

Legal Indemnity Insurance

Insurance Product Information Document

Company: Legal & Contingency Limited **Product: Absent Landlord 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?

This policy provides cover if you suffer a financial loss resulting from a landlord who is absent at the inception date of the policy, returning to enforce or attempting to enforce any terms of the lease i.e. restrictive covenants in relation to works carried out to the property, the assignment of the lease, payments of ground rent and service charges, and/or the underletting of the property.



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 the insured
- ✓ Any costs incurred by the insured in complying with an order, this may include but is not limited to arrears of ground rent and/or service charge
- ✓ Any loss in market value of the insured's interest in 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 the prior written consent of Legal & Contingency Limited
- ✓ 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.

- ✗ Breaches of covenants in the lease other than those defined as terms in the lease or breaches that occurred within 12 months before the start of the policy
- ✗ Any loss where the insured has not taken all reasonable steps to contact the absent landlord prior to the inception date (i.e. there has been no response to a registered letter requesting a response within 21 days at the start of the policy)
- ✗ Any loss arising out of the insured or someone acting on their behalf attempting to contact the absent landlord after the start of the policy
- ✗ Any loss where the insured has not taken all reasonable steps to protect its interest in the property, including making an application to the court, upon becoming aware of any attempt by the absent landlord to forfeit the lease
- ✗ Fines, penalties, punitive, exemplary, aggravated, liquidated and multiple damages
- ✗ Any payment to a party where such payment will be deemed to be in violation of any trade, economic or political sanctions law or regulation



Are there any restrictions on cover?

- ! The property insured must be in England or Wales and must be used solely for residential purposes.
- ! Any structures on the property must have existed and remained unaltered for at least the last 12 months prior to the start of the policy.
- ! The residential use of the property must have been continuous and unchanged for at least the last 12 months prior to the start of the policy.
- ! The policy does not provide cover for any development, redevelopment or change of use; i.e. the property must remain as built and used as at the start of the policy.
- ! The lease must have an unexpired term of at least 40 years at the start of the policy.
- ! There is no cover if all reasonable steps have not been taken to locate and contact the landlord which has been absent for at least the last 3 years prior to the start of the policy.
- ! There is no cover, if prior to the start of the policy, any of the parties to the current property transaction are aware of any contact with the absent landlord within the 3 years prior to the start of the policy; the location or whereabouts of the absent landlord is known; or there have been any demand for payments of ground rent, service charge or other payments due under the lease within the 3 years immediately prior to the start of the policy.
- ! There is no cover if the property is being sold by a mortgagee in possession, a trustee in bankruptcy, personal representative or an executor.



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?

- 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 not discuss any of the matters covered by this policy with the absent landlord or any other person, company or organisation.
- In the event of the absent landlord returning to enforce or attempting to enforce the terms of the lease you must notify Legal & Contingency Limited in writing immediately and in any event within 21 days providing full particulars of communications, correspondence and all court documents. You must also do all things necessary to minimise any loss and provide Legal & Contingency Limited with such co-operation, information or assistance as may reasonably be required.



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 on 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. You will need to provide Legal & Contingency Limited with formal written instructions of cancellation. The policy will be deemed never to have existed. There may be an administration fee imposed for the cancellation 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.