

# Landlords' Legal Solutions and Rent Indemnity

## Insurance Product Information Document

Company: ARAG plc

Product: Landlords' Legal Solutions

Please refer to your policy wording for full terms and conditions of your insurance contract.

### What is this type of insurance?

Landlords' Legal Solutions protects private residential landlords against paying legal costs to recover possession of property and rent arrears, to pursue claims for property damage, nuisance and trespass and to defend landlord prosecutions. Rent Indemnity pays rent owed while repossession is being sought if your tenant refuses to leave the property and a proportion of rent for a short time after gaining possession. You can also access a free 24/7 landlord legal advice helpline and our landlord legal services website which allows you to create legal documents on line - such as a Section 8 notice or letter to chase rent arrears.



#### What is insured?

The insurer will pay solicitors and barrister's fees, court costs and your opponent's costs up to £50,000 if the court awards costs against you for the following.

- ✓ **Repossession** - A claim for repossession of private residential rented property where there is a mandatory legal ground on which you can rely to recover possession.
- ✓ **Property damage nuisance and trespass** - We will pursue a claim to obtain compensation or relief if your property or contents are damaged or affected by a public or private nuisance or trespass.
- ✓ **Recovery of rent arrears**
- ✓ **Accommodation and storage costs** – If you are unable to access your property to live in it yourself the insurer will contribute towards the cost of alternative accommodation for you and storage of your household contents.
- ✓ **Prosecution defence** – where it is alleged you have committed an offence in your capacity as a landlord.
- ✓ **Rent indemnity** (Only applicable if the optional cover is taken out) - The insurer will pay rent owed while we are dealing with your claim for repossession if your tenant refuses to leave your property. After the tenant has left, the insurer will pay 75% of the rent that would have been payable for a further two months.



#### What is not insured?

- ✗ Claims that do not have a 51% chance or more of success.
- ✗ Circumstances existing before your cover starts.
- ✗ Costs that you incur without our consent or which exceed the sum we would pay a law firm from our panel.
- ✗ If your tenancy agreement started before you take out Landlords' Legal Solutions you will not be able to claim for a dispute with your tenant during the first 3 months of your cover.
- ✗ Prosecution of violent or dishonest acts, sexual or alcohol- related offences, illegal immigration and money laundering is excluded.



#### Are there any restrictions on cover?

- ! Landlords legal solutions is not available for HMOs, social housing or commercial premises.
- ! Claims must be reported to us during the period of insurance.
- ! Accommodation costs are limited to £175 per day and up to £5,250 in total.
- ! Storage costs are limited to £50 per week and £300 in total.
- ! We will choose your lawyer from our panel unless there is a conflict of interest or the point has been reached at which proceedings need to be issued.



### Where am I covered?

Your rented property must be located in Great Britain or Northern Ireland or Guernsey or Jersey.



### What are my obligations?

- Claims must be reported to us as soon as you are aware of the claim, within the period of insurance, and if rent is overdue within 30 days of your tenant's default.
- If rent is in arrears, you must be able to provide evidence that you have demanded overdue rent in writing.
- You must have correctly served the necessary legal notice on your tenant to leave the property.
- You must co-operate with us and the lawyer we appoint to conduct your claim.
- A number of obligations apply to claims for rent indemnity which are set out in full in the policy wording. For example, before allowing a tenant into the property you must have obtained references for your tenant and a CCJ check. If there is any doubt over the tenant's ability to pay rent, you must have entered into an agreement with their guarantor. You must maintain up to date rental records and have correctly protected the tenant's deposit.



### When and how do I pay?

The person who sells your Landlords' Legal Solutions policy will tell you whether you need to pay a separate premium for this cover or whether it is automatically included in the sum you pay for your let property insurance policy or managing agent's fee. If you are charged a separate premium it can be paid by the same method at the same time as you pay for your let property insurance or agent's fee.



### When does cover start and end?

Cover starts and ends at the same time as your let property insurance policy or when your tenancy agreement begins if your policy has been bought from your property managing agent; unless you have paid a separate premium for Landlord's Legal Solutions and wish to cancel your cover at any other time.



### How do I cancel the contract?

Where your premium for Landlords' Legal Solutions has been included within your let property insurance premium or managing agent's fee, it cannot be cancelled independently from your let property insurance policy or agency agreement and the contract will run for as long as that insurance or agency agreement stays in force. If you have paid an additional premium for Landlords' Legal Solutions, you can cancel within the first 14 days of receiving your policy and obtain a full refund provided that we have not accepted a claim. Tell the person who sold your policy to you that you wish to cancel. They will decide what refund, if any, is due for the time you have not used if you cancel after the first 14 days.