



LEGAL SERVICES

Holiday Home Legal Solutions Policy Document

Please read this policy carefully to familiarise yourself with its terms and conditions, as well as the

- legal and tax helpline and
- the claims reporting procedures

If you are unsure about anything in this document please contact whoever you purchased your policy from.

Consumer Legal Services

Register today at:

www.araglegal.co.uk and enter the voucher code AFE48BBE98B5 to access the law guide and download legal documents to help with personal legal matters.

For a fee you can have some documents reviewed by a solicitor to ensure they meet your specific requirements.

Telephone Helplines

24/7 legal advice on personal matters within EU law

0844 581 0400

UK tax advice 9am to 5pm weekdays

0844 581 0400

Identity theft advice and resolution service 8am to 8pm seven days a week

0844 581 0397

Make a claim

To report a claim call **0117 917 1698** between 9am and 5pm weekdays (except bank holidays) or go online

www.arag.co.uk/newclaims

Main Benefits of Holiday Home Legal Solutions

Cover empowers you to pursue or defend your legal rights in the future. With support from ARAG, you and your family could be protected from legal costs arising from:

- disputes that arise from the purchase of your holiday home or goods and services up to £5,000 in value that you buy for the purpose of letting it out
- disputes with your neighbour such as nuisance or trespass
- a formal aspect or full enquiry into your personal tax affairs

Who is ARAG?

ARAG plc is a legal expenses and assistance insurance provider, operating nationwide from our headquarters in Bristol. ARAG plc is part of ARAG SE and recognised as a global leader, generating an annual premium income of over €1.5 billion.

We are experts in advancing the concept of legal insurance with innovative products and services, by understanding the many and varied legal systems that exist.

Our mission from the very beginning has always been to enable every citizen to be able to assert their legal rights. Our pioneering spirit has made us successful in an international market environment.

Our ethos is to work in partnership with our clients, listening to your expectations. With ARAG, there is no need to put life on hold.

Legal and Tax Advice

If you have a legal or tax problem we strongly recommend that you initially take advantage of our confidential legal and tax advice helpline which is provided as part of this policy; the only cost to you is a national rate call. The legal advice helpline is open 24/7 and tax advice is available between 9am and 5pm on weekdays (except bank holidays). The advice covers personal legal matters within EU law or UK tax law and you can use this service as often as you like. Your query will be dealt with by a qualified specialist experienced in handling legal and tax related matters.

You can get advice by telephoning 0844 581 0400. Use of this service does not constitute reporting of a claim.

Claims Procedure

If you need to make a claim you must notify us as soon as possible.

1. Under no circumstances should you instruct your own lawyer or accountant as we will not pay their costs and it could invalidate your cover.
2. You can request a claim form, between 9am and 5pm Monday to Friday (except bank holidays) by telephoning 0117 917 1698 or you can download a claim form at www.arag.co.uk/newclaims (for our mutual protection and our training purposes, calls may be recorded). Please have your policy schedule to hand.
3. We will issue you with a written acknowledgement within one working day of receiving your claim form.
4. Within five working days of receiving all the information needed to assess the availability of cover under the policy, we will write to you either:
 - confirming the appointment of a qualified representative who will promptly progress the claim for you; or
 - if the claim is not covered, explaining in full why and whether we can assist in another way.

5. When we accept a claim, we will arrange for a lawyer to quickly contact you. If it appears that your dispute can be resolved through mediation and the other side agrees to this, we will make the necessary arrangements.
6. Where mediation is not suitable, the lawyer will try to resolve your dispute without delay. Matters cannot always be resolved quickly if the other side is slow to co-operate or a legal timetable is decided by the courts.

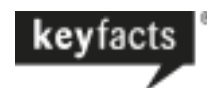
About us and your insurer

ARAG plc is authorised to administer this insurance on behalf of the insurer Brit Syndicate 2987 at Lloyd's (written under unique market reference B0356KA233D12A000 or replacement thereof).

What happens if the insurer cannot meet its liabilities?

Brit Syndicate 2987 at Lloyd's is covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation up to 90% of the cost of your claim, in the unlikely event that the insurer cannot meet its obligations. Further information about compensation scheme arrangements is available from the FSCS.

This is a summary of cover. For the full terms and conditions of the policy please read the policy wording which starts from page 6 onwards.



Significant Features & Benefits	Significant Exclusions or Limitations	Where Found
<p>The insurer will pay the insured's legal costs & expenses up to £5,000 for contract disputes and £50,000 for all other claims including the cost of appeals for claims reported during the period of insurance for the following INSURED EVENTS. Unless otherwise agreed the period of insurance shall be for twelve months</p>	<ul style="list-style-type: none"> The claim is always more likely than not to be successful and is reported immediately after the insured becomes aware of the circumstances that could lead to a claim. The insured always agrees to use an appointed advisor chosen by us before the issue of proceedings unless there is a conflict of interest. 	<p>YOUR POLICY COVER</p> <p>4)</p> <p>5)</p>
<p>1 PROPERTY We will cover a dispute relating to your holiday home following:</p> <ul style="list-style-type: none"> physical damage to your holiday home and/or contents within it that belong to you private or public nuisance or trespass. 	<ul style="list-style-type: none"> The first £250 of each claim relating to nuisance or trespass. A Contractual dispute Buildings or land other than your holiday home Compulsory purchase of or restrictions/controls placed upon your holiday home Defending claims for property damage A dispute with any other party 	<p>What is not covered under INSURED EVENT 1</p> <p>1)</p> <p>2)</p> <p>3)</p> <p>4)</p> <p>5)</p> <p>6)</p>
<p>2 CONTRACT We will cover a dispute arising from an agreement entered into:</p> <ul style="list-style-type: none"> To buy or rent out your holiday home for leisure purposes To buy or hire goods or services for the purposes of letting out your holiday home 	<ul style="list-style-type: none"> Goods and services purchased by you must not exceed a value of £5,000. Loans and mortgages. An employment contract. A settlement under an insurance policy 	<p>What is not covered under INSURED EVENT 2</p> <p>1)</p> <p>2)</p> <p>3)</p> <p>4)</p>
<p>3 LEGAL DEFENCE We will cover:</p> <ul style="list-style-type: none"> Your legal defence if you are prosecuted for a criminal offence which arises from or relates to letting your holiday home. 		
<p>4 TAX We will cover a formal aspect or full enquiry into the insured's personal tax affairs.</p>	<ul style="list-style-type: none"> An investigation by the Specialist Investigations Branch of HM Revenue & Customs. Late or inaccurate tax returns, or where you fail to disclose income relating to your holiday home Where the Disclosure of Tax Avoidance Scheme Regulations apply. Wealth, assets or money located outside of Great Britain and Northern Ireland. 	<p>What is not covered under INSURED EVENT 4</p> <p>1)</p> <p>2)</p> <p>3)</p> <p>4)</p>
<p>Legal and Tax Advice Access by phone to legal and tax experts 24 hours a day for EU-wide legal advice and UK tax law.</p>	<ul style="list-style-type: none"> We will not put advice in writing. Advice is restricted to personal legal matters. Advice on UK tax law is available Monday to Friday between 9am and 5pm. We cannot advise on financial planning or financial service products. Services are subject to fair and reasonable use. 	<p>Legal and Tax Advice</p>
<p>ARAG Consumer Legal Services website</p> <ul style="list-style-type: none"> Visit our Consumer Legal Services website at www.araglegal.co.uk and register using your voucher code to download legal documents that can assist you with day-to-day legal issues. These include a free will and consumer complaint letters. 	<ul style="list-style-type: none"> Documents are restricted to personal legal matters. Some documents can only be used in England and Wales. Many documents are free while others attract a modest charge. 	<p>Consumer Legal Services Further information is available online.</p>

<ul style="list-style-type: none"> You can access our online law guide. Many documents offer legal review services. 	<ul style="list-style-type: none"> Legal review services are subject to a fee. 	
	<p>Territorial Limit Your holiday home must be located in the EU, Switzerland, Channel Islands or the Isle of Man.</p> <p>Cover for Tax only applies for disputes occurring within and falling under the jurisdiction of a court within the UK, Channel Islands and Isle of Man.</p> <p>Period of Insurance Unless otherwise agreed the period of insurance shall be for twelve months.</p> <p>Legal Costs & Expenses</p> <ul style="list-style-type: none"> For contract claims that will be decided in a court within England and Wales, a small claims court; the insurer will only pay for the appointed advisor's own fees under a conditional fee agreement or a collective conditional fee agreement. For mediation cover applies for both sides costs where agreed by us 	<p>MEANING OF WORDS & TERMS Territorial Limit</p> <p>MEANING OF WORDS & TERMS Period of Insurance</p> <p>MEANING OF WORDS & TERMS Legal Costs & Expenses</p>

Holiday Home Legal Solutions

This policy is evidence of the contract between **you** and the **insurer**. The policy, schedule(s) and any endorsement that may attach to this policy shall be read together as one document.

YOUR POLICY COVER

Following an INSURED EVENT the **insurer** will pay the **insured's legal costs & expenses** up to the **maximum sum payable** including the cost of appeals provided that:

- 1) **you** have paid the insurance premium
- 2) the **insured** keeps to the terms of this policy and co-operates fully with **us**
- 3) the INSURED EVENT happens within the **territorial limit**
- 4) the claim
 - always has **reasonable prospects of success**
 - is reported to **us**
 - during the **period of insurance**
 - immediately after the **insured** first becomes aware of circumstances which could lead to a claim under this policy
- 5) unless there is a conflict of interest the **insured** always agrees to use the **appointed advisor** chosen by **us** in any claim before legal proceedings need to be issued
- 6) any dispute will be dealt with by
 - a court or
 - other body that **we** agree to
 - in the **territorial limit**

A claim is considered to be reported to **us** when **we** have received the **insured's** fully completed claim form.

INSURED EVENTS COVERED

1 PROPERTY

- A dispute relating to **your holiday home** following
- a) a public or private nuisance or trespass provided that where any boundary is in dispute, **you** have satisfactorily evidenced its position.
 - b) an event which causes physical damage to **your holiday home** or any contents within it that belong to **you**.

What is not covered under INSURED EVENT 1

Any claim relating to:

- 1) the first £250 of any claim under INSURED EVENT 1a) above. **You** must pay this to us as soon as we accept the claim.
- 2) a contract entered into by **you**
- 3) any building or land other than **your holiday home**
- 4)
 - a) the compulsory purchase of;
 - b) Any dispute with &/or restrictions or controls placed on **your holiday home**; by any government, local or public authority
- 5) defending any dispute under INSURED EVENT 1a) other than defending a counter claim or an appeal
- 6) a dispute with any party other than the person(s) who caused the damage, nuisance or trespass.

<p>2 CONTRACT A dispute arising out of an agreement or alleged agreement which you entered into for</p> <ol style="list-style-type: none"> a) buying or renting out your holiday home for leisure purposes b) buying or hiring goods or services for the purposes of letting out your holiday home 	<p>What is not covered under INSURED EVENT 2 Any claim relating to:</p> <ol style="list-style-type: none"> 1) Goods or services which exceed £5,000 in value 2) Loans and mortgages 3) An employment contract 4) A settlement due under an insurance policy
<p>3 LEGAL DEFENCE Defence of a criminal prosecution brought against you in a court of criminal jurisdiction arising from letting out your holiday home for leisure purposes</p>	<p>What is not covered under INSURED EVENT 3</p>
<p>4 TAX A formal aspect or full enquiry into your personal tax affairs provided that all returns are completed and have been submitted within the legal timescales permitted.</p>	<p>What is not covered under INSURED EVENT 4 Any claim relating to:</p> <ol style="list-style-type: none"> 1) An investigation by the Specialist Investigations (SI) branch of HM Revenue & Customs 2) Tax returns where HM Revenue & Customs levy a penalty or claim interest or which contain negligent misstatements, or where you fail to disclose income relating to your holiday home 3) Where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to your financial arrangements. 4) Any enquiry that concerns assets, monies or wealth outside of Great Britain and Northern Ireland.

WHAT IS NOT COVERED BY THIS POLICY (applicable to the whole policy)

The **insured** is not covered for any claim arising from or relating to:

- 1) **legal costs & expenses** incurred without **our** consent
- 2) any actual or alleged act or omission or dispute happening before, or existing at the start of the policy and which the **insured** knew or ought reasonably to have known could lead to a claim under this policy
- 3) an amount below £100
- 4) an allegation against the **insured** involving:
 - assault, violence or dishonesty, malicious falsehood or defamation
 - the manufacture, dealing in or use of alcohol, illegal drugs, indecent or obscene materials
 - illegal immigration
 - offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences)
- 5) an **insured's** deliberate or reckless act
- 6) a judicial review
- 7) a dispute with **us** not dealt with under Condition 7, or the **insurer** or the company that sold this policy
- 8) repossession proceedings brought under Schedule 2 Part 1 of the Housing Acts.
- 9) Stag or bachelor and hen or spinster parties
- 10) business activity or venture for gain by **you** other than letting out **your holiday home** for leisure purposes.
- 11) a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

- b) radioactive, toxic, explosive or other hazardous properties any explosive nuclear assembly or nuclear component thereof
 - c) war, invasion, act of foreign enemy hostilities (whether it was declared or not), civil war, rebellion, revolution. Insurrection or military or usurped power
 - d) pressure waves from aircrafts or other aerial devices travelling at sonic or supersonic speed
 - e) any terrorist action (regardless of any other use or event contributing concurrently or in any other sequence to the liability) or any action taken in controlling, preventing or suppressing terrorist action.
- If the **insurer** decides that because of this exclusion the **insured's** claim is not covered, the burden of proving the contrary shall be upon the **insured**

12) the payment of fines, penalties or compensation awarded against the **insured**.

POLICY CONDITIONS

Where the **insurer's** risk is affected by the **insured's** failure to keep to these conditions the **insurer** can cancel **your** policy, refuse a claim or withdraw from an ongoing claim. The **insurer** also reserves the right to recover **legal costs & expenses** from the **insured** if this happens.

1. The insured's responsibilities

An **insured** must:

- a) keep to the terms of the policy
- b) not do anything that hinders **us** or the **appointed advisor**
- c) tell **us** immediately after first becoming aware of any cause, event or circumstances which could to give rise to a claim under this policy
- d) tell **us** immediately of anything that may materially alter **our** assessment of the claim
- e) co-operate fully with the **appointed advisor**, give the **appointed advisor** any instructions **we** require, and keep them updated with progress of the claim
- f) take reasonable steps to recover **legal costs & expenses**, that the **insurer** pays and pay to the **insurer** all costs that are paid to **you**,
- g) tell the **appointed advisor** to have the **legal costs & expenses** assessed or audited if **we** require
- h) minimise any **legal costs & expenses** and **communication costs** and try to prevent, anything happening that may cause a claim
- i) allow **us** at any time to take over and conduct in the **insured's** name any claim or investigation.
- j) ensure **you** have in place a written agreement with any party to whom you let out **your holiday home** which
 - shall not exceed a maximum term of 6 months
 - includes a cancellation clause setting out notice required and right to a refund of deposit paid
- k) ensure there is a signed inventory including description of fitting and contents with a note of their condition
- l) agree to **us** having site of the **appointed advisor's** file relating to **your** claim.

2. Freedom to choose an appointed advisor

- a) In certain circumstances as set out in 2b) below the **insured** may choose an **appointed advisor**. In all other cases no such right exists and **we** shall choose the **appointed advisor**.
- b) If either:
 - **we** agree to start proceedings
 - legal proceedings are issued against **you** and the court requires any representative to be legally qualified,
 - there is a conflict of interest
 the **insured** may choose a suitably qualified **appointed advisor**.
- c) Where the **insured** wishes to exercise the right to choose, the **insured** must write to **us** with their preferred representative's contact details.

- d) If the **insured** dismisses the **appointed advisor** without good reason, or withdraws from the claim without **our** written agreement, or if the **appointed advisor** refuses with good reason to continue acting for an **insured**, cover will end immediately. **We** reserve the right to appoint another **appointed advisor** in accordance with 2.b) and c) above.

3. The appointed advisor

During the course of the relationship with **our** panel of service providers, where it is allowable **we** may, for particular types of claim, receive a fee from the **appointed advisor** to whom the claim is sent. This fee, if allowable, is a separate arrangement between **us** and the **appointed advisor**, and will never compromise the **insured** or any claim that is made under the policy.

4. Consent

We must give **our** written consent to the **insured** to incur any **legal costs & expenses**. The **insurer** will not pay **legal costs & expenses** that have been incurred without **our** written consent.

The **insured** must agree to **us** having sight of the **appointed advisor's** file relating to the **insured's** claim. The **insured** is considered to have provided consent to **us** or appointed agent to have sight of their file for auditing and quality control purposes.

5. Settlement

- a) The **insurer** has the right to settle the claim by paying the **insured** an amount up to **our** reasonable estimate of the value of the **insured's** claim.
- b) The **insured** must not negotiate, settle the claim or agree to pay **legal costs & expenses** without **our** written agreement.
- c) If the **insured** refuses to settle the claim following
- (i) a reasonable offer, or
 - (ii) advice to do so from the **appointed advisor**,
- the **insurer** reserves the right to refuse to pay further **legal costs & expenses**.

6. Barrister's opinion

We may require the **insured** to obtain and pay for an opinion from a barrister regarding the merits or value of the claim. If the opinion supports the **insured** then the **insurer** will pay for the opinion.

7. Disputes

If any dispute between the **insured** and **us** arises from this policy, the **insured** can make a complaint to **us** as described on the back page of this policy and **we** will try to resolve the matter. If **we** are unable to satisfy the **insured's** concerns the **insured** can ask the Financial Ombudsman Service to arbitrate over the complaint.

8. Other insurance

The **insurer** will not pay more than their fair share (rateable proportion) for any claim covered by another policy, or any claim that would have been covered by any other policy if this policy did not exist.

Where damage is covered by another policy a claim must be made under that policy and **we** will recover any excess.

9. Fraudulent claims

If an **insured** makes any claim which is fraudulent or false, the policy shall become void and all benefit under it will be forfeited including the premium.

10. Cancellation

You may cancel the policy:

- a) within 14 days of the date of policy issue with a full refund of premium;

- b) The **insurer** may cancel the policy at any time by giving at least 21 days' written notice to **you**. The **insurer** will refund part of the premium for the unexpired period.

11. Acts of Parliament & Jurisdiction

All Acts of Parliament within the policy shall include any amending, replacement or equivalent law in the United Kingdom. This policy will be governed by English Law.

12. Data Protection Act

It is agreed by **you** that any information provided to **us** and/or the **insurer** regarding an **insured** will be processed by **us** and/or the **insurer**, in accordance with the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may mean passing information to other parties.

13. Contracts (Rights of Third Parties) Act 1999

A person who is not **insured** under this contract has no right to enforce the terms and conditions of this policy under the Contracts (Rights of Third Parties) Act 1999.

MEANING OF WORDS & TERMS

Certain words and terms contained in this policy have been defined as they have the same meaning wherever they appear.

Appointed Advisor

The solicitor, accountant, mediator or other advisor appointed by us to act on behalf of the **insured**.

Collective Conditional Fee Agreement

A legally enforceable agreement entered into on a common basis between the **appointed advisor** and **us** to pay their professional fees on the basis of 100% "no-win no-fee".

Conditional Fee Agreement

A legally enforceable agreement between the **insured** and the **appointed advisor** for paying their professional fees on the basis of 100% "no-win no-fee".

Holiday Home

The residential property at the address shown in the Schedule to which this policy attaches which is

- a) owned by **you** and
- b) let out for leisure purposes and
- c) located within the EU, Isle of Man or Channel Islands

Insured

You, your partner and relatives permanently living with **you** in **your** main home in the UK. (The **insurer** will cover **your** children temporarily away from home for the purposes of higher education).

Insurer

Brit Syndicate 2987 at Lloyd's (written under unique market reference B0356KA233D12A000 or replacement thereof).

Legal Costs & Expenses

1. In respect of all claims other than as provided for in 2. & 3. below:

- a) reasonable legal costs reasonably and proportionately incurred by the **appointed advisor** on the standard basis and agreed in advance by **us**. The term “standard basis” can be found within the Courts’ Civil Procedure Rules Part 44
 - b) reasonable experts’ fees, reasonably and properly incurred by the **appointed advisor**
 - c) in civil claims, other side’s costs, fees and disbursements where the **insured** has been ordered to pay them or pays them with **our** agreement
2. In respect of **INSURED EVENT 2** where a claim will be decided in a court within England and Wales, or the small claims court; the **insurer** will only pay for the **appointed advisor's** own fees under a **conditional fee agreement** or a **collective conditional fee agreement**
 3. For mediation the **insurer** will pay for both sides costs where agreed by **us**.

Maximum Sum Payable

The most the **insurer** will pay in **legal costs & expenses** for all claims related by time or original cause shall be £50,000.

Period of Insurance

The period shown in the schedule to which this policy attaches.

Reasonable Prospects of Success

1. Other than as set out in 2) and 3) below, a greater than 50% chance of the **insured** successfully pursuing or defending the claim and, if the **insured** is seeking damages or compensation, a greater than 50% chance of enforcing any judgment that might be obtained.
2. In criminal prosecution claims where the **insured**
 - a) pleads guilty, a greater than 50% chance of successfully reducing any sentence or fine or
 - b) pleads not guilty, a greater than 50% chance of that plea being accepted by the court.
3. In all claims involving an appeal, a greater than 50% chance of the **insured** being successful.

Small Claims Court

A court in England & Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999; a court in Scotland that uses the small claims procedure as set out by the Act of Sederunt (Small Claims) Rules 2002, a court in Northern Ireland where the sum in dispute is less than £3,000 or the equivalent jurisdiction in the United Kingdom where the policy applies.

Territorial Limit

- a) For INSURED EVENTS 4) TAX – The United Kingdom, Channel Islands and Isle of Man,
- b) For INSURED EVENTS 1) PROPERTY, 2) CONTRACT and 3) LEGAL DEFENCE – Member states of the European Union, Switzerland ,the Channel Islands and Isle of Man,

We/Us/Our




ARAG plc who are authorised under a binding authority agreement on behalf of the **insurer**, Brit Syndicate 2987 at Lloyd’s.

You/Your




The person(s) named in the schedule to which this policy attaches.

Complaints

ARAG is committed to providing a first class service at all times. However, if a complaint arises, this should be addressed to our Customer Relations Department who will arrange to have it reviewed at the appropriate level. We can be reached in the following ways:

-  0844 472 2938 (hours of operation are 9am-5pm, Monday to Friday excluding bank holidays, for our mutual protection and our training purposes, calls may be recorded).
-  customerrelations@arag.co.uk
-  ARAG plc, 9 Whiteladies Road, Clifton, Bristol, BS8 1NN

If a complaint remains unresolved, you may refer it to the Financial Ombudsman Service (FOS) provided that it falls within their jurisdiction. They can be contacted at:

-  0845 080 1800
-  enquiries@financial-ombudsman.org.uk
-  Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London, E14 9SR

The FOS's decision is binding upon the insurer, but the insured is free to reject it without affecting their legal rights.

ARAG plc Registered in England number 02585818. Registered address: 9 Whiteladies Road, Clifton, Bristol BS8 1NN
ARAG plc and Brit Syndicate 2987 at Lloyd's (written under unique market reference B0356KA233D12A000 or replacement thereof) managed by Brit Syndicates Limited are authorised and regulated by the Financial Services Authority*, registration number 452369 and 204930 respectively. This can be checked by visiting the FSA website at www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.
ARAG plc is covered by the Financial Ombudsman Service.
*To be known as the Financial Conduct Authority from 2013.

www.ARAG.co.uk