



Your Policy Wording - V.05/09

This insurance is administered by Arc Legal Assistance Limited and underwritten by Inter Partner Assistance.

Insurance Certificates are processed and issued by JBI International Insurance Brokers Ltd (JBI) on behalf of Keysafe Insurance Services.

In the event of a valid Claim under this Insurance Certificate, Arc will appoint either Shoosmiths Solicitors or Pain Smith Solicitors, or their agents, to handle the Insured's case. The Insured is not covered for any other legal adviser's fees unless court proceedings are issued.

Claims must be notified to ARC within 45 days of the Insured Event. Notification will only be deemed to have been received upon receipt of a completed claim form accompanied by all supporting documents. Failure to notify the claim within this time will invalidate the insurance. Claim forms can be obtained by telephoning the claims line on 0870 350 1737.

Definitions

The following words have specific meanings:-

Adviser

Shoosmiths Solicitors or Pain Smith Solicitors or their or Arc's agents appointed by Arc to act for the Insured.

Advisers' Costs

Reasonable legal fees incurred by the Adviser up to the hourly rate shown in the Arc fee scale ruling at the time the Adviser is instructed and disbursements essential to the Insured's case. Legal costs shall be assessed on the standard basis and third party's costs shall be covered if awarded against the Insured and paid on the standard basis of assessment.

Arc

Arc Legal Assistance Limited who have arranged this insurance and administers it on behalf of the Underwriters.

Claim

A claim under this Insurance Certificate for Advisers' Costs in Proceedings and/or Rent following an Insured Event which occurs during the Period of Insurance and within the Territorial Limits.

Deposit

The sum of money collected from the Tenant and held by the Insured or his agent in accordance with Section 213 of the Housing Act 2004 (and any amending legislation), in respect of a Tenancy Agreement to which it applies as an indemnity for losses incurred by the Insured arising from Tenant failing to perform his obligations set out in the Tenancy Agreement.

Dilapidations Inventory

A full and detailed inventory of the Insured's contents and their condition within the Insured Property which has been signed by the Tenant.

Excess

The amount that the Insured is liable to pay before any Claim payment is made under this Insurance Certificate.

Guarantor

The individual or organisation shown in the Tenancy Agreement and the Insurance Schedule that has received a Tenant Reference and provided a financial guarantee of the Tenant's performance of his obligations under the Tenancy Agreement.

Insured/You/Your

The Landlord shown in the Insurance Schedule and on the Tenancy Agreement who has paid the premium and been declared to Arc by Keysafe Insurance Services via JBI.

If the Insured dies his personal representatives will be covered to pursue cases covered by this insurance on behalf of the Insured that arose prior to the Insured's death.

Insured Event

An incident or the first of a series of incidents where the Tenant fails to perform his obligations set out in the Tenancy Agreement relating to the rightful occupation of the Insured Property. Only one Insured Event shall be deemed to have arisen from all causes of action, incidents or events that are related by cause or time under the Tenancy Agreement.

Insured Property

The property shown in the Insurance Schedule and the Tenancy Agreement.

Limit of Indemnity

The maximum payable in respect of an Insured Event.

Period of Insurance

The period shown on the Insurance Schedule.

Proceedings

The pursuit of civil legal cases for damages or injunctions against the Tenant or Guarantor within the Territorial Limits arising from an Insured Event.

Rent

The monthly amount payable by the Tenant to the Insured as set out in the Tenancy Agreement and shown in the Insurance Schedule

Tenancy Agreement

A Tenancy Agreement between the Insured and the Tenant in relation to the Insured Property which is:-

- (a) an Assured Shorthold Tenancy Agreement as defined within the Housing Act 1988 (as amended), or
- (b) a Company Residential Tenancy (Company Let) created after 28th February 1997 where the Tenant is a public limited company (plc) or limited company (Ltd) and the Insured Property is let purely for residential purposes, or
- (c) a written common law residential tenancy agreement created after 28th February 1997 between individuals where the rent is in excess of £25,000 per annum.

The initial Tenancy Agreement must be for a fixed term of no more than 24 months and contain a 12 month break clause.

Tenant

The occupier of the Insured Property named in the Tenancy Agreement as the Tenant who has received a Tenant Reference and is shown in the Insurance Schedule.

Tenant Reference

A credit check against the Tenant and any Guarantor obtained from a licensed credit referencing company showing no County Court Judgements in the past three years and no outstanding County Court Judgements, together with copies of two forms of identification, one of which must contain a photograph, and a written employers' reference confirming their permanent and current employment and that their salary is sufficient to meet their Rent liability after deduction of other normal living costs. If all of the above are not available or in the case of student tenants, a full Tenant Reference showing a Pass on the Tenant and Guarantor must be obtained from either Keysafe (UK) Ltd, The Granary, Iscody Park, Whitchurch, Shropshire, SY13 3AW or an alternative Arc approved Tenant Referencing Company. Details of these companies are available by contacting Keysafe (UK) Ltd.

Territorial Limits

England & Wales

Underwriters

Inter Partner Assistance who are a wholly owned subsidiary of AXA Assistance SA and part of the worldwide AXA Group.

Cover

The Insured is only covered for the specific Section of Cover shown as operative in the Insurance Schedule.

Section 1 — Legal Costs

The Insured is covered for Advisers' Costs in Proceedings up to the Limit of Indemnity if an Insured Event occurs during the Period of Insurance and the amount in dispute exceeds £250 including VAT.

Section 2 — Rent Protection

The Insured is covered for Rent arrears owed by the Tenant under the Tenancy Agreement during the Period of Insurance and up to the Limit of Indemnity, where an Insured Event occurs and the Insured is, where appropriate, pursuing Proceedings under this Insurance Certificate. A full month's Rent must be in arrears after deduction of the Excess.

Rent is only payable during the period of the Tenancy Agreement or until vacant possession has been gained, whichever happens sooner.

The Claim must be made during the Period of Insurance.

Limit of indemnity

Section 1.
Up to £10,000 of Advisers' Costs per Claim.

Section 2.
The monthly Rent shown in the Tenancy Agreement and the Insurance Schedule up to a maximum of £2500 per month. The maximum Rent payable per Claim is £10,000 or the equivalent of six months Rent, whichever is the lesser amount.

Excess

Section 1.
Nil.

Section 2.
An amount equal to one month's Rent.

Exclusions Specific to the Performance of the Tenancy Agreement

1. An Insured Event:-

- Which is not reported to Arc within 45 days of it occurring.
- Within the first 90 days of the Period of Insurance where the Tenancy Agreement commenced more than 14 days prior to the Period of Insurance unless the Insured had continuous legal expenses and rent guarantee insurance with another insurer in respect of the same Tenancy Agreement and the same Tenant and there had been no claims reported under that insurance.
- Where the Tenancy Agreement commences more than 60 days after the Tenant Reference.
- Arising from or connected to the Insured's performance of his obligations under the Tenancy Agreement
- Arising from dilapidations unless the missing or damaged items were contained within the Dilapidations Inventory.
- Where the amount in dispute is less than £250 including VAT.
- Falling within the jurisdiction of the Rent Assessment Committee, the Lands Tribunal or the Leasehold Valuation Tribunal.
- Relating to the payment or non payment of service charges as defined within the Landlord and Tenant Act 1985 (as amended).

2. A Claim:-

- Where there are insufficient prospects of success in the Proceedings due to the terms of the Tenancy Agreement being unenforceable.
- Arising from a dispute between the Insured and his agent or mortgage lender.

Conditions Relating to the Tenancy Agreement

1. The Insured Property

The Insured Property must be residential and remain solely for residential use.

2. The Tenant

The Tenant must be aged 18 years or over.

3. The Start of the Tenancy Agreement

The Insured or his agent must not allow the Tenant into possession of the Insured Property until:-

- a) the Tenancy Agreement has been signed by all parties

- b) a Tenant Reference has been obtained
- c) all necessary statutory pre-grant notices to the Tenant have been issued
- d) the first month's Rent and the Deposit have been received in cash or cleared funds
- e) The Dilapidations Inventory has been signed by the Tenant.

4. During the Tenancy Agreement

The Insured or his agent must:-

- a) keep full and up to date rental records
- b) not allow the Tenancy Agreement to be transferred to any other individual or organisation.

Conditions Specific to Section 2. Rent Protection

1. Rent will be paid in accordance with the above and monthly in arrears at a rate of 1/30th for each continuous day that it is in arrears.
2. One full month's Rent must be in arrears after deduction of the Excess.
3. If the Tenant is claiming Housing Benefit, Rent will not be paid until the outcome of the Housing Benefit claim is known. If the Tenant's Housing Benefit claim is rejected, Rent will be paid under the Insurance Certificate backdated to the date that the Insured could first Claim. There is no cover under the Insurance Certificate for any shortfall between the amount paid to the Tenant as Housing Benefit and the Rent.
4. If the Deposit is more than the Excess, the cover under the Insurance Certificate will pay Rent arrears after deduction of the balance of the Deposit. If the balance of the Deposit is subsequently required to meet the cost of dilapidations, this will be paid to the Insured.

General Exclusions

1. There is no cover where:-

- The Insured Event began to occur or had occurred before the Insured purchased this insurance.
- The Insured should reasonably have realised when purchasing this insurance that a claim under this insurance might occur.
- The Insured fails to give proper and prompt information or evidence to Arc or to the Adviser.
- The Insured's act, omission or delay prejudices the Insured's or the Underwriters' position in connection with the Proceedings or prolongs the length of the Rent Claim.
- The Insured acts without or contrary to the advice or agreement of Arc or the Adviser.
- The Insured has breached a Condition of this Certificate of Insurance.
- Advisers' Costs have not been agreed in advance or are above those for which Arc has given its prior written approval.

2. There is no cover for any claim arising from:-

- Works undertaken or to be undertaken by or under the order of any government or public or local authority including compulsory purchase.
- Subsidence, mining or quarrying activities.
- War, riot, radioactive contamination, nuclear accident and similar risks.
- Planning law including Town and Country Planning.
- The construction of or structural alteration to buildings.
- Defamation or malicious falsehood.
- Divorce, matrimonial matters or proceedings including ancillary relief, parental responsibility and contact, or affiliation.
- An application for Judicial Review.
- A novel point of law.

3. There is no cover -

- For Advisers' Costs incurred in avoidable correspondence or which are recoverable from a court, tribunal or other party.
- For damages, interest, fines or costs awarded in criminal courts or any other penalties.
- Where the Insured has other legal costs insurance cover.
- For claims made by or against Keysafe Insurance Services, JBI, Keysafe UK Ltd, the Underwriters, the Adviser or Arc.
- For appeals without the prior written consent of Arc.
- For disputes in relation to the sale, purchase or adverse possession of the Insured Property.

• Prior to the issue of court proceedings, for the costs of any legal representative other than those of the Adviser unless expressly agreed by Arc. Such agreement is entirely at Arc's discretion.

• Where the Claim is false, fraudulent or arises from a criminal act or omission of the insured.

• If the Insured or his agent gave any false or misleading information when he applied for the Tenant Reference or for this insurance cover or.

• Where the Tenant received a Tenant Reference subject to a Guarantor and the Guarantor was not correctly assigned to the Tenancy Agreement.

Contracts (Rights of Third Parties) Act 1999

• A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this contract but this does not affect any right or remedy of a third party which exists or is available other than by virtue of this Act.

General Conditions

1. Cancellation

• The Insured may cancel this insurance at any time by writing to and providing fourteen days written notice to Keysafe Insurance Services.

• Keysafe Insurance Services or Arc may cancel the insurance by giving fourteen days notice in writing to the Insured.

• No refund of premium shall be made.

2. Claims

• Claims must be notified to ARC within 45 days of the Insured Event. Notification will only be deemed to have been received upon receipt of a completed claim form accompanied by all supporting documents.

• If Rent is overdue the Tenant must be contacted within seven days to establish the reason for the default. If the Rent is not paid within a further seven days the Tenant must be contacted again. If the Tenant can not be contacted, and it is lawful to do so, the Insured or his agent must serve notice of a requirement to undertake an inspection in accordance with the Insured's obligations within the Tenancy Agreement and visit the Insured Property. The Insured or his agent should seek legal advice if he is unsure that such an inspection is lawful.

• The Insured and his agent must act promptly to gain vacant possession of the Insured Property and recover Rent arrears.

• In the event of a Claim the Insured or his agent must prepare a detailed schedule of dilapidations as soon as reasonably possible after the Tenant has vacated the Insured Property.

• The Insured and/or his agent will attend any court hearing in relation to an Insured Event if requested to do so by Arc or the Adviser. Failure to attend will result in all cover under this Insurance Certificate being withdrawn with immediate effect and no further Claim payments being made.

• Arc may investigate the claim and take over and conduct the Proceedings in the Insured's name. Subject to the Insured's consent which shall not be unreasonably withheld Arc may reach a settlement of the Proceedings.

• The Insured must supply at his own expense all of the information which Arc reasonably requires to decide whether a claim may be accepted. If Court Proceedings are required and the Insured wishes to nominate an alternative legal representative to act for him he may do so.

The Adviser must:

- a) confirm in writing that he will enable the Insured to comply with his obligations under this insurance
- b) agree with Arc the rate at which his costs will be calculated. If no agreement is reached the Law Society will be asked to nominate an Adviser and this nomination shall be binding.

The Adviser will:-

- a) provide a detailed view of the Insured's prospects of success including the prospects of enforcing any judgement obtained
- b) keep Arc fully advised of all developments and provide such information as Arc may require
- c) keep Arc regularly advised of Advisers' Costs incurred
- d) advise Arc of any offers to settle and payments in to court. If contrary to Arc's advice such offers or payments are not accepted there shall be no further cover for Advisers' Costs unless Arc agrees in its absolute discretion to allow the case to proceed.
- e) submit bills for assessment or certification by the appropriate body if requested by Arc
- f) attempt recovery of costs from third parties

• In the event of a dispute arising as to Advisers' Costs, Arc may require the Insured to change Adviser.

• Underwriters shall only be liable for costs for work expressly authorised by Arc in writing and undertaken while there are reasonable prospects of success.

• The Insured shall supply all information requested by the Adviser and Arc.

• The Insured is liable for any Advisers' Costs if he withdraws from the Proceedings without Arc's prior consent. Any costs already paid by Arc will be reimbursed by the Insured.

• Arc, on behalf of Underwriters has the right under subrogation to pursue Proceedings against the Tenant to recover Advisers' Costs and Rent.

3. Disputes

Any dispute between the Insured and Arc shall be referred to an arbitrator who will be either a solicitor or a barrister. If the parties cannot agree on their choice of arbitrator the Law Society may be asked to make a nomination. The arbitration will be binding and carried out under the Arbitration Act. The costs of the arbitration will be at the discretion of the arbitrator.

4. Renewals

• Neither Arc, Underwriters, Keysafe Insurance Services nor Keysafe UK Ltd is bound to give notice when this policy becomes due for renewal.

5. Reasonable Prospects

• At any time Arc, on behalf of the Underwriters, may form the view that the Insured does not have a reasonable prospect of success in the action he is proposing to take or is taking. If so, Arc may decline support or any further support.

In forming this view Arc may take into account:-

- a) the amount of money at stake.
- b) the fact that a reasonable person without this insurance would not wish to pursue the matter.
- c) the prospects of being able to enforce a judgement.

d) the fact that the Insured's interests could be better achieved in another way.

e) The prospects of recovery.

6. English Law

This contract is governed by English Law.

7. Language

The language for contractual terms and communication will be English

Customer Care & Complaints

Arc's aim is to get it right, first time, every time. If we make a mistake, we will try to put it right promptly.

If you, the Insured, are unhappy with the service that has been provided, you should contact us at the address below. We will always confirm to you, within five working days, that we have received your complaint. Within four weeks you will receive either a final response or an explanation of why the complaint is not yet resolved plus an indication of when a final response will be provided. Within eight weeks you will receive a final response or, if this is not possible, a reason for the delay plus an indication of when a final response will be provided. After eight weeks, if you are not satisfied with the delay you may refer your complaint to the Financial Ombudsman Service. You can also refer to the Financial Ombudsman Service if you cannot settle your complaint with us.

Our Contact Details are:

Arc Legal Assistance Ltd
Lodge House
Lodge Lane
Langham
Colchester
C04 5NE

Tel 0870 350 4400

Email enquiries@arclegal.co.uk

The Financial Ombudsman Service contact details are:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

Tel 0845 606 1234

Email consumerhelp@fsa.gov.uk

Compensation

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if Arc or Inter Partner Assistance are unable to meet their obligations. Your entitlement to compensation will depend on the circumstances of the claim. Further information about compensation scheme arrangements is available at <http://www.fscs.org.uk/>

Authorisation

Arc Legal Assistance Ltd is authorised and regulated by the Financial Services Authority. Our FSA Register number is 305958. Our permitted business is arranging with a view to transactions in non-investment insurance contracts, arranging (bringing about) non-investment insurance contracts, advising on non-investment insurance contracts, dealing as an agent in non-investment insurance contracts and assisting in the administration and performance of non-investment insurance contracts. You can check this on the FSA's register by visiting the website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234

Inter Partner Assistance (IPA) is a branch of Inter Partner Assistance SA (IPA SA) based in Belgium. IPA SA is authorised by the Commission Bancaire, Financiere et des Assurances (CBFA) in Belgium (their regulatory arm) and regulated by the Financial Services Authority here in the UK. Their FSA Register number is 202664. Their regulative activities are Miscellaneous Financial Loss, Legal Expenses and Assistance. IPA is a member of the Association of British Insurers

IPA address details are:

Inter Partner Assistance
The Quadrangle
106-118 Station Road
Redhill
Surrey RH1 1PR
Registered No: FC008998

Claims

Claims must be notified to the Claims Line within 45 days of the Insured Event. Failure to notify the claim within this time will invalidate the insurance cover.

If Rent is overdue the Tenant and any Guarantor must be contacted within seven days to establish the reason for the arrears. If the Rent is not paid within a further seven days the Tenant and any Guarantor must be contacted again. If the Tenant can not be contacted, and it is lawful to do so, the Insured or his agent must serve notice of a requirement to undertake an inspection in accordance with the Insured's obligations within the Tenancy Agreement and then visit the Insured Property. The Insured or his agent should seek legal advice if he is unsure that such an inspection is lawful.

Rent

Rent is paid one month in arrears and equal to 1/30th of each continuous day the Tenant is in arrears. Rent will be paid equal to the monthly arrears up to a maximum of £2500 per month for up to six months or £10,000, whichever is the lesser amount. Rent will only be paid whilst the arrears occur during the Period of Insurance, the period of the Tenancy Agreement, and whilst the Tenant remains in the Insured Property.

The first full month's rent arrears are not covered under this insurance.

Legal Costs

This insurance only covers legal fees incurred by Shoosmiths Solicitors or Pain Smith Solicitors or their agents appointed by Arc until court proceedings are issued. If Court proceedings are issued, the Insured may nominate another solicitor to act for him.

Claims Line

To Report a Claim

Claims must be notified to ARC within 45 days of the Insured Event. Notification will only be deemed to have been received upon receipt of a completed claim form accompanied by all supporting documents. Failure to notify the claim within this time will invalidate the insurance. Claim forms can be obtained by telephoning the claims line on 0870 350 1737. The claims line operates from 09:00 to 17:30 Monday to Friday (exc. Bank Holidays).

What Happens Next

The Claim will be assessed and if accepted and deemed appropriate, an Enquiry Agent will visit the Tenant and any Guarantor. If the Enquiry Agent is unable to reach an agreement with the Tenant to remedy his failure to perform his obligations under the Tenancy Agreement, Shoosmiths Solicitors or Pain Smith Solicitors or their agents will be appointed to act for the Insured in the Claim.

Any Rent arrears covered under the insurance will generally be paid within 21 days from the end of the month they became due. The Insured or his agent will be required to complete a continuation claim form before each Rent Claim payment is made.

The Insured or his agent must give all information requested by Arc or the Adviser within five days of receiving the request for that information.

The Insured or his agent must attend any court hearing if requested by the Adviser.

This Claims procedure should be read in conjunction with the main terms and conditions of the Insurance Certificate.