

# Legal Indemnity Insurance

Insurance Product Information Document

Company: Legal & Contingency Limited Product: Freehold Rent Charge Insurance Policy – (Residential use only)

Legal & Contingency Limited is authorised and regulated by the Financial Conduct Authority – Reference No. 312376. Registered in England No. 3511606.

This Insurance Product Information Document is intended to provide a summary of the main cover and exclusions and is not personalised in any way. Complete contractual and pre-contractual information in the form of the Representations is provided in the policy document.

## What is this type of insurance?

The policy provides cover for any actual financial loss resulting from a rent charge owner whose identity was unknown to the insured at the start of the policy enforcing or attempting to enforce a freehold rent charge including the cost of arrears and future rent charge payments, the enforcement of any restrictive covenants associated with the rent charge and the legal right of re-entry as a consequence of such non-payment and/or breach of said covenants.



### What Is Insured?

For a full list of what is and isn't covered please refer to the policy document.

- ✓ Damages and/or compensation awarded against you
- ✓ Any costs incurred by you in complying with an order issued by a court including but not limited to the cost to pay arrears of payments due in relation to the rent charge
- ✓ Any reduction in the market value of the property as calculated by a surveyor
- ✓ Out of court settlements
- ✓ Defence costs including costs incurred in defending any action at law against other parties
- ✓ Any other costs and expenses incurred with our prior written consent
- ✓ This policy will pay any otherwise covered claim involving the use of or inability to use a computer, including devices such as smart phones, tablets and wearable technology up to the limit of indemnity shown on the policy schedule.



### What Is Not Insured?

For a full list of what is and isn't covered please refer to the policy document.

- ✗ Any loss relating to any matter contained in a lease.
- ✗ Any loss relating to any positive covenants.
- ✗ Any loss arising from the insured or anyone acting on their behalf making an approach to any party who is or may be the rent charge owner without our prior consent.
- ✗ Any loss in relation to the development, conversion or change of use of the property (or any application to do so) without our prior written consent.
- ✗ Fines, penalties, punitive, exemplary, aggravated, liquidated and multiple damages.



### Are there any restrictions on cover?

A full list of the restrictions that apply are found in the policy document.

- ! There is no cover if at the start of the policy any party to the property transaction taking place was aware of the identity and/or whereabouts of the rent charge owner.
- ! There is no cover if at the start of the policy any payment had been made or demanded in relation to the rent charge within the 24 months immediately prior to the start of the policy.
- ! There is no cover if reasonable efforts were not made to identify and locate the rent charge owner prior to the start of the policy.
- ! There is no cover if any approach is made by you or anyone acting on your behalf to any party who has or may have the benefit of the rent charge after the start of the policy without our prior written consent.
- ! There is no cover if an application is made in respect of the rent charge to any court, the Upper Tribunal (Lands Chamber) or the Land Registry without our prior written consent.



### Where am I covered?

- ✓ This insurance covers the property shown in the policy schedule which must be located in England or Wales.



### What are my obligations?

A full list of your obligations, duties and conditions are contained within your policy document.

- You must not disclose the existence of the policy other than to your legal representative or mortgagee or to prospective purchasers their mortgagee and their legal representatives.
- You must not make any admission of liability, offer, promise or payment or incur any costs or expenses.
- You must contact us within 21 days in the event you become aware of an enforcement, attempted enforcement or threatened enforcement of the matters covered by the policy.



### When and how do I pay?

For details of when and how to pay you should contact your legal representative.



### When does the cover start and end?

This insurance starts on the inception date shown in the policy schedule and continues in perpetuity.



### How do I cancel the contract?

Please contact your legal representative to cancel your policy within 14 days in the first instance. There will be no refund of premium where you have benefited from the policy to facilitate a transaction unless you can demonstrate the policy was never required from the start of the policy. If the policy is cancelled after 14 days there will be no refund of premium.

**Please Note:** If the policy is cancelled, you may be in breach of the terms of a mortgage or the terms of the sale of the property.