

Policy Document



Holiday Home **Legal Solutions**



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

- ✓ **Legal and other helpline services**
- ✓ **Consumer legal services website**
- ✓ **Claims procedure.**

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

Main benefits of Holiday Home Legal Solutions

Cover empowers you to pursue or defend your legal rights in connection with your holiday home. With support from ARAG, you could be protected from legal costs arising from:

- disputes with your neighbour such as nuisance or trespass
- disputes that arise from letting out your holiday home or buying goods and services up to £5,000 in value for the purpose of letting it out
- a formal aspect or full enquiry into an insured's UK-related personal tax affairs.

Who is ARAG?

ARAG is the largest family enterprise in the German insurance industry and has positioned itself as a versatile quality insurer. Specialising in legal insurance as the leading legal insurer worldwide, ARAG also offers its customers attractive, needs-based products and services from a single source.

Active in a total of 19 countries - including the US and Canada, ARAG is also represented by international branches, subsidiaries and shareholdings in numerous international markets in which it holds a leading position as a provider of legal insurance and legal services. With almost 6,100 employees, the Group generates revenue and premium income totalling more than €2.8 billion.

Telephone helplines

Legal advice on personal matters within UK, Isle of Man, Channel Islands and EU law, 24 hours a day, 365 days of the year

0344 571 7976

UK tax advice, 9am to 5pm weekdays

0344 571 7976

Counselling service

0333 000 2082

Consumer legal services

Register today at: www.araglegal.co.uk and enter the voucher code **AFE48BBE98B5** to access law guides and download legal documents to help with consumer legal matters.

Important information

We record and monitor calls for training purposes, to improve the quality of our service, to help us deal with queries or complaints from you and to prevent and detect fraud and financial crime.

Helplines

All helplines are subject to fair and reasonable use. The level of fair usage will depend on individual circumstances. However, if our advisors consider that your helpline usage is becoming excessive they will tell you. If following that warning, usage is not reduced to a more reasonable level, we can refuse to accept further calls.

Legal and tax advice 0344 571 7976

If you have a legal or tax problem, we recommend you call our confidential legal and tax advice helpline. Legal advice is available 24 hours a day, 365 days of the year and tax advice is available between 9am and 5pm on weekdays (except bank holidays).

We give advice about personal legal matters within UK, Isle of Man, Channel Islands and EU law and personal tax matters within the UK. Your query will be dealt with by a qualified specialist who is experienced in handling legal and tax-related matters. Use of this service does not constitute reporting of a claim.



Counselling assistance 0333 000 2082

Our qualified counsellors will provide free confidential support and advice by phone to you or your family members who are suffering from emotional upset or feeling worried and anxious about a personal or work-related problem. This service is available 24 hours a day, 365 days of the year.

Calls to the Counselling assistance service will not be recorded.

We have prepared a [handout](#) to give you further information about mental health at work and to let you know about Counselling assistance which you may find useful.

Consumer legal services

www.araglegal.co.uk

Getting started

You will need to enter voucher code **AFE48BBE98B5** when you register to use the website. Once you have registered you can access the website at any time to create and securely store your legal documents.

You can visit our website to see a [video](#) about this service.

More help?

If you have problems using the website please contact our digital technical support team. Contact details can be found on the website. Our digital technical support team cannot give you legal or insurance advice.



*Help is available when
you need it most.*

Claims procedure

Telling us about your claim

- 1) If an insured needs to make a claim, they must notify us as soon as possible.
- 2) If an insured instructs their own solicitor or accountant without telling us, they will be liable for costs that are not covered by this policy.
- 3) A claim can be made online at www.arag.co.uk/newclaims. Alternatively an insured can obtain a claim form by downloading one at www.arag.co.uk/newclaims or by calling us on **0330 303 1955** between 9am and 5pm weekdays (except bank holidays).
- 4) The completed application and supporting documentation can be submitted online or sent to us by email, or post. Further details are set out on our website.

What happens next?

- 1) We will send the insured an acknowledgment by the end of the next working day after receiving their claim.
- 2) Within five working days of receiving all the information needed to assess the availability of cover under the policy, we will contact the insured either:
 - a) confirming cover under the terms of this policy and advising the insured of the next steps to progress their claim; or
 - b) if the claim is not covered, we will explain in full the reason(s) why, and advise whether we can assist in another way.
- 3) When a representative is appointed by us, they will try to resolve the insured's dispute without delay, arranging Alternative Dispute Resolution, such as mediation, whenever appropriate.
- 4) We will check on the progress of the insured's claim with the appointed advisor from time to time. Sometimes matters cannot be resolved quickly, particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.

You can visit our website to see [videos](#) about making your claim and what happens next.

Privacy statement

This is a summary of how we collect, on behalf of the insurer, use, share and store personal information. To view our full privacy statement, please see our website www.arag.co.uk/data-legal/privacy-notice/

Collecting personal information

ARAG may be required to collect certain personal or sensitive information which may include name, address, date of birth and if appropriate medical information. We will hold and process this information in accordance with all relevant data protection regulations and legislation. Should we ask for personal or sensitive information, we undertake that it shall only be used in accordance with our privacy statement.

We may also collect information for other parties such as suppliers we appoint to process the handling of a claim.

Using personal or sensitive information

The reason we collect personal or sensitive information is to fulfil our contractual and

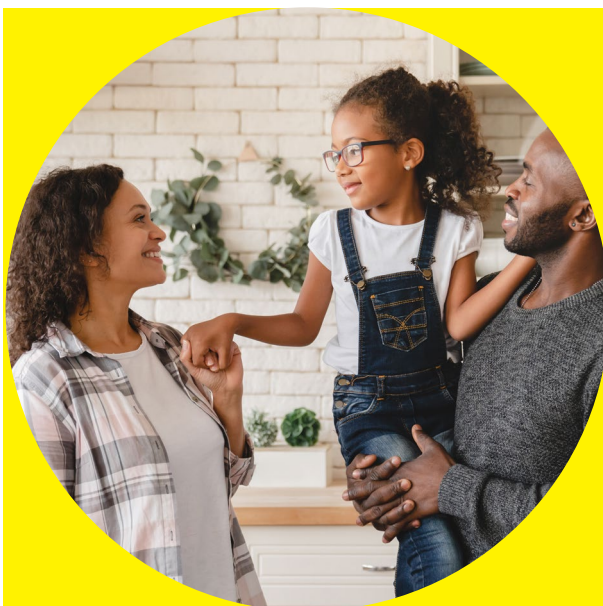
regulatory obligations in providing this insurance product, for example to process premium or handle a claim. To fulfil these obligations, we may need to share personal or sensitive information with other organisations. We will not disclose personal or sensitive information for any purpose other than the purpose for which it was collected. Please refer to our full privacy statement for full details.

Keeping personal information

We shall not keep personal information for any longer than necessary.

Your rights

Any person insured by this policy has a number of rights in relation to how we hold personal data including; the right to a copy of the personal data we hold; the right to object to the use of personal data or the withdrawal of previously given consent; the right to have personal data deleted. For a full list of privacy rights and when we will not be able to delete personal data please refer to our full [privacy statement](#).



What happens if the insurer cannot meet its liabilities?

The insurer 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 at www.fscs.org.uk

Holiday Home Legal Solutions

This policy is evidence of the contract between **you** and the **insurer**. The policy and schedule shall be read together as one document. Terms that appear in bold type have special meanings. Please read **Meaning of words & terms** for more information.

Your policy cover

Following an Insured event, the **insurer** will pay **legal costs & expenses** up to £50,000 (including the cost of appeals) for all claims related by time or originating cause, subject to all of the following requirements being met.

- 1) **You** have paid the insurance premium.
- 2) The **insured** keeps to the terms of this policy and cooperates fully with **us**.
- 3) The Insured event occurs within the **territorial limit**.
- 4) The claim
 - a) always has **reasonable prospects of success** and
 - b) is reported to **us**
 - i) during the **period of insurance** and
 - ii) as soon as the **insured** first becomes aware of circumstances which could give rise to a claim.



- 5) Unless there is a conflict of interest, the **insured** always agrees to use the **appointed advisor** chosen by **us** before proceedings have been or need to be issued.
- 6) Any dispute will be dealt with through mediation or by a court, tribunal, or a relevant regulatory body agreed with **us** within the **territorial limit**.

We consider that a claim has been reported to **us** when **we** have received the **insured's** fully completed claim application.

Where the **insured** is seeking financial remedy and the cost of pursuing the **insured's** claim is likely to be more than any award of damages, the **insurer** will not pay more than the value of the likely award.

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. This cover is subject to all other policy terms.



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 proof of where the boundary lies
- b) an event which causes physical damage to **your holiday home** or any contents within it that belong to an **insured**.

What is not covered under Insured event 1)

Any claim arising from or relating to:

- 1) the first £250 of any claim under Insured event 1)a). The **insured** must pay this amount to **us** as soon as **we** accept the claim;
- 2) a contract entered into by an **insured**;
- 3) any building or land other than **your holiday home**
- 4) a) the compulsory purchase of **your holiday home**; or
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 1)b) 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.

2) Contract

A dispute arising out of an agreement or alleged agreement which the **insured** has entered into for:

- a) buying or renting out **your holiday home** for leisure purposes.
Provided that **you** have a written agreement with any party to whom **you** let out **your holiday home** which includes a cancellation clause setting out notice required and right to a refund of deposit paid
- b) buying or hiring goods or services for **your holiday home**.

What is not covered under Insured event 2)

Any claim arising from or relating to:

- 1) an agreement to let out **your holiday home** for a term exceeding six months,
- 2) goods or services which exceed £5,000 in value,
- 3) loans and mortgages,
- 4) an employment contract,
- 5) a settlement due under an insurance policy.

3) Legal defence

Defence of a criminal prosecution brought against an **insured** in a court of criminal jurisdiction arising from letting out **your holiday home** for leisure purposes.

4) Tax

A formal enquiry into an **insured's** personal tax affairs provided that all returns are completed and have been submitted within the legal timescales permitted.

What is not covered under Insured event 4)

Any claim arising from or relating to:

- 1) any enquiry that concerns assets, monies or wealth outside of Great Britain and Northern Ireland;
- 2) an investigation by the Fraud Investigation Service of HMRC;
- 3) tax returns where HMRC levy a penalty or which contain negligent misstatements, or where **you** fail to disclose income relating to **your holiday home**;
- 4) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to an **insured's** financial arrangements.

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** believed or ought reasonably to have believed could lead to a claim
- 3) an amount below £100
- 4) an allegation against the **insured** involving:
 - a) assault, violence, malicious falsehood or defamation
 - b) indecent or obscene materials
 - c) the use of alcohol or its unauthorised or unregulated manufacture, unlicensed dealing in alcohol or dealing in or using illegal drugs
 - d) illegal immigration
 - e) money laundering or bribery offences, breaches of international sanctions, fraud, or any other financial crime activities
- 5) stag or bachelor and hen or spinster parties
- 6) a dispute between **your** family members
- 7) an **insured's** deliberate or reckless act
- 8) a judicial review
- 9) repossession proceedings brought under Schedule 2 Part 1 of the Housing Act
- 10) a dispute with **us** not dealt with under Condition 6., or the **insurer** or the company that sold this policy
- 11)
 - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - b) radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- c) war, invasion, act of foreign enemy hostilities (whether war is 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 cause 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** alleges that by reason of this exclusion any liability or loss is not covered by this policy, the burden of proving the contrary shall be upon the **insured**
- f) a dispute where providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation
- 12) a group litigation order
- 13) 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 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) tell **us** immediately of anything that may make it more costly or difficult for the **appointed advisor** to resolve the claim in the **insured's** favour
- b) cooperate fully with **us**, give the **appointed advisor** any instructions **we** require, and keep them updated with progress of the claim and not hinder them
- c) take reasonable steps to claim back **legal costs & expenses** and, where recovered, pay them to the **insurer**
- d) allow the **insurer** at any time to take over and conduct in the **insured's** name, any claim.

2. Freedom to choose an appointed advisor

- a) In certain circumstances as set out in 2.b) 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:
 - i) a suitably qualified advisor considers that it has become necessary to issue proceedings or proceedings are issued against an **insured**, or
 - ii) there is a conflict of interest the **insured** may choose a 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 and cost.

- d) Where the **insured** chooses to use their preferred representative, the **insurer** will not pay more than **we** agree to pay a solicitor from **our** panel and will pay only the costs that the **insurer** would have been liable to pay. (**Our** panel solicitor firms are chosen with care and **we** agree special terms with them which may be less than the rates available from other firms.)
- e) 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**, the **insurer's** liability in respect of that claim will end immediately.
- f) In respect of pursuing a claim the **insured** must enter into a **conditional fee agreement** (unless the **appointed advisor** has entered into a **collective conditional fee agreement**), where legally permitted.

3. Consent

- a) 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 **our** appointed agent to have sight of their file for auditing and quality control purposes.
- b) An **insured** must have **your** agreement to claim under this policy.

4. Settlement

- a) The **insurer** can settle the claim by paying the reasonable value of the **insured's** claim.

- b) The **insured** must not negotiate or settle the claim without **our** written agreement.
- c) If the **insured** refuses to settle the claim following advice to do so from the **appointed advisor**, the **insurer** reserves the right to refuse to pay further costs.

5. Barrister's opinion

We may require the **insured** to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the **insured**, then the **insurer** will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by **us**, then the **insurer** will pay for a final opinion which shall be binding on the **insured** and **us**. This does not affect the **insured's** right under Condition 6. below.

6. 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.

7. 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.

8. Fraudulent claims and claims tainted by dishonesty

- a) If an **insured** makes any claim which

is fraudulent or false, the policy may become invalid and all benefit under it may be lost.

- b) An **insured** shall at all times be entirely truthful, accurate and open in any evidence, disclosure or statement they give and shall act with complete honesty and integrity throughout. Where, on the balance of probabilities and having considered carefully all the facts of the claim, it appears that the **insured** has breached this condition and that the breach has:
 - i) affected **our** assessment of **reasonable prospects of success**, and/or
 - ii) prejudiced any part the outcome of the **insured's** claim

the **insurer** shall have no liability for **legal costs & expenses** incurred from the date of the **insured's** breach.

9. Cancellation

- a) **You** may cancel the policy:
 - i) within 14 days of the date of its purchase with a full refund of premium paid provided that a claim has not been accepted; or
 - ii) at any other time by writing to the person who sold **you** this policy and the **insurer** will refund the premium for the time remaining of the **period of insurance** unless a claim has been or is later accepted by **us** in which case no refund of premium shall be allowed.

b) Where there is a valid reason for doing so, the **insurer** has the right to cancel the policy at any time by giving **you** at least 21 days written notice. The **insurer** will refund the premium for the time remaining of the **period of insurance**. We will set out the reason for cancellation in writing. Valid reasons may include but are not limited to:

- i) where the party claiming under this policy fails to cooperate with or provide information to **us** or the **appointed advisor** in a way that materially affects **our** ability to process a claim, or **our** ability to defend the **insurer's** interests,
- ii) where the **insured** uses threatening or abusive behaviour or language, or intimidates or bullies **our** staff or suppliers,

- iii) where **we** have evidence that the **insured** has committed a fraudulent act.

10. Acts of parliament, statutory instruments, civil procedure rules & jurisdiction

All legal instruments, bodies and rules referred to within the policy shall include the equivalent in Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement. This policy will be governed by English law.

11. Contracts (Rights of Third Parties) Act 1999

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



Extensive range of legal products, services, and emergency assistance products.

Meaning of words and terms

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

Appointed advisor

The

- 1) solicitor, accountant, or other advisor (who is not a mediator), appointed by **us** to act on behalf of the **insured**;
- 2) mediator appointed by **us** to provide impartial dispute resolution in relation to a claim accepted by **us**.

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 either

- 1) 100% “no-win no-fee” or
- 2) where discounted, that a discounted fee is payable.

Conditional fee agreement

A legally enforceable agreement between the **insured** and the **appointed advisor** for paying their professional fees on the basis of either

- 1) 100% “no-win no-fee” or
- 2) where discounted, that a discounted fee is payable.

Holiday Home

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

- 1) is owned by **you** and
- 2) is or will be let out for leisure purposes and
- 3) is located within the UK, 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

ARAG Legal Expenses Insurance Company Limited.

Legal costs & expenses

- 1) Reasonable legal costs and disbursements 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 44.3.
- 2) 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.
- 3) Reasonable accountancy fees reasonably incurred under Insured event 4) Tax disputes by the **appointed advisor** and agreed by **us** in advance.

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. Under Insured

event 2) Contract, there must be a greater than 50% chance of successfully defending the claim in its entirety.

- 2) In criminal prosecution claims where the **insured**
 - a) pleads guilty, a greater than 50% chance of 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.

Where it has been determined that **reasonable prospects of success** do not exist, the **insured** shall be liable to pay any legal costs incurred

should they pursue or defend their claim irrespective of the outcome.

Territorial limit

For all Insured events, the United Kingdom, Channel Islands and Isle of Man.

We/Us/Our

ARAG plc who is authorised under a binding authority agreement to administer this insurance on behalf of the **insurer**.

You/Your

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



How we handle complaints

Step 1

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:

 **0344 893 9013** (hours of operation are 9am-5pm, Mondays to Fridays excluding bank holidays. For our mutual protection and training purposes, calls may be recorded).

 **customerrelations@arag.co.uk**

 **ARAG plc, Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW.**

Step 2

If we are not able to resolve the complaint to your satisfaction then you can refer it to the Financial Ombudsman Service (FOS). They can be contacted at:

 **0800 023 4567 or 0300 1239 123**

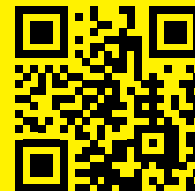
 **complaint.info@financial-ombudsman.org.uk**

 **Financial Ombudsman Service, Exchange Tower, London E14 9SR.**

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the Financial Ombudsman Service at www.financial-ombudsman.org.uk

The FOS's decision is binding upon us, but you are free to reject it without affecting your legal rights.

You can read more about our complaints procedure on our website by clicking here: <https://www.arag.co.uk/contact/making-a-complaint>



www.arag.co.uk

ARAG plc is authorised and regulated by the Financial Conduct Authority (FRN452369). Registered Address: Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW. Registered in England and Wales. Company Number 02585818.

ARAG plc is authorised to administer this insurance on behalf of the insurer ARAG Legal Expenses Insurance Company Limited.

ARAG Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority. Registered Address: Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW. Registered in England and Wales. Company Number 103274.

