputes

#### What is Covered?

The **insurer** will indemnify **you** against **legal costs** and **fees** incurred in the pursuit or defence of any dispute or **civil proceedings** made by or brought against **you** in a contractual dispute with a third party over the repair or renovation of the **property**. Subject to the following conditions:

- a) The **legal costs** and **fees** incurred in any **claim** or **civil proceedings** shall be limited to 75% of the sum in dispute;

- b) The amount in dispute exceeds £1,000 and the contract value is less than £100,000; and
- c) The work has commenced within the **period of insurance**.

#### What is Excluded?

The **insurer** will not pay **claims** arising from or associated with:

- a) Contracts in relation to credit, insurance, securities or guarantees.
- b) Contracts where **your** liability or right of recovery is incurred through **your** agent or by assignment.
- c) Contracts governed by or alleged to be governed by the Consumer Credit Act 1974.
- d) Contracts of employment.
- e) A **tenancy agreement** or contracts for use of the **property**.
- f) **Claims** not reported within 45 days of the **date of event**.
- g) **Claims** occurring outside the **territorial limits**.

### Section 2c - Health & Safety Prosecutions

#### What is Covered?

The **insurer** will indemnify **you** against **legal costs** and **fees** for, **your** obligations as a landlord, incurred within the **territorial limits** in:

- a) Defending a prosecution against **you** relating to the **property**, brought under the Health and Safety at Work Act 1974 in a court of criminal jurisdiction.
- b) An appeal by **you** against the service of an Improvement or Prohibition Notice under the Health and Safety at Work Act 1974 provided that the breach or alleged breach of the Health and Safety at Work Act or the Improvement or Prohibition Notice relates to the **property**.

#### What is Excluded?

The **insurer** will not pay **claims** arising from or associated with:

- a) Any prosecution relating to or arising from investigations by HMRC.
- b) Any prosecution for offences against the person or offences of a sexual nature.
- c) Any prosecution for criminal damage.
- d) Any prosecution alleging dishonesty.
- e) Any **fees** or costs imposed by the Health and Safety Executive or any of its agents, for ongoing monitoring or assessment of **you** or the **property**.
- f) **Claims** not reported within 45 days of the **date of event**.
- g) **Claims** occurring outside the **territorial limits**.

### Section 2d - Tax Protection

#### What is Covered?

The **insurer** will indemnify **you** against professional expenses incurred because of a HM Revenue & Customs Investigation provided that:

- a) **You** must maintain proper, complete truthful and up to date records, including making all returns at the time due without having to pay any penalty; and

- b) **You** must provide all information reasonably required by HM Revenue and Customs within the statutory time limits

#### What is Excluded?

The **insurer** will not pay **claims** arising from or associated with:

- a) Any **claims** where **you** are acting as a letting agent, management agent or a limited company.
- b) Any alleged tax avoidance scheme undertaken by **you**.
- c) **Claims** occurring when the Special Compliance Office is investigating **your** tax affairs.
- d) The normal reconciliation of annual accounts and VAT returns.
- e) **Claims** where deliberate misstatements or omissions have been made to the authorities.
- f) Any issue of law, practice or procedure not directly connected with a **claim** under this section.
- g) Any criminal prosecution.
- h) **Claims** where **your** tax affairs are being investigated solely because of an earlier investigation.
- i) Any **HMRC investigation(s)** arising within the first 45 days of the first **period of insurance** unless it can be evidenced that **you** previously held comparable legal expenses cover with another **insurer** immediately prior to the inception date of this policy.
- j) Taxes, fines, interest or any other duties or penalties imposed upon **you** by any HMRC authority or court or tribunal.
- k) **Claims** not reported within 45 days of the **date of event**.
- l) **Claims** occurring outside the **territorial limits**.

### Section 3 - Attendance Expenses

#### What is Covered?

The **insurer** will pay net salary or wages, less any amount payable by the court for **you** or any of **your** directors, partners or employees or of **your** letting managing agent, for the time off work to attend any court or tribunal hearing within the **territorial limits** as a:

1. Witness for **you** at the request of the **appointed representative**; or
2. Defendant in **civil proceedings** for which the **insurer** has accepted the **claim**.

**We** will calculate the amount payable based on the duration of any valid absence from work, based on an eight hour day and calculated to the nearest half day. One day's pay will be calculated as 1/250th of the employee's total annual pay. Where an employee works part-time, the amount payable will be reduced on a pro-rata basis.

#### What is Excluded?

- a) Any amount exceeding £100 per person per day subject to a maximum of £1,000 for **any one claim**.
- b) **Claims** not reported within 45 days of the **date of event**.
- c) **Claims** occurring outside the **territorial limits**.
- d) Where the costs can be recovered from the relevant court or **your** employer.

# General Conditions

The following conditions apply to all sections of this policy. **You** must comply with them where applicable for **your** insurance to remain in full force and effect.

## 1. Tenancy Agreement

- a) The initial **tenancy agreement** must be for a fixed period of at least 6 months, except in Scotland where the scope of the **tenancy agreement** falls under the Private Housing (Tenancies) (Scotland) Act 2016;
- b) The **property** must be entirely residential and remain solely for residential use;
- c) The **tenant** must be aged 18 years or over;
- d) **You** must not allow the **tenant** into possession of the **property** until;
  - i. The **tenancy agreement** has been signed by all parties; and
  - ii. A satisfactory **tenant reference** has been obtained before the start of the **tenancy agreement**; and
  - iii. All necessary statutory pre-grant notices to the **tenant** have been issued; and
  - iv. The first month's **rent** has been received in cash or cleared funds; and
  - v. A satisfactory **guarantor** reference and signed agreement have been obtained (where applicable).
- e) During the **tenancy agreement** you must:
  - i. Keep full and up to date rental records; and
  - ii. Not allow the **tenancy agreement** to be transferred to any other individual or organisation.

## 2. Property Legal Disputes & Rent Protection Claims

**We** will assist **you** by issuing the appropriate statutory and contractual notices on the **tenant**, on **your** behalf. If **you** choose to issue these notices yourself, without assistance from **us** **we** will not cover any additional loss of **rent** or any associated costs as a result of **your** failure in issuing the notices correctly.

Where **you** chose to issue and serve the appropriate statutory and contractual notices these must be completed within 14 days from the date **you** can legally serve the relevant notice on the **tenant** that may apply in the country that the **property** is located in.

In England and Wales the following notices may be applicable:

- Section 8 Housing Act 1988 - Possession Notice
- Section 21 Housing Act 1988 - Notice to Quit

If **you** need assistance with this process please call the **claims** helpline on 01384 885728.

## 3. Claims

- a) **You** must give notice to **us** within 45 days of the **date of event**;

- b) In the event of malicious damage by the **tenant**, **you** must give notice to the police as soon as possible after **you** have become aware of it and obtain a valid crime reference;
- c) **You** will take all necessary precautions to reduce the risk of a **claim** and to prevent or minimise **legal costs** and **fees** wherever possible. **Your** duty to take precautions includes (but is not limited to) ensuring that no action that could bring about a dispute is taken by **you** or any other person associated with **you**;
- d) In order for any **claim** to be accepted under cover section 2 **Property Owners Legal Expenses** of this policy, **we** must deem that there are **reasonable prospects** of success and that the **claim** is **proportionate**. Authorisation will need to be requested in writing in respect of all **legal costs** and **fees** to **us** before they are incurred;
- e) All **legal costs** and **fees** are subject to an independent assessment to ensure that they have been incurred reasonably;
- f) All **legal costs**, and **fees** and any other costs may only be incurred with **our** prior consent.
- g) **You** must take all steps necessary to assist in the recovery of any **claims** payment, **legal costs** and **fees** from a third party where appropriate and where **you** are able to do so;
- h) **You** will not enter or offer to enter any negotiation to settle the **claim** without **our** prior written approval to do so;
- i) **You** will not unreasonably withhold consent for **your** **appointed representative** to make an offer to settle the legal action;
- j) If an offer of settlement (which may include a **Part 36 Offer**) is made that **we** or the **appointed representative** would deem fair and **you** do not accept it, the **insurer** will not be liable for any further costs incurred;
- k) **You** will not withdraw from any legal action without **our** permission to do so;
- l) In some circumstances, where **we** decide it is appropriate, **we** may elect to pay **you** the sum of damages that **you** are seeking and then end or not begin **civil proceedings**, and the **insurer** will not be liable for any further costs incurred;
- m) **You** must cooperate with **us**, providing all necessary information and assistance to **us** as required;
- n) **We** reserve the right to:
  - i. Take over any **claim** or **civil proceedings** at any time and conduct them in **your** name;
  - ii. Negotiate or settle any **claim** or **civil proceedings** on **your** behalf;
  - iii. Contact **you** directly at any point concerning **your claim**;
- o) In respect of Cover Section 1 **Rent Protection & Eviction** and Section 2 **Property Owners Legal Expenses** **we** will only pay **claims** where **you** will suffer financial loss if **you** fail to pursue or defend the **claim** or **civil proceedings**.

- p) **We** may appoint an **appointed representative** to conduct an independent mediation to reach settlement of the legal action. **The appointed representative's** costs for the mediation will be paid for by **us**.

#### 4. Appointed Representative

- a) When **you** advise **us** of a **claim**, **we** will recommend an **appointed representative** from **our** panel of representatives to assist **you** and act on **your** behalf. If for any reason **you** are unhappy with **our** choice of representative, **we** will recommend another;
- b) **You** may appoint **your** own choice of representative, however if **you** choose to do so, this policy will not cover expenses over and above the costs that **our** panel would charge **us** in equivalent circumstances. For **your** information, this means that **we** would consider the seriousness of the **claim** and the location and class of representative that **you** choose. The hourly rate is currently limited to a maximum of £125 + VAT. **We** reserve the right to assess each case on its merits and may agree to pay additional **fees** if **we** feel the situation warrants it. This will remain entirely at **our** discretion;
- c) The **appointed representative** will have direct contact with **us** and must cooperate fully with **us** always. **You** must cooperate with **your** representative, providing all necessary information and assistance to them as required;
- d) If for any reason **we** feel that **your** own choice of representative lacks the skills to act adequately on **your** behalf, **we** reserve the right to decline to fund legal expenses on that basis. **We** will give **you** notice of this in writing and the opportunity to appoint an alternative representative;
- e) Any **non-panel solicitor** that **you** appoint must sign **our** standard terms of agreement and adhere to all of its terms. **You** agree to **us** having access to **your appointed representative's** file relating to **your claim**. **You** will be considered to have provided express consent to **us** or **our** appointed agent to access the file for auditing, quality and cost control purposes.

#### 5. Cancellation

If **you** decide that for any reason, this policy does not meet **your** insurance needs then please return it to **your broker** within 14 days from the day of purchase or the day on which **you** receive **your** policy documentation, whichever is the later. On the condition that no **claims** have been made or are pending, **we** will then refund **your** premium in full.

**You** may cancel the insurance cover after 14 days by informing **your broker**, however no refund of premium will be payable. The **insurer** shall not be bound to accept renewal of any insurance and may at any time cancel any insurance document by giving 45 days' notice in writing where there is a valid reason for doing so. A cancellation

letter will be sent to **you** at **your** last known address. Valid reasons may include but are not limited to:

- Where the **insurer** reasonably suspects fraud.
- Non-payment of premium.
- Threatening and abusive behaviour.
- Non-compliance with policy terms and conditions.
- You** have not taken reasonable care to provide accurate and complete answers to the questions **we** or **your broker** ask.

If the **insurer** cancels the policy and/or any additional covers **you** will receive a refund of any premiums **you** have paid for the cancelled cover, less a **proportionate** deduction for the time the **insurer** has provided cover.

Where the **insurer's** investigations provide evidence of fraud or misrepresentation, the **insurer** may cancel the policy immediately and backdate the cancellation to the date of the fraud or the date when **you** provided **us** with incomplete or inaccurate information. This may result in **your** policy being cancelled from the date **you** originally took it out and the **insurer** will be entitled to keep the premium. If **your** policy is cancelled because of fraud or misrepresentation, this may affect **your** eligibility for insurance with the **insurer**, as well as other insurers, in the future.

#### 6. Counsel's Opinion

Where reasonable and necessary, the **insurer** may obtain at **our** own cost, advice on prospects for **your claim** from an independent barrister. This will be in the event that there is a dispute on the prospects of success for **your claim**, between **your** choice of **appointed representative** and **our panel solicitors**.

#### 7. Arbitration Clause

A dispute between **you** and **us** may arise, which may be referred to an arbitrator, who shall be either a solicitor or a barrister who **you** and **we** agree on in writing. If an arbitrator cannot be agreed then an arbitrator will be appointed by the authorised body identified in the current arbitration legislation. The decision of the arbitration shall be final and binding on both parties and he or she will decide who should pay the costs of the arbitration. If costs are awarded against **you**, they are not covered under this policy. This arbitration condition does not affect **your** rights to take separate legal action. If a disputed **claim** is not referred to arbitration within 12 months of **your claim** being turned down, **we** will treat the **claim** as abandoned.

#### 8. Fraudulent Claims

**You** must not act in a fraudulent way. If **you** or anyone acting for **you** deliberately:

- Fails to reveal or hides a fact likely to influence whether **we** accept **your** proposal, **your** renewal, or any adjustment to **your** policy;
- Fails to reveal or hides a fact likely to influence the cover **we** provide;
- Makes a statement to **us** or anyone acting on **our** behalf, knowing the statement to be false;
- Sends **us** or anyone acting on **our** behalf a document, knowing the document to be forged or false;

- Makes a **claim** under the policy, knowing the **claim** to be false or fraudulent in any way;
- Makes a **claim** for any loss or damage **you** caused deliberately or with **your** knowledge; or
  - If **your claim** is in any way dishonest or exaggerated.

**We** will not pay any **benefit** under this policy or return any premium to **you** and **we** may cancel **your** policy immediately and backdate the cancellation to the date of the fraudulent **claim**. **We** may also take legal action against **you** and inform the appropriate authorities.

## 9. Statutory Regulations

In all matters relating to the performance of this insurance contract, it is the responsibility of both **you** and **us** that **we** both respectively comply with all Acts of Parliament and with all orders, regulations and bylaws made with statutory authority by Government Departments or by local or other authorities. The cost of meeting the requirements of this clause will be payable by **you** and **us** in **our** own rights respectively.

# General Exclusions

The **insurer** will not pay **claims** arising out of or in connection with:

1. Any dispute:
  - a) arising during the first 90 days of the first **period of insurance**, if the **tenancy agreement** commenced before the inception date of this policy; or
  - b) arising during the first 90 days of the first **period of insurance**, unless it can be evidenced that **you** previously held comparable legal expenses cover with another **insurer** immediately prior to inception of this policy;
2. Any **claim** not notified to **us** within 45 days of the **date of event**;
3. Any **claim** for amounts in excess of the limit(s) of indemnity;
4. Any **claim** where the **date of event** is outside the **period of insurance** and which has or which **you** knew or ought reasonably to have known may give rise to a dispute by or against **you**;
5. Any **claim** where the **deposit** is not properly protected in accordance with the relevant legislation or **deposit** replacement scheme;
6. Any **claim** made, brought or commenced outside the **territorial limits**;
7. Any **claim** under this policy where **you** have not obtained a satisfactory **tenant reference** in respect of each **tenant** or **guarantor** (if applicable);
8. Any increased **claims** costs as a result of legal notices being served by **you** within the required timescales or served incorrectly as detailed in general condition 2 **Property** Legal Disputes & **Rent** Protection **claims**;
9. **Legal costs** and **fees** incurred whilst **you** are bankrupt, in administration or in receivership, or if **you** have entered into a voluntary agreement with creditors;
10. The pursuit or defence of the payment or non-payment of any tax;
11. **Claims** relating to subsidence, ground heave, landslip, mining or quarrying;
12. Any planning application review or decision;
13. The defence in **civil proceedings** against **you** arising from:
  - a) Injury or disease;
  - b) Loss, destruction or damage of or to **property** (other than as specified in 'Sections of Cover'); or
  - c) Any tortious liability (other than as specified in 'Sections of Cover');
14. Fines or other penalties imposed by a court or tribunal;
15. If at the time any **claims** are made by **you** under this policy there is any other insurance covering the same liability, the **insurer** will not be liable to pay or contribute more than their proportion of the **claim**;
16. Any **claim** arising out of the deliberate, conscious, intentional or negligent disregard by **you** of the need to take all reasonable steps to avoid and prevent **claims**, **civil proceedings** or disputes;
17. Any dispute with Government or Local Authority departments concerning the imposition of statutory charges;
18. Disputes between **you** and any parent or subsidiary company or partner;
19. Any dispute between **you** and the **insurer**, the **appointed representative**, **us** or **your broker**;
20. Any **claim** arising out of breach or alleged breach of confidentiality or passing of whether related to intellectual **property** or not or the use or alleged use of any intellectual **property**;
21. Any **claim** relating to alleged violence or dishonesty on **your** part;

## 10. Severability Clause

If any term of this contract of insurance is to any extent invalid, illegal or incapable of being enforced, such term will be excluded to the extent of such invalidity, illegality or unenforceability, all other terms will remain in full force and effect.

## 11. Proportionality

Where an award of damages is the only legal remedy to a dispute and the cost of pursuing **civil proceedings** is likely to exceed the value of any such award of damages, the most the **insurer** will pay in respect of **legal costs** and **fees** is the value of the likely award of damages.

## 12. Acts of Parliament

All references to Acts of Parliament in this policy shall include the equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and shall include any subsequent amendments, re-enactments or regulations.

22. Any **legal costs** and **fees** incurred in any appeal proceedings, unless:
  - a) **we** agreed to cover the original **claim**;
  - b) **we** deem that the matter has **reasonable prospects**; and
  - c) **we** are notified of the decision to appeal at least 7 days before the deadline to appeal.
23. Judicial review;
24. Any **claim**, **consequential loss**, legal liability or any loss or damage to **property** directly or indirectly caused by or contributed to by seepage, pollution or contamination of any kind;
25. Any **legal costs** and **fees** which **you** should or would have had to incur irrespective of any dispute;
26. Any **claim** that could've been accepted or rejected under a previous or new legal expenses policy for the reason of this policy being written on a different **claims** notification basis.
27. Any **claim** arising from or relating to a class action.
28. Any direct or indirect liability, loss or damage caused:
  - a) to equipment because it fails correctly to recognise data representing a date in a way that it does not work properly or at all; or
  - b) by computer viruses.
 This does not apply to legal proceedings connected with claiming compensation following **your** death or bodily injury.
29. Any **claim** or expense of any kind caused directly or indirectly by:
  - a) ionising radiation or radioactive contamination from any nuclear fuel or waste which results from the burning of nuclear fuel; or
  - b) the radioactive, toxic, explosive or other dangerous properties of nuclear machinery or any part of it.
30. Any loss or damage caused by any sort of war, invasion or revolution.
31. Any loss or damage caused by pressure waves caused by aircraft or other flying objects moving at or above the speed of sound.
32. Any loss, damage, liability, cost or expense of any kind directly or indirectly caused by, resulting from or in connection with any act of terrorism.

## Additional Information

### Other Formats

If **you** require this document in any other format please do not hesitate to contact **us**.

### Telephone Calls

Please note that for **our** mutual protection telephone calls may be monitored or recorded.

### Fraud Prevention, Detection and Claims History

In order to prevent and detect fraud **we** may at any time:

- Share information about **you** with other organisations and public bodies including the police;
- Check and/or file **your** details with fraud prevention agencies and databases, and if **you** give **us** false or inaccurate information and **we** suspect fraud, **we** will record this.

**We** and other organisations may also search these agencies and databases to:

- Help make decisions about the provision and administration of insurance, credit and related services for **you** and members of **your** household;
- Trace debtors or beneficiaries, recover debt, prevent fraud and to manage **your** accounts or insurance policies;
- Check **your** identity to prevent money laundering, unless **you** provide **us** with other satisfactory proof of identity;
- Undertake credit searches and additional fraud searches.

### Renewal Procedure

The term of **your** Landlord policy is for one year. The **period of insurance** will end exactly one year after inception unless **you** renew **your** policy. If **you** wish to renew this insurance policy, please contact **your broker** who will be able to discuss **your** requirements.

### Contracts (Rights of Third Parties) Act 1999

The terms of this policy are only enforceable by the named insured. A person who is not a named insured has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy but this does not affect any right or remedy of a third party, which exists or is available apart from that Act.

### Your Agreement with Others

This contract of insurance is personal to **you** the policyholder, and the **insurer**.

**We** will not be bound by any agreement between **you** and **your appointed representative**, or **you** and any other person or organisation.

**You** may not assign any of the rights under this policy without the **insurer's** express prior written consent.

### Governing Law

Unless some other law is agreed in writing, this policy is governed by English law. If there is a dispute, it will only be dealt with in the courts of England or of the country within the United Kingdom in which **your** main residence is