



LEGAL SERVICES

# Landlords' Legal Solutions

## Introducing Landlords' Legal Solutions

This policy sets out the agreement between you and ARAG. Please read it carefully to familiarise yourself with the terms and conditions. If you are unsure about anything you have read please contact whoever you purchased your policy from.

### **About ARAG plc**

ARAG plc is a specialist legal expenses insurance provider. We are authorised to administer this insurance on behalf of the insurer, Brit Insurance Limited.

Our Registered Office is at 9 Whiteladies Road, Clifton, Bristol BS8 1NN. We are registered in England number 02585818. Find out more about us at [www.arag.co.uk](http://www.arag.co.uk)

ARAG plc is authorised and regulated by the Financial Conduct Authority (FCA firm reference number 452369). Brit Insurance Limited is authorised and regulated by the Financial Conduct Authority (FCA firm reference number 202898).

FCA registration can be checked by visiting the FCA website at [www.fsa.gov.uk/register/home.do](http://www.fsa.gov.uk/register/home.do) or by contacting the FCA on 0800 111 6768.

### **How to contact us for personal legal advice or tax advice**

Phone us on 0844 581 0400 at any time to get legal advice over the 'phone about any problem you have either as a landlord or concerning any other personal legal matter or for advice about UK tax rules. Legal Advice is available 24/7 365 days a year while we can respond to enquiries about UK tax law between 9.00am and 5.00 pm Monday to Friday.

### **How to download legal documents for landlords**

Once registered, you can download legal documents to give (section 8 and 21) notices to your tenant to leave, demand unpaid rent, give notice of the deposit protection scheme and you can access various other documents that will help you as a landlord and property owner. You can also access our on-line law guide. Register at [www.arag.co.uk/docs](http://www.arag.co.uk/docs) and enter the voucher code provided by your insurance advisor.

### **What to do if you need to claim under this policy**

If you need to report a claim:

1. You must never instruct your own lawyer as we will not pay their charges and it could stop your claim being covered.
2. Please telephone 0117 917 1698. This line is open between Monday to Friday from 9.00am to 5.00pm. We will take your details and e-mail or send you a claim form to fill in. Alternatively, you can download a claim form at [www.arag.co.uk/newclaims](http://www.arag.co.uk/newclaims).
3. Tell us about your claim straight away as soon as you become aware of the Insured Event having occurred.

Providing we accept your claim, we will arrange for a solicitor to quickly contact you with a view to progressing the case.

### **If you change your mind after taking out the policy**

The policy provides you with a 14 day reflection period in which to decide whether you wish to continue. Cancellation is fully explained in condition 9 of the policy.

### **What happens if you have a complaint?**

We are committed to providing a first class service at all times. If, however, a complaint arises, then this should be addressed to our Customer Relations Department at ARAG plc, 9 Whiteladies Road, Clifton, Bristol BS8 1NN. We will take your complaint seriously and will thoroughly review it.

If the matter is not concluded to your satisfaction, you may refer it to the Financial Ombudsman Service. They can be contacted at Financial Ombudsman Service, Exchange Tower, London, E14 9SR. Telephone: 0800 023 4567.

E-mail: [enquiries@financial-ombudsman.org.uk](mailto:enquiries@financial-ombudsman.org.uk). You will not be charged for using the Financial Ombudsman Service and using this service will not affect your right to take legal action.

### **What happens if the insurer cannot meet its liabilities?**

Brit Insurance Limited is covered by the Financial Services Compensation Scheme ("FSCS"). You may be entitled to compensation of 90% of the cost of your claim in the unlikely event that the Insurer cannot pay it. Further information about compensation scheme arrangements is available from the FSCS. ([www.fscs.org.uk](http://www.fscs.org.uk)).

### **YOUR POLICY COVER**

This policy is evidence of the contract between **You** and the **Insurer**.

Following an INSURED EVENT the **Insurer** will pay **Your Legal Costs & Expenses** provided that:

- 1) **You** have paid **Your** premium
- 2) **Your** claim
  - always has **Reasonable Prospects of Success**
  - is reported to **Us** during the **Period of Insurance** and within 60 days of **You** first becoming aware of circumstances which could to give rise to a claim under this policy.
- 3) unless there is a conflict of interest, **You** agree to use the **Appointed Advisor** nominated by **Us** in any claim
  - falling under the jurisdiction of the **Small Claims Court**, and/or
  - prior to the issue of proceedings
- 4) the dispute can be heard by a court (or other body that **We** agree to).

## INSURED EVENTS

Your policy cover (described on page 3) applies for the following INSURED EVENTS.

### A - LEGAL EXPENSES

#### 1. Property damage, nuisance and trespass

- a) An event which causes visible damage to **Your Property** and/or anything owned by **You** at **Your Property**
- b) a public or private nuisance or a trespass relating to **Your Property**

#### What is not covered under INSURED EVENT 1.

- 1) Damage to **Your Property** that arises from or relates to a contractual agreement other than a tenancy agreement
- 2) The first £250 of each and every claim brought under 1b), except where **You** bring a claim against a person who is living at **Your Property** without **Your** permission. **We** will ask **You** to pay the first £250 when **We** accept **Your** claim
- 3) Trespass by **Your** tenant or ex-tenant.

#### 2. Repossession

2.1 Cover for tenancies under the Housing Acts for England, Wales and Scotland

Pursuit of **Your** legal rights to repossess **Property** that **You** have let under :

- (i) an assured shorthold tenancy; or
- (ii) a shorthold tenancy; or
- (iii) an assured tenancy;

as defined by the Housing Act 1988 as amended by the Housing Act 1996 and the Assured Tenancies (Amendment) (England) Order 2010 or the Housing (Scotland) Act Providing **You**

- a) give the tenant the correct notices for the repossession of **Your Property**<sup>1</sup>; and
- b) will try to get repossession under:

- Schedule 2, Part 1 (grounds 1 to 8) of the Housing Act 1988 as amended by the Housing Act 1996; or
- Schedule 5, Part 1 (grounds 1 to 8) of the Housing Act (Scotland) 1988; or
- Part 1, Section 21 of the Housing Act 1988 amended by the Housing Act 1996; or
- Part 2, Section 33 of the Housing Act (Scotland) 1988.

2.2 Cover for tenancies that do not fall under the Housing Acts for England, Wales and Scotland

Pursuit of **Your** legal rights to repossess **Your Property** that **You** have let

- (i) under a contractual tenancy agreement that was created after 1988 where **Your Property** is let for residential purposes and the annual rent is no greater than £100,000 and the provisions of the Housing Acts in England, Wales and Scotland do not apply to **Your** tenancy; or

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<sup>1</sup> (Register at [www.arag.co.uk/docs](http://www.arag.co.uk/docs) if you wish to download Section 8 and Section 21 notices. You will need to enter the voucher code supplied by your insurance advisor to access **Our** law guides and download legal documents)

- (ii) in accordance with the Private Tenancies (Northern Ireland) Order 2006; or
- (iii) to a limited company or business partnership for residential use by employees; or
- (iv) where **You** live at **Your Property** and have one or two written licence agreement(s) which contain(s) a termination clause

Provided that

- (a) in respect of 2.2 (i) above **You** will be seeking repossession in accordance with the forfeiture clause of the contractual tenancy agreement
- (b) in respect of 2.2 (iv) above **You** will be seeking to invoke the termination clause

### 3. **Recovery of rent arrears**

Pursuit of **Your** legal right to recover rent owed to **You** by **Your** tenant or ex-tenant

### 4. **Prosecution defence**

A prosecution against **You** that arises from **You** letting out **Your Property**

### 5. **Accommodation costs**

**Your** accommodation costs up to £75 per day up to a maximum of £2,250 in total while **You** are unable to get possession of **Your Property** providing that possession is sought because **You** wish to live at **Your Property**

## **WHAT IS NOT INSURED BY THIS POLICY**

**You** are not covered for any claim arising from or relating to:-

1. **Legal Costs & Expenses** incurred before **We** accept **Your** claim
2. any actual or alleged act, omission or dispute occurring prior to, or existing at the start of the policy, which **You** knew or ought reasonably to have known could give rise to a claim under this policy
3. any disagreement with **Your** tenant during the first 90 days of the first **Period of Insurance** where the tenancy agreement started before the start of this policy
4. an allegation or prosecution against the **You** involving:
  - assault, violence or dishonesty;
  - malicious falsehood;
  - the manufacture, dealing in or use of alcohol, illegal drugs, indecent or obscene materials;
  - illegal immigration;
  - offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences)
5. the other side's costs in criminal cases, fines, penalties or compensation awarded against **You**
6. registering assessing or reviewing rent, rent control, rent, rates or land tribunals or service charges
7. a property which is or should have been registered as a House of Multiple Occupation
8. a judicial review
9. a dispute with **Us** or the **Insurer** not dealt with under Condition 6 below
10. a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - b) radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
  - c) war, invasion, act of foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
  - d) pressure waves from aircrafts or other aerial devices travelling at sonic or supersonic speed
  - e) any terrorist action (regardless of any other cause or event contributing concurrently or in any other sequence to the liability) or any action taken in controlling, preventing or suppressing terrorist action. If

the **Insurer** alleges that by reason of this exclusion any liability or loss is not covered by this policy, the burden of proving the contrary shall be upon **You**

11. Any dispute between **You** and a managing agent

## CONDITIONS WHICH APPLY TO THE WHOLE POLICY

If the **Insurer's** risk under this policy has increased due to **Your** failure to keep to any of these conditions the **Insurer** may cancel **Your** policy, refuse a claim or withdraw from an ongoing claim. The **Insurer** also reserves the right to recover **Legal Costs & Expenses** from **You** should this occur

### 1. Your Responsibilities

**You** must

- a) observe and keep to the terms of the policy
- b) not do anything that hinders **Us**, the **Insurer** or the **Appointed Advisor**
- c) tell **Us** immediately after **You** first become aware of any cause, event or circumstances which could give rise to a claim under this policy
- d) tell **Us** immediately of anything that may materially alter **Our** assessment of the claim
- e) cooperate fully with the **Appointed Advisor** and **Us**, give the **Appointed Advisor** any instructions **We** require, and keep them updated with progress of the claim
- f) provide **Us** with everything **We** need to help **Us** handle the claim
- g) take reasonable steps to recover **Legal Costs & Expenses** that the **Insurer** pays and repay them to the **Insurer** should these be paid to **You**
- h) tell the **Appointed Advisor** to have the **Legal Costs & Expenses** assessed or audited if **We** require
- i) minimise any **Legal Costs & Expenses** and try to prevent anything happening that may cause a claim
- j) allow **Us** at any time to take over and conduct in **Your** name any claim, proceedings or investigation

### 2. The Appointed Advisor

- a) In certain circumstances as set out in 2 c) below **You** can choose an **Appointed Advisor**. In all other cases **We** shall choose the **Appointed Advisor**.
- b) Where **You** wish to exercise the right to choose, **You** should write to **Us** with **Your** nominated representative's contact details. **Your** chosen **Appointed Advisor** must agree to act under **Our** standard terms of business (which may include a "no-win-no-fee" agreement) and must cooperate with **Us** at all times  
If we disagree over the appointment of an **Appointed Advisor** then **We** will agree for another suitably qualified person to decide the matter
- c) If either **We** agree to start legal proceedings or legal proceedings are issued against **You** and the court requires any representative to be legally qualified, or there is a conflict of interest, **You** may choose a suitably qualified **Appointed Advisor**. **Your** right to choose never applies to **Small Claims Court** claims unless there is conflict of interest
- d) If the **Appointed Advisor** refuses with good reason to continue acting for **You**, or **You** dismiss the **Appointed Advisor** without good reason, or **You** withdraw from the claim without **Our** written agreement, cover will end immediately

### 3. Our Consent

**We** must give **Our** written consent to incur any **Legal Costs & Expenses**. The **Insurer** does not accept any liability for **Legal Costs & Expenses** incurred without **Our** written consent

#### 4. Settlement

- a) The **Insurer** has the right to settle the claim by paying the value of **Your** claim
- b) **You** must not negotiate, settle the claim or agree to pay **Legal Costs & Expenses** without **Our** written agreement
- c) If **You** refuse to settle the claim following
  - (i) a reasonable offer, or
  - (ii) advice to do so from the **Appointed Advisor**the **Insurer** will refuse to pay further **Legal Costs & Expenses**

#### 5. Counsel's Opinion

**We** may require **You** to obtain and pay for an opinion from counsel regarding the merits or value of the claim. If the opinion supports **You** then the **Insurer** will pay for the opinion

#### 6. Arbitration

If there is a dispute between **You** and **Us** about the handling of a claim or the choice of an **Appointed Advisor**, **You** can make a complaint to **Us** as described on page 999 of this policy and **We** will try to resolve the matter. If we are unable to satisfy **Your** concerns **You** can ask the Financial Ombudsman Service to review **Your** complaint. (See page 999 of this policy). Otherwise any dispute that remains unresolved shall be referred for arbitration to an independent solicitor to be agreed by the parties. If an independent solicitor cannot be agreed upon, then an arbitrator will be appointed by the President for the time being of England and Wales. The arbitration shall be subject to the arbitration acts and the arbitrator's decision shall be binding on the parties

#### 7. Dual Insurance

The **Insurer** will not pay for any claim covered by another policy, or any claim that would have been covered by any other policy if this policy did not exist

#### 8. Fraudulent Claims

If **You** make any claim under the policy which is fraudulent or false, the policy shall become void and all benefit under it will be forfeited and **We** will not return the premium

#### 9. Cancellation

- a) **You** may cancel the policy within 14 days of the date of issue of this policy with a full refund of **Your** premium paid unless **You** have notified a claim which has been or is subsequently accepted under this policy in which case no return of premium shall be allowed
- b) **You** may cancel this policy at any time by giving at least 21 days' written notice to **Us**. The **Insurer** will refund part of the premium for the unexpired period unless **You** have notified a claim which has been or is subsequently accepted under this policy in which case no return of premium shall be allowed
- c) The **Insurer** may cancel the policy at any time by giving at least 21 days' written notice to **You**. The **Insurer** will refund part of the premium for the unexpired period

#### **10. Acts of Parliament & Jurisdiction**

All Acts of Parliament within the policy shall include any subsequent amendment or replacement legislation

This policy will be governed by English Law

#### **11. Data Protection Act**

It is agreed by **You** that any information provided to **Us** &/or the **Insurer** regarding **You** will be processed by **Us** &/or the **Insurer**, in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties

#### **12. Contracts (Rights of Third Parties) Act 1999**

Except for any person or business appointed as **Your** agent to manage the letting of **Your Property** a person who is not party to this contract has no right to enforce the terms and conditions of this policy under the Contracts (Rights of Third Parties) Act 1999

## MEANING OF WORDS & TERMS

Certain words and terms contained in this policy have been defined as they have the same meaning wherever they appear.

### **Appointed Advisor**

The solicitor or other advisor appointed by **Us** to act on **Your** behalf

### **Insurer**

Brit Insurance Limited

### **Legal Costs & Expenses**

- a) Reasonable legal costs, fees and disbursements reasonably and proportionately charged by the **Appointed Advisor on the Standard Basis** and agreed in advance by **Us**
- b) Other side's costs, except if you are prosecuted, where **You** have been ordered to pay them or pay them with **Our** agreement
- c) **Your** basic wages or salary from your work as an employee while attending court at the request of the **Appointed Advisor** where **Your** employer does not pay **You** for time lost up to a maximum of £100 per day and £1,000 in total)
- d) Accommodation expenses for Insured Event A 5)
- e) Rent as described under Insured Event B

The most the **Insurer** will pay for one or more INSURED EVENTS that originate from the same cause is £50,000 including the cost of appeals

### **Period of Insurance**

The period stated **Your** policy schedule

### **Property**

The property shown in **Your** schedule to which this policy attaches and which is located in England and Wales, Scotland or Northern Ireland

### **Reasonable Prospects of Success**

Where **You** have a greater than 50% chance of successfully pursuing **Your** claim against another person. If **You** are seeking damages or compensation, there must also be a greater than 50% chance of enforcing any judgment that might be obtained

In criminal prosecution claims where **You**

- a) plead guilty, where there is a greater than 50% chance of successfully mitigating **Your** sentence or fine or
- b) plead not-guilty, where there is a greater than 50% chance of that plea being accepted by the court

In all claims involving an appeal, where **You** have a greater than 50% chance of being successful

### **Small Claims Court**

A court in England & Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999; a court in Scotland that uses the small claims procedure as set out by the Act of Sederunt (Small Claims) Rules 2002 or a court in Northern Ireland where the sum in dispute is less than £3,000

### **Standard Basis**

The basis of assessment of costs where the court only allows recovery of costs which are proportionate to the claim and which have been reasonably incurred



**We/Us/Our**

ARAG plc

**You/Your**

The person(s) named in the policy schedule and/or any person or business appointed as their agent to manage the letting of the named person's **Property** to the extent that any such agent has acted on behalf of the person named in the policy schedule