



RENT PROTECTION & LEGAL EXPENSES

Welcome to Rentshield Direct

To make sure you get the most from your Rentshield cover please take time to read this policy which explains the contract and ensure it meets your requirements. If you have any questions or would like more information, please contact Rentshield Direct on 0845 070 2434.

If you decide that the policy does not meet with your requirements please return the policy documents to us within 14 days of receipt. Providing a claim has not been made and so long as no incidents have arisen that could result in a claim under the policy, we will refund any premium you have paid.

Rentshield Direct Limited is authorised and regulated by the Financial Services Authority and part of the Barbon Insurance Group. Registered In England No. 5616550

This policy is underwritten by Propgen Insurance Limited, Company Registration Number C37777, Registered in Malta, Registered Office: Floor 1 Strand Towers 36 The Strand Sliema SLM1022 Malta. Propgen Insurance Limited is authorised by the Malta Financial Services Authority to carry on General Insurance Business under the Insurance Business Act, 1998

What to do if you have a claim

To make a claim under your policy please submit your claim form, with all supporting documentation, to the Legal & Claims Department, 3rd Floor Sunley House, 4 Bedford Park, Croydon, CR0 2AP, by Fax on 0845 052 7624 or by email on claims.fax@barbon.com

Should you have any enquiries regarding a claim or potential claim you can telephone the Legal & Claims Department on 0845 155 6499

Claims must be fully submitted with all supporting documentation within 60 days of the insured incident. Failure to notify the claim within this time may invalidate your claim and / or the insurance policy itself.

What to do if things go wrong

Rentshield will always try to give you a quality service. If you think we have let you down, please write to our Customer Relations Department at Rentshield Direct, Rentshield House, Unit 9 Broadmeadow Trading Estate, Teignmouth, Devon TQ14 9AE.

Or you can phone us on 0845 070 2434 or email us at enquiries@rentshielddirect.com

Details of our internal complaint-handling procedures are available on request.

If you are still not satisfied, you can write to the Insurance Division of the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

You can also contact them on 0845 080 1800.

Website: www.financial-ombudsman.org.uk

(Using this service does not affect your right to take legal action).

Or

If the complaint relates to the policy itself you can write to Propgen Insurance Limited, Strand Towers, Floor 1, 36 The Strand, Sliema, SLM 1022, Malta.

If you are still dissatisfied with our final response, you may approach the Malta Financial Services Authority (MFSA) for assistance. Their contact details are as follows:

The Consumer Complaints Manager
Malta Financial Services Authority
Notability Road, Attard BKR 3000
Malta
e-mail: Consumerinfo@mfsa.com.mt
<http://mymoneybox.mfsa.com.mt>

Insuring Clause

This policy is a contract solely between the **Underwriters** and **You**.

The facts and information that **You** provided and the proposal and declaration (where applicable) which **You** signed form part of this Contract.

The certificate and any endorsements are all part of the policy and are to be read as one document and any word or expression used with a specific meaning in any of them has the same meaning wherever it appears. Words with specific meanings are defined on Pages 3 and 4.

We will insure you against legal liability, loss or damage as described under the Sections specified in the certificate during any period of insurance set out in the certificate, provided that the conditions under which this policy has been issued are fulfilled.

Data Protection

Details of **You**, **Your** insurance cover and claims will be held by us for underwriting, processing, claims handling and fraud prevention subject to the provisions of the Data Protection Act 1998.

Relevant Law

This certificate is subject to English Law and the parties submit to the non-exclusive jurisdiction of the English Courts. This document represents the entire agreement of the parties on the matters in question.

Definitions

- 1 **Insured / You / Your / Landlord/ Policyholder** The individual or organisation shown in the Insurance Certificate as the **Policyholder** and defined in the **Tenancy Agreement** as the '**Landlord**' who has paid the premium and been declared to **Underwriters**. If the **Insured** dies his personal representatives will be covered to pursue cases covered by this insurance on behalf of the **Insured** that arose prior to the **Insured's** death.
- 2 **Appointed Lawyer's Costs** All reasonable and necessary costs charged by the **Appointed Lawyer** on a standard basis.
- 3 **Limit of Indemnity** The maximum payable in respect of an **Insured Incident**.
- 4 **Insured Incident** The incident or the first of a series of incidents which may lead to a claim under this insurance. Only one **Insured Incident** shall be deemed to have arisen from all causes of action, incidents or events that are related by cause or time.

In respect of Rent Indemnity Cover and Legal Expenses Cover Section A - An **insured incident** is the **Tenants** failure to pay the **Rent** in part or in full and on the due date shown in the **Tenancy Agreement**.

In respect of Legal Expenses Cover Sections B and C the **Insured Incident** is as stated.
- 5 **Territorial Limits** The United Kingdom of Great Britain and Northern Ireland.
- 6 **Insured Period** The period of insurance shown in the **Insurance Certificate**.
- 7 **Rentshield (Direct) / Us / We** **Rentshield Direct** Limited and / or the Barbon Insurance Group Limited who administer the policy and claims under this insurance on behalf of the **Underwriters**.
- 8 **Appointed Lawyer** The lawyer, or other suitably qualified person, whom we appoint to act for **You** in accordance with the terms of this policy.
- 9 **Underwriters** Propgen Insurance Limited.
- 10 **Deposit** The sum of money collected from the **Tenant** in accordance with Section 213 of the Housing Act 2004 (and any amending legislation) in respect of a **Tenancy Agreement** to which it applies and held by the **Insured** or his agent as an indemnity for losses incurred by the **Insured** arising from the **Tenant** failing to perform his obligations set out in the **Tenancy Agreement**. A minimum amount equal to one months' rent must be retained as the **Deposit** or the sum of money Indemnity under a bond or Indemnity scheme provided by a local authority or the British Legion respectively. The bond / Indemnity amount must be at least equivalent to one months rent.
- 11 **Dilapidations Inventory** A fully completed check in and check out report and also, in respect of furnished properties, a full and detailed inventory of the **Insured's** contents and their condition within the **Insured Property**. Photographic evidence may also be requested as soon as reasonably possible after the **Tenant** has vacated.
- 12 **Tenancy Agreement** A **Tenancy Agreement** between the **Insured** and the **Tenant** in relation to the **Insured Property** which is: -

(a) an Assured Shorthold **Tenancy Agreement** as defined within the Housing Act 1988 (as amended) or its equivalent outside of England and Wales but within the Territorial Limits, or

(b) a Company Residential Tenancy (Company Let) created after 28th February 1997 where the **Tenant** is a public limited company (plc) or limited company (Ltd) or its equivalent outside of England and Wales but within the **Territorial Limits** and the **Insured Property** is let purely for residential purposes of the **Tenant's** employees and their family

and which is: -

- a) appropriate for the tenancy; and
- b) signed and independently witnessed by all parties to the agreement; and
- c) free from any unreasonably restrictive covenants

The initial **Tenancy Agreement** must be for a fixed term of no more than 12 months.

- 13 **Tenant** The occupier of the **Insured Property** named in the **Tenancy Agreement** as the **Tenant** who has received a **Tenant Reference**.
- 14 **Tenant Reference** An acceptable full reference * against the **Tenant** from **Rentshield** or any other **Tenant Referencing** Company approved by **Rentshield** in writing.
- *which must include the following unless agreed otherwise by **Rentshield**;
- Employers reference
 - Previous Landlord / Managing Agent reference
 - Credit history check
- Any conditions on the **Tenant Reference** must be met.
Proof of the **Tenants** ID and UK residency must be received prior to commencement of the Tenancy unless agreed otherwise by **Rentshield**.
- Where there is more than one **Tenant** and each is referenced for a share of the full monthly rent, all **Tenant References** must be acceptable and in the aggregate be equal to or exceed the total **Rent**.
- 15 **Rent** The monthly amount lawfully due to the **Landlord** by the **Tenant** as set out in the **Tenancy Agreement** or as may be ordered to be paid by the Court.
- 16 **Insured Property** The **Insured** property shown in the insurance Certificate and declared to **Underwriters**.
- 17 **Guarantor** The individual or organisation that has received an acceptable reference which must include the following;
- Employers / Financial reference
 - Credit history check
- and who has signed a legally enforceable and independently witnessed deed of Indemnity which will require the **Guarantor** to fully indemnify the **Landlord** in respect of all the **Tenants** obligations in the **Tenancy Agreement**.
- 18 **Policy Excess** The amount stated in this policy, the certificate or any endorsement for which the **Insured** is responsible and which will be deducted from any payment under this policy as ascertained after the application of all other terms and conditions of this policy.

Rent Indemnity

The **Insured** is covered for **Rent** owed by a **Tenant** under a **Tenancy Agreement** in relation to the **Insured Property** up to the **Limit of Indemnity**, where the **Rent** arrears occur during the **Insured Period**, the **Tenant** remains in occupation and the **Insured**, where appropriate, is pursuing a claim against the **Tenant** to evict them from the **Insured Property**.

After vacant possession has been gained payment of Rent Indemnity will cease until such a time that the **Insured Property** is in a suitable condition that it may be subject of a further tenancy. Rent Indemnity will then be paid for a further 3 months at 50% of the rental amount, however all Rent Indemnity payments will cease upon

- A new tenancy commencing within the three month period
- The expiration of the three month period

Rent Indemnity – Conditions

- Any Rent Indemnity payment due will be made monthly and subject to the **Policy Excess** before any claim payment will be made
- Rent Indemnity is payable until vacant possession of the **Insured Property** has been gained up to the **Limit of Indemnity**
- For the purpose of calculating part payments after vacant possession a daily rate will be applied
- If the **Deposit** is more than the **Policy Excess**, the cover under the Insurance will pay Rent Indemnity after deduction of the balance of the **Deposit**. If the balance of the **Deposit** is subsequently required to meet the cost of dilapidations, this will be paid to the **Insured**
- **Rentshield**, on behalf of **Underwriters** have the right under subrogation to pursue Proceedings against the **Tenant** or any **Guarantor** to recover **Rent**
- Claims must be fully submitted with all supporting documentation within 60 days of the **Insured Incident**. Failure to notify the claim within this time may invalidate your claim and / or the insurance policy itself
- Cover is excluded where the **Insured** fails to provide evidence of an acceptable **Tenant Reference** on the **Tenant** (and **Guarantor** where required) prior to the Start of the **Tenancy Agreement**
- Cover is excluded where a condition of the **Tenant Reference** requires a **Guarantor** and no legally enforceable guarantee has been obtained

Limits of Indemnity

£4,000 per month in respect of Rent Indemnity up to the maximum number of benefit months shown in the policy certificate and no more than £50,000 in total when aggregated with the **Appointed Lawyer's Costs**.

Policy Excess

An amount equal to one full month's **Rent** unless specified otherwise in Your certificate.

Legal Expenses

In the event of a valid claim under this insurance, **Rentshield** will appoint their panel Lawyers, Solicitors or their agents, to handle the **Insured's** case. The **Insured** is not covered for any other **Appointed Lawyer** legal costs unless a conflict of interest arises and **Rentshield** have agreed this in writing.

Claims must be fully submitted with all supporting documentation within 60 days of the **Insured Incident**. Failure to notify the claim within this time may invalidate your claim and / or the insurance policy itself.

The insurance covers **Appointed Lawyers' Costs** up to the Limit of Indemnity where:-

- a) The **Insured Incident** takes place in the **Insured Period** and within the **Territorial Limits** and:
- b) The Proceedings take place in the **Territorial Limits**.

Legal Expenses - Cover;

The Insured is covered for **Appointed Lawyer's Costs** to pursue:-

- A Repossession** - Eviction proceedings against a **Tenant** to recover possession of the **Insured Property** where the **Tenant** fails to perform his obligations set out in the **Tenancy Agreement** relating to the rightful occupation of the **Insured Property**. **Guarantors** will be included in the possession claim for the purpose of securing a money judgement only.
- B Squatter Eviction** – Eviction proceedings against an unauthorised occupant who has taken possession of the **Insured Property** without the **Insured** or **Tenants** consent.
- C Property Damage** – We will pursue the **Tenant** for damages for disrepair caused by the **Tenant** where the amount in dispute is more than £1,000.

Legal Expenses - Exclusions;

We will not cover an Insured Incident

- Where the claim is not submitted with all supporting documentation within 60 days of the **Insured Incident**
- Where the **Insured** fails to provide evidence of an acceptable **Tenant Reference** on the **Tenant** (and **Guarantor** where required) prior to the Start of the **Tenancy Agreement**
- Arising from dilapidations unless the missing or damaged items were contained within a **Dilapidations Inventory**
- Arising from a defence and counterclaim for set off for the Landlords alleged failure to perform his obligations under the **Tenancy Agreement**
- Falling within the jurisdiction of the Rent Assessment Committee, the Lands Tribunal or the Leasehold Valuation Tribunal or their equivalent outside of England and Wales but within the **Territorial Limits**
- Where the **Tenant** is not aged 18 years or over
- Where the **Insured** has allowed the **Tenant** into possession of the **Insured Property** before the **Tenancy Agreement** has been signed by all parties, an acceptable **Tenant Reference** has been obtained, all necessary statutory pre-grant notices to the **Tenant** have been issued, the first months **Rent** and the **Deposit** have been received in cash or cleared funds and the **Dilapidations Inventory** has been signed by the **Tenant**
- Where the **Insured** has failed to keep full and up to date rental records

- Where the **Insured** has allowed the **Tenancy Agreement** to be transferred to any other individual or organisation unless all other terms of the insurance have been complied with
- If the **Insured** or his agent gave any false or misleading information when he applied for the **Tenant Reference**
- Where a condition of the **Tenant Reference** requires a **Guarantor** and no legally enforceable guarantee has been obtained
- Where the **Insured** is in breach of any rules, regulations or Acts of parliament relating to the **Deposit**
- In relation to dilapidations by the **Tenant** to the **Insured Property** or it's contents where the **Insured** has a policy of insurance that covers the dilapidations
- Relating to any authorised occupant of the **Insured Property** over the age of 18, other than the **Tenant**
- Where **Appointed Lawyer's Costs** have been incurred as a result of the **Insured's** failure to follow the advice of the **Appointed Lawyer** or arising from the **Insured's** failure to take any action recommended by **Rentshield** or the **Appointed Lawyer** to recover possession of the **Insured Property** as promptly as possible
- The **Insured's** act, omission or delay prejudices the **Insured's** or the **Underwriters'** position in connection with the Proceedings or prolongs the length of the claim
- Arising from a dispute between the **Insured** and his agent or mortgage lender
- The **Insured Incident** occurred before the **Insured** purchased this insurance
- An event occurs that the **Insured** was aware of or should reasonably have been aware of prior to inception or renewal of the policy
- The **Insured** fails to give proper information to **Rentshield** or to the **Appointed Lawyer**,
- The **Insured** has breached a Condition of this Insurance
- **Appointed Lawyer's Costs** have not been agreed in advance or are above those for which **Rentshield** has given its prior written approval
- For **Appointed Lawyer's Costs** incurred in avoidable correspondence or which are recoverable from a court, tribunal or other party
- For damages, interest, fines or costs awarded in criminal courts
- Where the **Insured** has other legal costs insurance cover
- For claims made by or against the **Appointed Lawyer**, the **Underwriters**, the **Appointed Lawyer** or **Rentshield** from whom **you** purchased this insurance
- For appeals without the prior written consent of **Rentshield**
- For the costs of any legal representative other than those of the **Appointed Lawyer** either prior to the issue of court proceedings or unless a conflict of interest arises and **Rentshield** have agreed this in writing

Legal Expenses - Conditions

- a) Claims must be fully submitted with all supporting documentation within 60 days of the **Insured Incident**. Failure to notify the claim within this time may invalidate your claim and / or the insurance policy itself
- b) If **Rent** is overdue the **Tenant** and any **Guarantor** must be contacted within seven days to establish the reason for the default. If the **Rent** is not paid within a further seven days the **Tenant** and any **Guarantor** must be contacted again. If the **Tenant/Guarantor** cannot be contacted, and it is lawful to do so, the **Insured** or his agent must serve notice of a requirement to undertake an inspection in accordance with the **Insured's** rights within the **Tenancy Agreement** and visit the **Insured Property**. The **Insured** should seek legal advice if he is unsure that such an inspection is lawful
- c) In the event of a claim the **Insured** or his agent must prepare a detailed schedule of dilapidations and take photographic evidence as soon as reasonably possible after the **Tenant** has vacated the **Insured Property**
- d) The **Insured** and/or his agent must attend any court hearing in relation to an **Insured Incident** if requested to do so by **Rentshield** or the **Appointed Lawyer**. Failure to attend will result in all cover under this Insurance being withdrawn with immediate effect, no further claim payments being made and all benefit paid becoming repayable

- e) **Rentshield** may investigate the claim and take over and conduct the Proceedings in the **Insured's** name. Subject to the **Insured's** consent which shall not be unreasonably withheld **Rentshield** may reach a settlement of the Proceedings
- f) **Rentshield**, on behalf of **Underwriters** have the right under subrogation to pursue Proceedings against the **Tenant** or any **Guarantor** to recover **Appointed Lawyer's Costs** and **Rent Indemnity** outlay
- g) The **Insured** must supply at his own expense all of the information which **Rentshield** reasonably requires to decide whether a claim may be accepted
- h) If Court Proceedings are required and the **Insured** wishes to nominate an alternative **Appointed Lawyer** to act for him he may do so. The alternative **Appointed Lawyer** must
 - 1) Confirm in writing that he will enable the **Insured** to comply with his obligations under this insurance
 - 2) Agree with **Rentshield** the rate at which his costs will be calculated. If no agreement is reached the Law Society will be asked to nominate an **Appointed Lawyer** and this nomination shall be binding

The alternative **Appointed Lawyer** will

- Provide a detailed view of the **Insured's** prospects of success including the prospects of enforcing any judgement obtained
 - Keep **Rentshield** fully advised of all developments and provide such information as **Rentshield** may require
 - Keep **Rentshield** regularly advised of the **Appointed Lawyer's Costs** incurred
 - Advise **Rentshield** of any offers to settle and payments in to court. If contrary to **Rentshield's** advice such offers or payments are not accepted there shall be no further cover for **Appointed Lawyer's Costs** unless **Rentshield** agrees in its absolute discretion to allow the case to proceed
 - Submit bills for assessment or certification by the appropriate body if requested by **Rentshield**
 - Attempt recovery of costs from third parties
- i) In the event of a dispute arising as to **Appointed Lawyer's Costs** **Rentshield** may require the **Insured** to change **Appointed Lawyer**
 - j) **Underwriters** shall only be liable for costs for work expressly authorised by **Rentshield** in writing and undertaken while there are reasonable prospects of success
 - k) The **Insured** shall supply all information requested by the **Appointed Lawyer** and **Rentshield** throughout the course of the claim
 - l) The **Insured** is liable to the **Underwriters** for any **Appointed Lawyer's Costs** and any **Rent Indemnity** paid, or yet to be paid, if he withdraws from the Proceedings without **Rentshield's** prior consent. Any costs already paid by **Rentshield** will be reimbursed by the **Insured**

General Conditions

Reasonable Prospects

At any time **Rentshield**, on behalf of the **Underwriters**, may form the view that the **Insured** does not have a reasonable prospect of success in the action he is proposing to take or is taking. If so, **Rentshield** may decline support or any further support. In forming this view **Rentshield** may take into account

- a) The amount of money at stake
- b) The fact that a reasonable person without legal costs insurance would not wish to pursue the matter
- c) The prospects of winning the case
- d) The prospects of being able to enforce a judgement
- e) The fact that the **Insured's** interests could be better achieved in another way

Recoveries from the Tenant and / or the Guarantor

The **Underwriters** shall have the right at any time to pursue recovery of any Monthly Benefit or **Appointed Lawyer's costs** paid out, including taking proceedings against the **Tenant** or former **tenant**.

If any recovery is made from the **Tenant** by the **Landlord**, Agent or **Underwriter** or as a result of proceedings against the **Tenant** the sum received will be applied in the following order;

- I. to legal fees and costs incurred by the **Underwriter**
- II. to Monthly Benefit paid by the **Underwriter**
- III. if any balance remains after i) and ii) have been repaid, then to the **Landlord** or Agent, but this will be subject to the deduction of a 20% administration charge which will be retained by the **Underwriter**

Cancellation

The **Underwriter** may cancel the **Insured's** cover under this policy at any time giving 14 days notice in writing.

The **Insured** may cancel their cover under this policy at any time by giving 14 days notice in writing to the **Underwriter**.

No refund of premium will be due after the initial 14 day cooling off period.

Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this contract but this does not affect any right or remedy of a third party which exists or is available other than by virtue of this Act.

General Exclusions

War and Similar Risks

Any **Insured Incident** occasioned by or happening through or in consequence of war invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war rebellion revolution insurrection civil commotion assuming the proportions of or amounting to an uprising military or usurped power or martial law.

Nationalisation

Any **Insured Incident** occasioned by nationalisation confiscation requisition seizure or destruction of or damage to property by or under the order of any government or public or local authority.

Radioactive Contamination

In no case shall this policy cover any **Insured Incident** directly or indirectly caused by or contributed to by or arising from

- I. ionising radiation or contamination by radioactivity from any nuclear fuel or fuel from nuclear waste from the combustion of nuclear fuel
- II. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

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