

Legal Protection Policy Wording

INTRODUCTION

This Policy expires at midnight on the last day of the first or subsequent Periods of Insurance.

ON RECEIPT OF YOUR POLICY WORDING

To ensure that Your Policy gives You the protection you need we recommend that You read it carefully and return it immediately if it is not in accordance with Your requirements. The Certificate of Insurance specifies the cover You have selected; it is your evidence of insurance and may be required in the event of a claim.

DEFINITIONS

Any word or expression to which specific meaning has been given shall have that meaning wherever it appears and will be shown in bold type.

Agent: A letting or managing agent acting on the behalf of the insured.

Alternative accommodation: The cost of accommodation in a hotel, guest house or other rented property, but excluding all other charges.

Any one claim: All claims or legal proceedings, including appeals, arising from or relating to the same Insured incident.

Appointed solicitor: The Letsure Legal Service, or other suitably-qualified representative to whom the administrator has agreed, who is appointed to act for the Insured.

Certificate of Insurance: The current Certificate of Insurance which is completed by the administrator and attached to the policy.

Insured incident: A dispute between the Insured and the Tenant following:

- a) a breach by the Tenant of his obligations under the Tenancy Agreement, or
- b) an alleged breach by the Insured of his obligations under the Tenancy Agreement
- c) the removal of unauthorised occupants from the Property.

Legal costs and expenses:

- a) legal fees and disbursements reasonably and properly incurred by the Insured's Appointed solicitor to which the Company has agreed; or
- b) legal fees and disbursements incurred by the Company; or
- c) the costs of any other party involved in the Legal proceedings if the Insured has to pay those costs. This includes costs following an out-of-court settlement to which the Company must have agreed.

Legal proceedings: A legal action to protect the Insured's rights.

Limit of indemnity: The maximum amount the Company will pay under this policy during any one Period of Insurance.

Letsure Limited is authorised and regulated by the Financial Services Authority.

Registered in England number 3101053. Registered office address: 4-9 Highview, High Street, Bordon, Hampshire, GU35 0AX.

Telephone: 0844 561 0660 Fax: 0844 800 5286 Website: www.letsure.co.uk

Calls may be recorded and monitored to assist us to prevent fraud and improve our service

Period of Insurance: The period specified on the Certificate of Insurance.

Letsure Legal Service: A panel of solicitors experienced in landlord/tenant matters.

Premium: The cost of the cover as specified on the Certificate of Insurance.

Tenancy agreement: The agreement between the Insured and the Tenant to let the property. This agreement must be in writing and either:

- a) an Assured Tenancy or Assured Shorthold Tenancy within the Housing Act 1988 (as amended by the Housing Act 1996) or any other amendments to that act or equivalent legislation which applies within the Territorial Limits; or
- b) a Tenancy Agreement with the Tenant in which the Tenant is a Limited Company or where the annual rental exceeds £25,000; or
- c) a Short Assured Tenancy or Assured Tenancy as defined in the Housing (Scotland) Act 1988 and any re-enactments or amendments thereof or a Tenancy Agreement in which The Tenant is a Limited Company.

Tenancy Deposit: The sum received by the Insured from the Tenant(s) as a security deposit for dilapidations, rent and any other liability under the Tenancy Agreement.

Territorial Limits: England, Wales and Scotland.

The Administrator: Letsure Limited Registered in England No. 03010153, authorised and regulated by the Financial Services Authority, Register Number 313817.

The Company: This policy is issued in the United Kingdom by FirstAssist Insurance Services Ltd, registered in England No 4617110 and underwritten by Great Lakes Reinsurance (UK) PLC, registered in England & Wales, No. 2189462. FirstAssist Insurance Services Limited is authorised and regulated by the Financial Services Authority Register Number 310671 and Great Lakes Reinsurance (UK) PLC is authorised and regulated by the Financial Services Authority Register Number 202715.

You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

The Insured: The person(s), company, partnership or association named on the Certificate of Insurance.

The Property: The property detailed on the Certificate of Insurance and in the Tenancy Agreement.

The Tenant: The person(s) who rent the property from the Insured and defined as such in the Tenancy Agreement.

Vacant possession: The date on which the property is surrendered by the Tenant.

COVER

The policy covers:

- 1 the Insured for Legal costs and expenses of the Appointed solicitor in respect of an Insured incident including the cost of taking action against the Tenant or former Tenant to obtain payment of unpaid rent;
- 2 the Insured's alternative accommodation costs for the period after the Tenancy Agreement has ended until the date full and vacant possession is obtained, subject to a maximum period of thirty days, where:
 - a) the Insured cannot regain possession of the property because of the nuisance caused by, or acts of, the Tenant; and
 - b) the Insured has no other suitable accommodation available during this period.
- 3 a witness attendance allowance up to the limits of indemnity which apply when the Insured or the Agent or an employee, director or partner of the Insured is absent from work because of attendance at court in connection with an Insured incident as a:
 - a) witness at the Appointed solicitor's request; or
 - b) defendant at any court, tribunal or arbitration hearing.

The witness attendance allowance applies where there is a claim under this policy which the Administrator has agreed to cover.

NOTE An Insured incident must arise during the Period of Insurance. Cover will only be operative where all of the policy conditions have been complied with.

LIMITS OF INDEMNITY

The maximum amount The Company will pay under this policy during any one Period of Insurance for:

- 1 any one claim and in total on any one Certificate of Insurance **£50,000**
- 2 witness attendance allowance per person per full day (if attendance is required for less than a full day, the daily allowance will be payable in proportion to the time spent) **£100**
- 3 total witness attendance allowance for any one claim **£1,000**
- 4 alternative accommodation expenses per day **£50**
- 5 total of alternative accommodation expenses any one claim **£1,500**

EXCLUSIONS

The Company shall not be liable for:

- 1 an Insured incident reported to the administrator more than **60** days after the date that it became known to the Insured or the Agent;
- 2 claims where the Insured or Agent has not obtained for each Tenant or each guarantor;
 - a) one satisfactory written financial reference or a credit reference and one other satisfactory written reference; and

- b) a minimum of one month's rent as a Tenancy deposit before letting the property to the Tenant.
- 3 fees, costs and disbursements incurred without the written acceptance of a claim by The administrator;
- 4 an Insured incident:
 - a) occurring prior to the commencement of the Period of Insurance; or
 - b) known to the Agent or the Insured as likely to occur after the commencement of the Period of Insurance.
- 5 any dispute between:
 - a) the Agent and the Insured; or
 - b) the Insured and the administrator or the Company.
- 6 Legal costs and expenses incurred in connection with a claim where the amount in dispute is less than £250 at any time;
- 7 costs arising from or as a result of change in government legislation or statutory instrument(s);
- 8 any dispute with multiple tenants on a single property where their liability is not joint and several;
- 9 any matter concerning rent registration, rent reviews, extension of a lease or purchase of a freehold or a matter which falls within the jurisdiction of rent, rates or land tribunals, unless the Insured is defending legal proceedings brought by the Tenant;
- 10 any damages, fines or penalties;
- 11 any claims or legal proceedings where the Insured is or would be, but for the existence of this policy, entitled to indemnity under any other insurance policy;
- 12 the defence of any legal proceedings arising from or relating to any actual or alleged dishonesty, fraud or malicious conduct of the Insured unless such legal proceedings are successfully defended;
- 13 Legal Expenses arising directly or indirectly from:
 - Equipment failing correctly to recognise data representing year 2000 or any other date in such a way that it does not work properly or at all. Equipment includes computers and anything else which has a microchip in it.
 - Computers include hardware software data electronic data processing equipment and other computing and electronic equipment linked to a computer.
 - Microchips include integrated circuits and microcontrollers.
 - Computer viruses include any program or software which prevents any operating system computer program or software working properly or at all.

POLICY CONDITIONS

A It is a condition of the policy that the Insured and/or the Agent:

- 1 has paid the premium for the Period of Insurance or has agreed to pay it to the administrator;
- 2 complies with all conditions of a mortgage;

- 3 complies with all conditions of the Tenancy Agreement, which must be in writing;
- 4 has a Tenancy Agreement that complies with all the requirements of any relevant legislation and statutory instrument(s);
- 5 notifies the administrator immediately of any alteration in risk which materially affects this policy;
- 6 has a duty to minimise the likelihood or the cost of legal proceedings;
- 7 obtains for each tenant or each guarantor:
 - a) one satisfactory financial or credit reference and one other satisfactory written reference; and
 - b) a minimum of one month's rent as Tenancy Deposit before letting the property to the tenant;
 - c) comply with the requirements of The Housing Act 2004 in connection with any Tenancy deposit received.

YOUR CANCELLATION RIGHTS (COOLING OFF PERIOD)

You have the right to cancel your policy during a period of 14 days after the later of the day of purchase of the contract or the day on which you receive your policy documentation.

If you wish to do so and the insurance cover has not yet commenced, you will be entitled to a full refund of the premium paid.

Alternatively, if you wish to do so and the insurance cover has already commenced, you will be entitled to a refund of the premium paid subject to a deduction for the time for which you have been covered. This will be calculated on a pro-rata basis for the period in which you received cover and may include an additional charge of up to £25 to cover the administrative cost of providing the policy.

To exercise your right to cancel, please contact Letsure Customer Services, Granite House, 31 Stockwell Street, Glasgow G1 4RZ (Telephone 0844 561 0660).

If you do not exercise your right to cancel your policy, it will continue in force for the term of the policy and you will be required to pay the premium as stated for the Period of Insurance shown on the Certificate of Insurance.

CANCELLATION AND RENEWALS

The Insurer and / or Company for their respective rights and interests may cancel the Policy at any time by giving seven days notice to the Insured Person(s). Such cancellation shall not prejudice the rights of the Insured Person(s) under the Policy in respect of any Insured event occurring prior to the date of cancellation.

The Insured Person(s) may cancel the Policy after the initial cooling off period, by giving the Company 14 days notice. The premium shall be adjusted on the

basis of the Company receiving the relevant short-term premium for the Period of Insurance provided (which may include a charge of up to £25 for administration). If the amount due to the Insured Person(s) when the policy is cancelled is more than the amount paid the difference must be paid.

The Insurer will never refund the premium if a claim has been made during the Period of insurance.

AUTOMATIC RENEWAL

When the policy is due for renewal the Insurer and /or Company may offer to renew it automatically. This saves the worry of remembering to contact the Company prior to the renewal date. If the Insurer / Company offer to do this they will write to the Insured Person(s) before the policy expires with full details of the future premium and policy conditions.

If the Insured Person(s) does / do not wish to renew the Policy they should let the Company know prior to expiry of the current Period of Insurance.

Should the Insurer and / or Company decide that they do not wish to renew the policy they will notify you in writing prior to the renewal date.

CHANGES THAT AFFECT THIS INSURANCE

The Insured Person(s) must advise the Company immediately if they become aware of any changes which may affect this insurance e.g. a change of tenants.

CLAIMS PROCEDURES

All claims must be submitted via the Company. A claim form can be obtained from the Company and should be returned c/o Letsure Limited, Granite House, 31 Stockwell Street, Glasgow G1 4RZ.

Tel. 0844 561 7404 Fax 0844 561 7643

The Company will settle Legal costs and expenses direct to the Appointed Solicitor.

CLAIMS SETTLEMENT CONDITIONS

- A It is a condition of the company settling the Insured's claim that the Insured and/or the Agent:**
- 1 does not enter into negotiations with the Tenant for any rent deferment or waiver and informs the appointed solicitor immediately of any offer or payment made with a view to settling the claim;
 - 2 does not agree to accept any offer or payment without the appointed solicitor's prior approval;
 - 3 accepts any reasonable offer approved by the appointed solicitor within two months;
 - 4 gives the appointed solicitor every co-operation to recover from third parties legal costs and expenses and other costs. Any legal costs and expenses recovered must be paid as prior charge to the company who will be responsible for distributing any balance to the Insured or Agent;

- 5 should attend any court hearing if required to do so by the appointed solicitor;
- 6 does not pursue or defend a case in a manner contrary to that advised by the appointed solicitor;
- 7 provides relevant or requested information and proper instructions so as not to prejudice the position of themselves or the Company;
- 8 gives the administrator full written details of the insured incident and provides such proofs, supporting evidence and other information as may be requested by the company;
- 9 has exhausted all their normal credit control procedures in respect of a claim arising under paragraph 1 of the cover.

B It is a condition of the company settling the insured's claim that:

- 1 The administrator or company will grant consent to the claim if all of the following apply:
 - a) the insured has a reasonable chance of winning the case and achieving a reasonable financial benefit;
 - b) it is reasonable in all the circumstances to pay the insured's legal costs and expenses;
 - c) the amount in dispute exceeds the likely total of all legal costs and expenses;
 - d) the legal proceedings arise from a cause of action which is covered by the policy. This cause of action must happen within the territorial limits during the period of insurance;
 - e) the legal proceedings will be dealt with by a court within the territorial limits;
 - f) the insured has kept to the terms and conditions of the policy and none of the exclusions apply to the insured's claim.

If the administrator or the company does not accept the insured's claim, the administrator or the company will explain why.

- 2 The administrator or company shall accept a claim if it offers reasonable prospects of the recovery of damages or other remedy or for a successful defence. The appointed solicitor is the sole and binding arbitrator in respect of this clause. The administrator or company may discontinue the indemnity in connection with all legal costs and expenses if during the course of the claim it considers that such prospects no longer exist. If the administrator or company discontinues a claim the administrator shall inform the Insured of the reason for doing so.
- 3 The administrator or company reserves the right to:
 - a) investigate the circumstances of the insured incident and attempt to obtain settlement of the claim prior to legal proceedings;

- b) appoint building surveyors, independent inventory clerks or any other independent body to negotiate on its behalf;
- c) discontinue a claim if the appointed solicitor considers the lack of any or all of the following prejudice the company's position;
 - i) a descriptive inventory prepared and signed at the start of the Tenancy Agreement by the Insured or their Agent and the Tenant;
 - ii) an exit inventory carried out in the presence of the Tenant by the Insured or their Agent at the time the Tenant vacates or immediately the Insured becomes aware of the Tenant vacating the property;

4 when the insured needs to start legal proceedings, the administrator will appoint the appointed solicitor on behalf of the Insured. If the Insured wishes to nominate a different solicitor, he must advise the administrator of the solicitor's name and address in writing. If the administrator does not agree with the Insured's choice, the matter will be dealt with under Policy Condition B. The appointed solicitor will act on behalf of and in the name of the Insured;

5 The administrator will pay legal costs and expenses directly to the appointed solicitor on behalf of the Insured;

6 the cost of taking legal proceedings to obtain payment of unpaid rent is restricted to the original enforcement action and ONE further enforcement action;

7 if the Insured is insolvent when a claim is notified to the administrator or becomes insolvent during the course of any legal proceedings to which the Company have granted consent, the Company shall reserve the right to refuse to grant consent or to withdraw support straight away. The Insured shall be considered insolvent when a office-holder within the meaning given by section 233(1) or 372 (1) of the Insolvency Act 1986 is appointed in relation to the Insured;

8 if the Insured wants to appeal against a court's decision the Insured must give the Company the reasons and get the company's written agreement. The Insured must give the Company written notice by recorded delivery at least ten working days before the final date for lodging the Insured's appeal;

if the company pays legal costs and expenses up to the limit of indemnity and the Insured pays more legal costs and expenses to end the Insured's case, the Company and the Insured will share any legal costs and expenses that are recovered. The Company and

the Insured will each receive the same percentage as was paid.

COMPLAINTS PROCEDURE

The Company is committed to maintaining a high standard of professional conduct in all dealings with customers. However if you feel that your insurance arrangements have not been handled in the manner in which you would expect and you wish to make a complaint please contact in the first instance.

The Complaints Manager, Letsure Limited, Granite House, 31 Stockwell Street, Glasgow, G1 4RZ or

The Managing Director, FirstAssist Insurance Services Limited, Marshall's Court, Marshall's Road, Sutton, Surrey SM1 4DU.

If you are still dissatisfied with your Contract of Insurance, you may contact the Financial Ombudsman Services (FOS). Their offices are situated at; South Quay Plaza, 183 Marsh Wall, London E14 9SR. Telephone No: 0845 080 1800.

The FOS is only empowered to consider complaints from holders of personal insurance or those commercial policyholders with a turnover of less than £1 million per annum.

Your right to take action remains unaffected by the existence or use of any of the Complaints Procedures referred to above.

THE FINANCIAL SERVICES COMPENSATION SCHEME

In the event that the Insurer is unable to pay a claim you may be entitled to compensation from the Financial Services Compensation Scheme. Information can be obtained on request, or by visiting their website at www.fscs.org.uk. You may be entitled to compensation of up to £2,000 for the first part of the claim and 90% of the remainder of the claim.

Great Lakes Reinsurance (UK) PLC registered in England & Wales, No. 2189462, registered Office at 1 Minster Court, Mincing Lane, London EC3R 7YH is authorised and regulated by the Financial Services Authority and this can be checked by visiting the FSA website at www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

LAW APPLICABLE TO THE CONTRACT

The law applicable to this contract is subject to agreement between the parties. Unless a special endorsement to the contrary has been requested by you and agreed by us the law applying to this insurance contract will be as follows:

- a) If you are applying for insurance protection as a private individual the law applicable to that part of the United Kingdom Channel Islands or Isle of Man in which you or the first named Insured Person normally resides; or
- b) If you are applying for insurance protection in your capacity as a sole trader the law applicable to that part of the United Kingdom Channel Islands or Isle of Man in which you have your principle place of business; or
- c) If neither of the above applies the Law of England & Wales.

ARBITRATION

Any dispute between the Insured Person(s) and the Insurer in respect of this policy maybe referred to a single arbitrator who shall be either a solicitor or barrister agreed upon by both parties. Failing agreement, the arbitrator shall be nominated by the President of the appropriate Law Society, Bar Council or other professional body within the Territorial Limits. The party against whom the decision is made shall meet the costs of the arbitration in full. If the decision is not clearly made against either party the arbitrator shall have the power to apportion costs. If the decision is made in favour of the Insurer, the Insured Person(s)' costs shall not be recoverable under this policy.

The Insured Person(s) can still use the complaints procedure shown elsewhere in this policy.