

Commercial & Residential Landlord Legal Expenses Insurance Policy

Welcome

Thank you for choosing us to provide your Commercial & Residential Landlord Legal Expenses Insurance Policy, which is underwritten by Financial & Legal Insurance Company Limited. You now have legal expenses insurance to protect you in relation to the cover set out in this Policy.

A summary of the cover provided by this Policy is shown in your Insurance Product Information Document (IPID).

You are entitled to cancel your Policy with a full premium refund within 14 days of it starting, provided that there have been no claims. Please see the cancellation condition under the Conditions.

Our Agreement

This insurance is a contract between us (Financial & Legal Insurance Company Limited) and you (the Policyholder shown in the Certificate of Insurance). This is a claims made Policy which means that for there to be a valid claim under the Policy, claims must be reported to us during the Period of Insurance

We will, subject to the terms of this Policy, provide you with the insurance set out in the Policy in respect of claims reported to us during the Period of Insurance shown in the Certificate of Insurance and for any subsequent period for which we may accept a renewal premium.

You must ensure that all the information you have given to us is accurate to the best of your knowledge. We will be entitled to refuse to accept a claim where you do not take reasonable care not to make a misrepresentation.

The Policy, Certificate of Insurance and any endorsements must be read together as one document.

Signed on our behalf



Nick Garner, Chief Executive Officer
Financial & Legal Insurance Company Limited

The Meaning of Words in this Policy

Each of the words or terms has a specific meaning which applies wherever they appear in **bold** type in this Policy.

Administrator :

means Lexelle Limited who will administer our Claims Service and claims complaints on **Our** behalf.

Appointed Representative:

means the claim negotiator, lawyer or other suitably qualified person appointed by **Us** to act on behalf of the **Insured Person**, in accordance with **Our** standard terms of appointment.

Certificate of Insurance:

means the document headed "Certificate" giving details of **You**, the **Period of Insurance**, and commencement date, that forms part of **Your** contract of insurance along with this document.

Costs and Expenses:

means all necessary and reasonable

1. Fees, costs, disbursements and expenses charged by the **Appointed Representative** and agreed by **Us**;
2. Opponent's costs in civil cases where the **Insured Person** is ordered to pay them or where **We** agree **Us**;
3. Opponent's costs in civil cases where the **Insured Person** is ordered to pay them or where **We** agree to pay them in pursuing the claim including the costs of any appeal or defending an appeal, provided the **Insured Person** tells **Us** within the time limits and provided that **We** agree to the appeal.

Insured Person:

means **You** and any director, partner and employee of **Your** business provided that they have **Your** permission to claim under this Policy.

Insured Property:

means the properties to be insured, shown in the **Certificate of Insurance**, which are let by **You** to a **Tenant**.

Legal Proceedings:

means a legal remedy for compensation, eviction, specific performance or an injunction.

Period of Insurance:

means any 12 month period of continuous cover stated in the **Certificate of Insurance**.

Reasonable Prospects:

means that in respect of each claim there is always more than a 50% chance of the **Insured Person** recovering damages, defending a claim or prosecution or obtaining a legal remedy. This will be assessed by **Us** or the **Appointed Representative**.

Tenant:

means the person(s), business or company who occupies (or has occupied) the **Insured Property** under a tenancy agreement or lease with **You**.

We/Us/Our:

means Financial & Legal Insurance Company Limited.

You/Your:

means the Policyholder shown in the **Certificate of Insurance** attached to this Policy.

Tenancy Check Requirements:

means that prior to the commencement of any tenancy agreement relating to an **Insured Property**, **You** have obtained for each **Tenant** and guarantor (if applicable):

1. A satisfactory credit reference check to include the Enforcement of Judgments Office, County Court Judgments and bankruptcy against the **Tenant** and guarantor (if applicable) from a licensed credit referencing agency or from a licensed credit firm. The credit reference check must have been carried out within 45 days of the Tenancy Agreement.
2. The satisfactory credit reference check must be clear of County Court Judgements (CCJ's - last 3 years and none outstanding), show no previous bankruptcies and a good credit score demonstrating the **Tenant's** and guarantor (if applicable) ability to meet their rent commitments.
3. Confirmation from the **Tenant** or guarantor (if applicable) that have sufficient income to meet the rent commitments.
4. Two forms of identification for the **Tenant** and guarantor (if applicable) including one with photographic identification, if they are a person.

What IS Insured

We will, subject to What is NOT Insured, the Claims Settlement Provisions and Conditions of this Policy provide the insurance in relation to the Insured Incidents, shown as operative in the **Certificate of Insurance**, set out below.

Provided that:

1. **Reasonable Prospects** exist for the duration of the claim.
2. The claim is reported to the **Administrator**
 - a. During the **Period of Insurance**, and
 - b. Immediately after the **Insured Person** became aware of circumstances which may give rise to a claim.
3. The **Insured Person** follows the advice provided to the **Insured Person** by **Our** Claims Service.
4. The **Insured Person** seeks and continues to follow the advice from **Our** Claims Service.
5. During the course of any dispute from the date that the **Insured Person** became aware of the dispute and throughout the duration of the dispute the **Insured Person** keeps the **Administrators** up to date with all developments and the **Insured Person** follows and continues to follow the advice from **Our** Claims Service.
6. The event which leads to a claim arises in connection with **Your** business as a landlord.
7. The **Insured Property** is situated in the United Kingdom.
8. **You** have complied with the terms of the **Tenancy Check Requirements** in respect to each **Tenant** or guarantor (if applicable).

We will not pay:

- a. In respect of any one claim and in total in any one **Period of Insurance** more than the relevant Limit of Liability and the annual aggregate limit shown in the **Certificate of Insurance**.
- b. The amount of any Excess shown in the **Certificate of Insurance** in respect of each claim.
- c. Any claim or incident which may lead to a claim and which the **Insured Person** knew about or ought reasonably to have known about before the start of this Policy.

Insured Incidents

1. Rent Recovery

We will pay the **Costs and Expenses** in relation to the pursuit of **Legal Proceedings** for undisputed and unpaid rent, in relation to an **Insured Property**, which is due under the terms of the tenancy agreement between **You** and the **Tenant**.

Provided that

1. The amount in dispute exceeds the amount shown in the **Certificate of Insurance**.
2. Any claim for undisputed and unpaid rent is notified to **Us** within 45 days from the date the rent was first disputed or due and payable.
3. All **Your** normal credit control procedures have been exhausted or **You** have made reasonable efforts to recover the

unpaid rent.

2. Tenant Eviction

We will pay the **Costs and Expenses** in relation to the pursuit of **Legal Proceedings** in respect of obtaining vacant possession from the **Tenant** of the **Insured Property** at the expiry of a valid notice to quit being served.

3. Tenant Property Damage

We will pay the **Costs and Expenses** in relation to the pursuit of **Legal Proceedings** in respect of damage resulting from the **Tenant** failing to return the **Insured Property** in the same condition as at the commencement of the tenancy.

Provided that

1. The amount in dispute exceeds the amount shown in the **Certificate of Insurance**.
2. An inventory of the property has been obtained and agreed by both parties prior to the commencement of the tenancy.

We will not pay for any claim relating to or resulting from depreciation and wear and tear.

4. Legal Defence

We will pay the **Costs and Expenses** for defending an **Insured Person's** rights relating to any prosecution in a criminal court arising from the letting of the **Insured Property**.

5. Squatter Protection

We will pay the **Costs and Expenses** in relation to the pursuit of **Legal Proceedings** an **Insured Person** is able to pursue in respect of an **Insured Property** arising from:

1. A trespass
2. An unauthorised occupation
3. Damage caused to the **Insured Property** by a trespasser or unauthorised occupier.

Provided that the amount in dispute exceeds the amount shown in the **Certificate of Insurance**.

6. Property Disputes

We will pay the **Costs and Expenses** for the pursuit or defence of **Legal Proceedings** relating to:

- a. An incident which causes or could cause physical damage to the **Insured Property**.
- b. Any unlawful interference of **Your** use or enjoyment or right of the **Insured Property**.

Provided that:

- i. The amount in dispute exceeds the amount shown in the **Certificate of Insurance**.
- ii. The **Insured Property** are situated in the United Kingdom.

We will not pay for:

- a. Any claim relating to the rent, service and maintenance charges or renewal of a tenancy agreement.
- b. Any claim relating to planning.
- c. Any claim relating to work done by any government or local authority unless the claim is for accidental physical damage to the **Insured Property**.
- d. Any claim relating to subsidence, heave, landslip, mining or quarrying.

What IS NOT Insured

1. Tenancy Check Requirements

Any claim where prior to the commencement of any tenancy agreement relating to an **Insured Property** an **Insured Person** has failed to comply with all the requirements of the **Tenancy Check Requirements**.

2. Prior Claims

Any claim or incident which may lead to a claim and which the **Insured Person** knew about or ought reasonably to have known about before the start of this Policy.

3. Prior Costs and Expenses

Any costs incurred before a claim is made and any **Costs and Expenses**, which **We** do not authorise.

4. Dishonesty, Deliberate Acts, Violence, Criminal Acts and Fraud

Any claim

- a. Involving actual or alleged dishonesty, violence or any deliberate or criminal act or omission by the **Insured Person**.
- b. Or statement, which is overstated, false or fraudulent.

We will have the right to refuse to pay a claim or to void this insurance from the date of the act.

5. Judicial Review, Mediation and Arbitration, Marital and Family Disputes, Intellectual Property, Libel and Slander, Share Options, Pensions and Date Change, Mortgage Lender

Any claim directly or indirectly relating to or resulting from

- a. A judicial review.
 - b. Mediation and arbitration.
 - c. Divorce, matrimonial matters, cohabitation, maintenance, custody or access.
 - d. Copyrights(s), trademark(s), merchandise mark(s), registered design(s) or other intellectual property rights or secrecy and confidentiality agreements.
 - e. Libel or slander.
 - f. Any share option or pension scheme or policy.
 - g. Any device failing to recognise, interpret or process any date as its true calendar date.
 - h. Any dispute arising between the **Insured Person** and any agent or mortgage lender.
- 6. Bankruptcy, Liquidation or Receivership**
Any claim where the **Insured Person** is bankrupt, in liquidation, has made an arrangement with their creditors, has entered into a Deed of Arrangement or where part or all of the **Insured Person's** affairs or property is in the care or control of a receiver or an administrator.
- 7. Other Insurance**
Any **Costs and Expenses**, which can be recovered by an **Insured Person** under any other insurance or which would have been covered if this insurance did not exist except for any amount in excess of that which would have been payable under such insurance(s).
- 8. Fines and Penalties**
For fines, damages or other penalties which the **Insured Person** is ordered to pay by a court or other authority.
- 9. Disputes with Us and Family Members**
- a. Any claim against **Us** (Financial & Legal Insurance Company Limited) or the **Administrator**.
 - b. Any dispute between an **Insured Person** and any domestic partner or family members permanently living with an **Insured Person**.
 - c. Any dispute between family members or any domestic partner of the **Tenant**.
- 10. War Risks**
Any claim arising from any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, confiscation, requisition, terrorism or alleged acts of terrorism as set out in the Terrorism Act 2000, or damage to property by or under the authority of any government, public or local authority.
- 11. Radioactive Contamination and Pressure Waves**
Any claim, which arises from or is directly or indirectly caused by, contributed to, by or arising from any of the following, or from any similar reaction or event
- a. Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - b. The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly;
 - c. Pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.
- 12. Territorial Limits**
Any claim:
- a. Where the dispute is pursued outside the jurisdiction of a court or other body within the United Kingdom;
 - b. Which occurs outside the United Kingdom;
 - c. Where the **Insured Person** permanently lives outside the United Kingdom.
- 13. Notice to Quit**
Any claim where the relevant Notice to Quit was served by **You** on the **Tenant** before the inception of the Policy.
- 14. Proportionality**
Any claim where, in **Our** opinion, the value/amount in dispute is disproportionate to the time and **Costs and Expenses** involved in its pursuit.
- 15. VAT**
Any claim for the VAT element of the **Costs and Expenses**, if **You** are registered for VAT.

Claims Settlement Provisions

- 1. Reasonable Precautions**
The **Insured Person** must take all reasonable precautions to reduce or remove the risk of a claim and not take any deliberate acts which will result in a claim.
- 2. When You Must Report a Claim**
The **Insured Person** must tell the **Administrators** immediately of any circumstances which may give rise to a claim.
- 1. Acceptance of Claim**
On receipt of the claim it will be assessed and dealt with by **Our** in-house claims negotiators and, if appropriate and if **Reasonable Prospects** exist and the claim is reported to the **Administrator** immediately after the **Insured Person** becomes aware of circumstances which may give rise to a claim, the **Administrator** will then instruct an **Appointed Representative** to handle the claim on behalf of the **Insured Person**. If there is a dispute as to whether **Reasonable**

Prospects exist, **We** may require the **Insured Person**, at the **Insured Person's** own expense, to obtain Counsel's opinion as to the merits of the case.

The costs will be refunded to the **Insured Person** if Counsel's opinion clearly shows that there are merits in proceeding.

4. Conduct of the Claim

(i) **We will be entitled**

- To have direct contact with the **Appointed Representative**.
- To take over and conduct in the **Insured Person's** name any claim or **Legal Proceedings** at any time and negotiate any claim on behalf of the **Insured Person**.
- To refuse to accept a claim or continue with a claim where the **Insured Person** does not take reasonable care not to make a misrepresentation or has failed to supply relevant information and supporting evidence to **Us** or the **Appointed Representative**.

(ii) **What the Insured Person must do**

- Provide, at the **Insured Person's** own expense, the **Appointed Representative**, the **Administrator** and **Us** with any proof, evidence, certificates and assistance as **We** may reasonably ask for in connection with the claim, including proof as to whether **Reasonable Prospects** exist.
- Cooperate fully with the **Appointed Representative**, the **Administrator** and **Us** and provide, within a reasonable time, avoiding any unnecessary delays, any relevant requested information and documentation in relation to the claim.
- Take all reasonable steps to recover **Costs and Expenses** and to minimise the amount payable under this Policy.
- Take all reasonable steps to resolve disputes that otherwise may give rise to a claim.
- Notify **Us**, the **Administrator** and the **Appointed Representative** immediately of any offer to settle a claim or of any payment into court.
- Tell the **Appointed Representative** to have **Costs and Expenses** taxed, assessed and audited if **We** request.

(iii) **What the Insured Person must not do**

- Under no circumstances must the **Insured Person** accept or reject an offer to settle a claim without **Our** or the **Administrator's** consent or the consent of the **Appointed Representative**.
- Withdraw from any claim without **Our** consent or the instructions from **Us**, the **Administrator** or the **Appointed Representative**.
- Pursue a claim in any way against the advice or withdraw instructions from **Us**, the **Administrator** or the **Appointed Representative** without **Our** consent.
- Incur any **Costs and Expenses** without **Our** or the **Administrator's** consent or the consent of the **Appointed Representative**.
- Agree to settle any claim on any basis or reject any offer to settle a claim, without **Our** or the **Administrator's** consent or the consent of the **Appointed Representative**.

Please Note

We will be entitled to be reimbursed by the **Insured Person** for any **Costs and Expenses** previously agreed or paid to or on behalf of the **Insured Person** if the **Insured Person** breaches any of the conditions in (ii) and (iii) above.

5. Payment Instead of Pursuing or Defending a Claim

At any time **We** will be entitled to pay the reasonable amount of damages claimed if in **Our** opinion this would be a more economic solution.

6. Legal Proceedings

Any **Legal Proceedings** must be dealt with in the jurisdiction of a court or tribunal in the United Kingdom.

7. Choice of Appointed Representative

If there is a conflict of interest, or if the claim is not settled by negotiation and it then becomes necessary to start court proceedings, only then will the **Insured Person** be entitled to choose their own lawyer for **Us** to instruct as the **Appointed Representative** to handle the claim.

Where **we** have agreed someone other than our nominated **Appointed Representative** may act for the **Insured Person**, **we** will not pay any sums in excess of what **we** would have paid to an **Appointed Representative** that **we** would have appointed to undertake the same work, which is currently set at an hourly rate of £125 + VAT.

Conditions

1. Observance of Terms

Anyone making a claim under this Policy must have **Your** permission and observe the terms under this Policy.

2. Cancellation

You may cancel this Policy within 14 days of its inception without any premium charge provided that there have been no claims. Thereafter, **You** may cancel the Policy at any time, however no refund of premium will be available. If **You** cancel the Policy **You** must contact **Your** insurance adviser.

We may cancel this Policy at any time provided that **We** give **You** 7 days' notice of cancellation and there is a valid reason for doing so. Valid reasons for cancellation include, but are not limited to fraud, dishonesty and any

outstanding amount due from **You** in relation to any other claim under the Policy. Where **We** cancel this Policy no refund of premium will be available. If **We** cancel the Policy **We** will write to **You** at **Your** address shown in **Our** records.

3. Arbitration

Any dispute or difference of any kind between **Us** and an **Insured Person** will be referred to arbitration by a single arbitrator who will be either a barrister or solicitor. If the parties are unable to agree on the appointment of an arbitrator, all parties agree to accept an arbitrator nominated by the President of the relevant national Law Society. The arbitrator's decision will be final and binding on all parties and the unsuccessful party shall be responsible for any costs incurred by the successful party in the arbitration proceedings as well as their own costs.

4. New Rules

If during the **Period of Insurance**, any changes should be made (whether issued or implemented by any relevant authority or otherwise) to applicable rules, laws, legislation judgements, regulations, directives, guidance, codes of conduct, recommendations or requirements or any other rules, instruments and provisions in force from time to time which alter or affect (or may alter or affect) in any way the legal costs regime to **Our** or **Your** material detriment, **We** reserve the right to amend this Policy to deal appropriately (fairly to both **You** and **Us**) with such changes. In those circumstances **We** will issue an endorsement to this Policy notifying **You** within 21 days of the proposed changes by sending to **You** details of those changes to **Your** last known address. **You** will, however, be free to accept or reject those changes in line with the procedure set out in the endorsement.

5. Third Party Rights

Unless expressly stated in this insurance, nothing in this insurance will create any rights in favour of any person pursuant to the Contracts (Right of Third Parties) Act 1999.

6. Waiver

If **We** or any **Insured Person** fail to exercise or enforce any rights conferred on them by this insurance, the failure to do so will not be deemed to be a waiver, nor will it bar the exercise or enforcement of, such rights at any subsequent time.

14. Recoveries

We reserve the right, at **Our** own expenses, to take proceedings in the name of the **Insured Person** to recover any payment made under this Policy. If an **Insured Person** recovers **Costs and Expenses** previously paid under this Policy such **Costs and Expenses** must be immediately repaid to **Us**.

15. Governing Law

If **You** are a natural person, this Policy is subject to the law applicable to **Your** place of residence in the United Kingdom. If **You** are a business, this Policy is subject to the law applicable to the place **Your** business is registered in the United Kingdom.

16. Assignment

This insurance is between and binding upon **Us** and **You** and their respective successors in title, but this insurance may not otherwise be assigned by **You** without **Our** prior written consent.

How to Make a Claim

If **You** need to contact the **Administrator** to make a claim **You** can:

- Call on 0114 350 4107
- Email at Assist@Lexelle.com
- Write To:
Lexelle
PO Box 4429
Sheffield
S9 9DD

If there is a claim, which is covered by the Policy the **Administrator** will then send the **Insured Person** a claim form to be completed and returned to **Us**.

If the claim is reported to the **Administrator** during the **Period of Insurance** and is accepted and **Reasonable Prospects** exist, the claim will be handled by **Our** specialist claims unit or **We** will instruct an **Appointed Representative** or other suitably qualified representatives to act on behalf of the **Insured Person**.

Please note that

- Any costs incurred before a claim is made and any costs which **We** or the **Administrator** do not authorise are not insured by this Policy.
- Under this Policy there must be **Reasonable Prospects** for any claim to proceed.
- If there is any conflict of interest or if court proceedings are to be issued only then will the **Insured Person** be entitled to choose their own lawyer.

How to Make a Complaint

Our aim is to provide a first class standard of service at all times.

If **You** feel that **You** have been let down and **You** wish to raise a Complaint about the sale of this Policy, please contact **Your** insurance adviser.

If **You** feel that **We** have let **You** down and **You** wish to raise a complaint, please contact the **Administrator** by telephone on 0114 350 4107, by email to assist@lexelle.com or in writing to Lexelle, PO Box 4429, Sheffield S9 9DD. Please quote the Certificate number on **Your Certificate of Insurance** on all correspondence.

The **Administrator** will attempt to resolve **Your** complaint within 3 business days of receipt and a summary resolution communication letter will be sent to you. Where this is not possible, **Your** complaint will be acknowledged promptly. If the complaint is not resolved within 4 weeks of receipt, the **Administrator** will write to **You** and let **You** know what further action will taken. A final response letter will be issued within 8 weeks of receipt.

If, upon receipt of the letter in response to **Your** complaint **You** remain dissatisfied, **You** may refer **Your** complaint to the Financial Ombudsman Service. **You** can contact the Financial Ombudsman Service at: Exchange Tower, London, E14 9SR.

The use of these facilities does not affect **Your** right to take legal action.

Data Protection

We are the Data Controllers. Information may be used by **Us**, agents and service providers for the purposes of insurance administration, underwriting, claims handling or for statistical purposes. The lawful basis for the processing is that it is necessary for **Us** to process **Your** personal information to enable the performance of the insurance contract, to administer **Your** policy of insurance and/or handle any insurance claim **You** may submit to **Us** under this policy. The processing of **Your** personal data may also be necessary to comply with any legal obligation **We** may have and to protect **Your** interest during the course of any claim.

What we process and share

The personal data **You** have provided, **We** have collected from **You**, or **We** have received from third parties may include **Your**:

- Name; date of birth, residential address and address history.
- Contact details such as email address and telephone numbers.
- Financial and employment details.
- Identifiers assigned to **Your** computer or other internet connected device including **Your** Internet Protocol (IP) address.
- Health or criminal conviction information.
- Vehicle or household details.
- Any information which **You** have provided in support of **Your** insurance claim.

We may receive information about **You** from the following sources:

- **Your** insurance broker.
- From third parties such as credit reference agencies and fraud prevention agencies.
- From insurers, witnesses, the Police (in regards to incidents) and solicitors, **Appointed Representatives**.
- Directly from **You**.

We will not pass **Your** information to any third parties except to enable **Us** to process your claim, prevent fraud and comply with legal and regulatory requirements. In which case **We** may need to share **Your** information with the following third parties within the EU:

- Solicitors or other **Appointed Representatives**.
- Underwriters, Reinsurers, Regulators and Authorised/Statutory Bodies.
- Fraud and crime prevention agencies, including the Police.
- Other suppliers carrying out a service on **Our**, or **Your** behalf.

We will not use **Your** information for marketing further products or services to **You** or pass **Your** information on to any other organisation or person for sales and marketing purposes without **Your** consent.

Data Retention

We will hold **Your** details for up to seven years after the expiry of **Your** policy, complaint and/or claims settlement.

Your rights

Your personal data is protected by legal rights, which include **Your** rights to:

- Object to **Our** processing of **Your** personal data.
- Request that **Your** personal data is erased or corrected.
- Request access to **Your** personal data and data portability.
- Complain to the Information Commissioner's Office, which regulates the processing of personal data.

You can request to see what data **We** hold on **You**, there is no charge for this service.

If **You** have any questions about **Our** privacy policy or the information **We** hold about **You** please contact **Us**.

Please read your policy document carefully and keep it in a safe place

The insurance provided by this policy is underwritten by Financial & Legal Insurance Company Limited authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under No. 202915. Registered in England under Company No. 03034220. Registered address: 5400 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire, SK8 3GQ.

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