

# LV= Landlord Legal Expenses

This legal expenses insurance is part of your LV= landlord insurance policy, your landlord insurance schedule will confirm if this cover is included.

**You must read your landlord insurance schedule, document of landlord insurance and this leaflet as one document.**

This section of your insurance is managed independently on our behalf by Arc Legal Assistance (Arc). The insurance covers you for legal expenses for the insured events listed in this section provided that:

- the insured event occurs within the period of insurance;
- the insured event occurs within the territorial limits and any legal proceedings will be carried out within the territorial limits by a court or other organisation which our panel legal firm or Arc agree to;
- your claim has and continues to have a reasonable chance of success;
- the cost of legal expenses to pursue your claim will be proportional to the expected benefit;
- anyone making a claim under this insurance has your agreement to claim and keeps to the policy conditions.

## How to claim

Contact our legal advice helpline on **0330 678 5245** as soon as you are aware of an insured event that may result in a claim, and please have your landlord insurance policy number available when you call. For Text Phone, first dial 18001. Calls will be recorded for training and monitoring purposes.

This service is provided by one of our approved suppliers who are authorised and regulated by the Solicitors Regulation Authority.

## Definitions

The following words or phrases have the same meaning wherever they appear in this leaflet.

<b>Court</b>	<b>Court, tribunal or other suitable authority.</b>
<b>Dilapidations inventory</b>	A full and detailed inventory of your contents within your property and the condition of the buildings (with supporting photographs), which has been signed by the tenant prior to the tenancy being granted.
<b>Guarantor</b>	The individual or organisation assigned to the tenancy agreement who has provided a financial guarantee of the tenant's performance of their obligations under the tenancy agreement.
<b>Insured event</b>	The start of an individual or series of events that may lead to a claim under this section. We will treat all events related by cause or time as one.

<b>Insured event - continued</b>	<p>The insured event will be treated as occurring on the date that you first became aware of the start of an individual or series of events, problems or disputes covered under this insurance.</p> <p>For tax disputes the insured event arises on the date that you are contacted either verbally or in writing, whichever is the earliest, by the relevant department of HM Revenue and Customs advising you of either dissatisfaction with your returns, or amounts paid, or notice of intention to investigate.</p>
<b>Legal expenses</b>	<p>Legal or accountancy fees, costs and expenses incurred by your legal representative which will be assessed on the standard basis. Third party costs shall be covered if awarded against you and paid on the standard basis of assessment.</p> <p>The most we will pay for all legal expenses will be equivalent to our standard scale of charges as applicable to our panel of legal representatives and available on request from Arc. You will be responsible for any costs in excess of this scale. And, for any claim or claims arising from one insured event, the most we'll pay will be £100,000. No excess applies to legal expenses claims.</p>
<b>Legal representative</b>	<p>Our panel legal firm, appointed by Arc, or their agents to act on your behalf, or any other suitably qualified person appointed to represent you under the terms and conditions of this policy.</p>
<b>Period of insurance</b>	<p>The length of time that the contract of insurance applies for. This is shown on your schedule.</p>
<b>Property</b>	<p>The insured property shown on your schedule.</p>
<b>Proportional</b>	<p>In determining whether or not legal expenses is proportional to the potential benefit of pursuing your claim, the following will be taken into account:</p> <ul style="list-style-type: none"> <li>• whether the likely cost of legal expenses is more than the amount of damages you're able to recover from the other party;</li> <li>• the value and complexity of the case;</li> <li>• the geographical location of the policyholder and the other party to the action;</li> <li>• the stance of the other party;</li> <li>• whether a reasonable person without legal expenses insurance would pursue the matter and finance their own legal costs.</li> </ul>
<b>Reasonable chance of success</b>	<p>More than a 50% chance that you will win the case and achieve a positive outcome. Examples of a positive outcome are being able to:</p> <ul style="list-style-type: none"> <li>• recover the amount of money at stake;</li> <li>• enforce a judgement;</li> <li>• obtain an outcome which best serves your interest;</li> <li>• recover an amount greater than that being offered by the other party.</li> </ul>

<b>Reasonable chance of success - continued</b>	In criminal prosecutions claims, there must be a more than 50% chance that any plea in mitigation will materially affect the likely outcome. For appeals, there must be a more than 50% chance of success.
<b>Schedule</b>	This identifies: <ul style="list-style-type: none"> <li>• you;</li> <li>• the period of insurance;</li> <li>• details of your property.</li> </ul>
<b>Tenancy agreement</b>	An agreement between you and your tenant for the occupation of your property, which is used solely for residential purposes.  The tenancy agreement must be for a fixed term of no more than 12 months or, if longer, must contain a break clause allowing both parties to terminate the tenancy after the first 12 months.
<b>Tenant</b>	The occupier(s) of your property named in the tenancy agreement.
<b>Territorial limits</b>	Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.
<b>We, us or our</b>	Liverpool Victoria Insurance Company Ltd.
<b>You, your</b>	The person or people shown on the effective schedule and named in the tenancy agreement as the landlord.

## Insured events

We'll pay legal expenses for each of the following insured events:

<b>What's covered</b>	<b>What's not covered</b>
<p>1. <b>Tenancy disputes.</b></p> <p>a) <b>Maintenance and use.</b> Pursuing a claim against the tenant or guarantor arising from a breach or alleged breach of the tenancy agreement relating to the maintenance and use of your property.</p> <p>b) <b>Dilapidations.</b> Pursuing a claim against the tenant or guarantor for a dispute over the actual or alleged dilapidations (missing or damaged items) to your property.</p> <p><b>Provided that:</b></p> <ul style="list-style-type: none"> <li>• the amount in dispute is more than £1,000;</li> <li>• the missing or damaged items were contained within a dilapidations inventory.</li> </ul> <p>c) <b>Tenant eviction.</b> Pursuing a claim against the tenant to recover possession of your property.</p>	<p>Claims:</p> <ul style="list-style-type: none"> <li>• within the first 90 days of this cover starting unless you had an equivalent policy which finished immediately before this cover began;</li> <li>• arising from or connected to your performance of your obligations under the tenancy agreement;</li> <li>• relating to registering rents, reviewing rents, buying the freehold of the premises or any matter that relates to rent tribunals, the leasehold valuation tribunal, land tribunals or rent assessment committees;</li> </ul>

What's covered	What's not covered
<p><b>We'll also pay:</b></p> <p>I. <b>Accommodation costs</b> up to £150 per day for a maximum of 30 days while you try to get a possession order for your property so you can live in it. Cover will cease as soon as possession of your property has been gained and it is in a habitable condition.</p> <p><b>Provided that:</b></p> <ul style="list-style-type: none"> <li>• you don't have somewhere else to stay;</li> <li>• a claim under 1.c) Tenant eviction is being pursued;</li> <li>• our panel legal firm or Arc have agreed such costs in advance.</li> </ul> <p>II. <b>Storage costs</b> up to £10 per day up to a maximum of 30 days to store your household possessions while you are unable to reoccupy your property.</p> <p><b>Provided that:</b></p> <ul style="list-style-type: none"> <li>• a claim under Accommodation costs is being pursued;</li> <li>• our panel legal firm or Arc have agreed such costs in advance.</li> </ul> <p>d) <b>Pursuit of rent arrears.</b> Pursuing a claim against the tenant or guarantor to recover rent due under the tenancy agreement for your property.</p> <p><b>Provided that:</b></p> <ul style="list-style-type: none"> <li>• you are taking action to recover possession of the property under paragraph 1.c) Tenant eviction, and</li> <li>• our panel legal firm or Arc have accepted your claim.</li> </ul>	<ul style="list-style-type: none"> <li>• relating to the payment or non-payment of service charges as defined within the Landlord and Tenant Act 1985 (as amended) or any equivalent Act outside of England and Wales but within the territorial limits;</li> <li>• where your property is not solely used for residential purposes;</li> <li>• where your tenant is not aged 18 years or over;</li> <li>• where you have failed to keep full and up to date rental records or have allowed the tenancy agreement to be transferred to any other individual or organisation, unless all other terms of the insurance have been complied with;</li> <li>• where the tenant reference is subject to a guarantor and the guarantor was not correctly assigned to the tenancy agreement;</li> <li>• relating to any occupant of your property over the age of 18, other than the tenant;</li> <li>• arising from or connected to the negotiation, review or renewal of any lease or tenancy agreement.</li> </ul>
<p>2. <b>Contract disputes.</b> Pursuing a claim directly resulting from a breach of your contract to buy or hire goods or services in relation to your property.</p>	<p>Claims:</p> <ul style="list-style-type: none"> <li>• where the amount in dispute is less than £125;</li> <li>• in respect of any works by, or under the order of any government or public or local authority;</li> <li>• directly or indirectly relating to an allegation of mis-selling or mismanagement of financial services or products;</li> <li>• arising from a dispute relating to a tenancy agreement or any other lease or license to occupy property or land.</li> </ul>

What's covered	What's not covered
<p>3. <b>Protection of property.</b> Pursuing or defending a claim for:</p> <ul style="list-style-type: none"> <li>• a nuisance or trespass relating to your property;</li> <li>• damage to your property;</li> <li>• a breach of an agreement for the sale or purchase of your property.</li> </ul>	<p>Claims:</p> <ul style="list-style-type: none"> <li>• for nuisance or trespass when the insured event happens within the first 90 days of this cover starting unless you had an equivalent policy which finished immediately before this cover began;</li> <li>• in respect of any works by, or under the order of any government or public or local authority;</li> <li>• damage to your property by your tenant;</li> <li>• trespass by your tenant or ex-tenant.</li> </ul>
<p>4. <b>Criminal Prosecution.</b> Defending claims for criminal prosecutions brought against you in relation to your property under:</p> <ol style="list-style-type: none"> <li>a) The Gas Safety (Installation and Use) Regulations 1994</li> <li>b) The Furniture and Furnishings (Fire) (Safety) Amendments Regulations 1993</li> <li>c) The Electrical Equipment (Safety) Regulations 1994 and later amending regulations or their equivalent outside of England and Wales but within the territorial limits.</li> </ol> <p><b>Provided that:</b> You take all reasonable steps to comply with the Regulations and keep evidence of compliance.</p>	<p>Claims:</p> <ul style="list-style-type: none"> <li>• arising from something you have done or failed to do, knowing it to be wrongful or ignoring that possibility.</li> </ul>
<p>5. <b>Tax disputes.</b> We will pay legal expenses arising directly from a formal business aspect or full business enquiry by HM Revenue and Customs into your personal tax affairs.</p> <p><b>Provided that:</b></p> <ul style="list-style-type: none"> <li>• your claim directly relates to your business activities for letting the property; and</li> <li>• all returns are complete and correct and submitted within the legal timescales permitted.</li> </ul>	<p>Claims:</p> <ul style="list-style-type: none"> <li>• involving criminal proceedings or alleged fraudulent evasion of tax, and any case dealt with by a Special Compliance Office, Boards Investigation Unit of any other special office of HM Revenue and Customs;</li> <li>• where deliberate mis-statements have been made in respect of accounts, returns or any other submissions made to the relevant authorities with intent to deceive;</li> <li>• involving tax avoidance schemes.</li> </ul>

## General exceptions

(see also the General exceptions in your document of landlord insurance, which apply to the whole policy)

**We will not pay any legal expenses if:**

- Our panel legal firm or Arc haven't agreed, in advance, the purpose and amount of any legal expenses, or they relate to a period before our panel legal firm or Arc have accepted your claim;
- at any time, your claim does not have a reasonable chance of success;
- the cost of legal expenses to pursue your claim is not proportional to the expected benefit;
- you have alternative legal expenses cover, unless our panel legal firm or Arc reach agreement with the other insurer that legal expenses should be shared;
- the insured event had started before you bought this legal expenses insurance;
- you should reasonably have known when buying this insurance that the circumstances leading to a claim under this legal expenses insurance already existed;
- you claim more than 180 days after the insured event unless your delay in notifying your claim has not affected the likely costs or outcome;
- your claim is fraudulent, false or exaggerated;
- your claim is caused by your deliberate, intentional or reckless actions;
- the other side is unlikely to be able to pay your claim;
- you act against Arc's advice or the advice of your legal representative;
- your legal representative refuses to act for you;
- you unreasonably withdraw from legal proceedings despite your claim having a reasonable chance of success and where such a withdrawal is likely to affect the cost of your claim;
- your claim is settled or discontinued without our panel legal firm or Arc agreeing to this beforehand;
- your claim is part of a class action or will be affected by or will affect the outcome of other claims.

**Also, certain types of claim are not covered under this insurance.**

**We will not pay for:**

- claims made against us or our agent(s);
- claims directly or indirectly relating to:
  - something said or written about you or by you about somebody else;
  - an activity for profit or business unless relating to your activities for letting your property;
  - divorce, separation and family law, wills, probate or trust(s);
  - disputes between members of your family (this does not apply to accidents involving motor vehicles);
  - an application for a judge to review the legality of a decision made or action taken by a public body;
  - computer software operating systems and packaged software made to your special order;
  - subsidence, heave or landslip, mining or quarrying;
  - planning, including town and country planning;

- a dispute with a local authority about Council Tax;
- damages, interest, fines or costs awarded in criminal court.

## General conditions

(see also the General conditions in your document of landlord insurance, which apply to the whole policy)

### You must do the following:

- provide at your own expense information relevant to your claim such as reports, photographs, plans or other supporting documents to help Arc and/or your legal representative assess whether:
  - your claim is covered;
  - your claim has and continues to have a reasonable chance of success;
  - the cost of legal expenses to pursue your claim is proportional and continues to be proportional to the expected outcome.
- contact our legal assistance helpline before you take any action that may result in a claim and before you run up any legal expenses;
- take all reasonable steps to settle your claim by negotiation and work with Arc and your legal representative to achieve a satisfactory outcome to your claim;
- follow the advice that Arc and/or your legal representative give you;
- keep the cost of your claim as low as possible;
- keep Arc and your legal representative informed about the progress of your civil claim (including any offers to settle);
- try to recover your legal expenses from the other side, including allowing Arc or your legal representative to bring proceedings in your name;
- allow Arc to obtain any information, document or file from your legal representative including an opinion on your chances of success and the proportionate benefit to you of making your civil claim or of acting in defence of your prosecution.

### Appointing a legal representative

We have chosen a panel of legal firms to provide legal services to our customers. There is nothing in our relationship with our panel firms which affects their ability to act in your best interests.

If your claim is accepted, a legal representative from our panel will be appointed to act for you.

You have the right to choose your own legal representative to represent you if it is necessary to take your claim to court or if a conflict of interest arises.

### Where you choose to use your own legal representative:

- you must not agree to any legal expenses without Arc's prior written permission;
- your legal representative will be appointed to act for you in line with Arc's standard terms of appointment (you can ask them for a copy).

### We will not pay for:

- legal expenses that are unreasonable or not proportional to the expected benefit;
- legal expenses incurred by your legal representative in avoidable correspondence or which are recoverable from a court, tribunal or other party;

- any shortfall in costs recovered from another party where the claim has been successful and costs have been recovered;
- legal expenses in excess of the amount of damages that you're able to recover from the other party.

**We can do the following:**

- pay an amount to settle your claim;
- refuse to pay any further legal expenses if you don't accept any offer in a civil claim, which Arc and your legal representative agree is reasonable. In assessing whether an offer is reasonable the likelihood of achieving a higher award and whether the likely cost of continuing the claim is proportional will be considered;
- give your legal representative and/or Arc all information we have about you or your claim including any medical information;
- refuse to pay further legal expenses if your claim does not have a reasonable chance of success or the cost of legal expenses is no longer proportional to the expected benefit.

## Disputes

### How to complain

If you have a complaint please contact Arc quoting your claim number. You can write to:

The Customer Services Team, Arc Legal Assistance PO Box 8921, Colchester, CO4 5YD  
email: [customerservice@arclegal.co.uk](mailto:customerservice@arclegal.co.uk)

Under the Solicitor Client Confidentiality Rules, your legal representative is required to obtain your written consent in order to release any information relating to your case to us.

If Arc cannot resolve your complaint, you may refer your complaint to the Financial Ombudsman Service within 6 months of receiving a final response letter from Arc.

The address is: The Financial Ombudsman Service, Exchange Tower, London E14 9SR

Phone: 0800 023 4567

email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

### **Making a complaint won't affect your right to take legal action.**

### Arbitration

If your complaint cannot be dealt with by the Financial Ombudsman Service, any dispute between you and us may, where we both agree, be referred to an arbitrator who will be either a solicitor or a barrister. If the parties cannot agree on their choice of arbitrator the Law Society may be asked to make a nomination. We and you must keep to the arbitrator's decision, which is binding. The arbitrator may require you or us to pay the cost of the arbitration.

### **You can get this and other documents from us in Braille, large print or on audio by contacting us.**

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