



Policy Booklet



Welcome to Your Simple Rent Guarantee Policy

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Welcome to your Simple Rent Guarantee Policy

Thank **You** for purchasing Simple Rent Guarantee, **We** hope **You** will be happy with the peace of mind and protection that this service provides.

What is Rent Guarantee?

Rent Guarantee will protect **You** in the event that **Your Tenant** fails to pay the **Rent**. **We** will cover **Your Rent** up to a maximum of £15,000 per claim (maximum 6 monthly payments & **Rent** of £2,500 per month) minus the **Excess**. **We** will continue to protect **Your Rent** until whichever of the following events occur first; when **You** gain vacant possession of the **Property**, expiry of the **Tenancy Agreement**, or the natural expiry date of this policy.

In the event of a valid claim under this insurance, the **Administrator** will appoint one of their panel solicitors, or their agents, to handle **Your** case. **You** are not covered for any other legal adviser's fees unless court proceedings are issued or a conflict of interest arises.

Making a Claim - Rent Guarantee & Legal Expenses

All potential claims must initially be reported to the Legal Helpline, which operates 24 hours a day, 365 days a year on: 0870 900 2168

Please note this Helpline service is only in respect of rent or legal issues and cannot assist with any other insurance matter.

This is a 'Claims Made' policy. It only covers claims notified to **Us** during the **Period of Insurance** and within 30 days of any circumstance which may give rise to any claim.

If **Rent** is overdue **You** must contact the **Tenant** within 7 days to establish the reason for the default. If the **Rent** is not paid within a further 7 days the **Tenant** must be contacted again. If the **Tenant** cannot be contacted, and it is lawful to do so **You** must serve notice of requirement to undertake an inspection and visit the **Property** in accordance with **Your** obligations within the **Tenancy Agreement**.

If **Legal Proceedings** have been agreed by **Us**, **You** may at this stage decide to nominate and use **Your** own solicitor or indeed, **You** may wish to continue to use **Our** own specialists. If **You** decide to nominate **Your** own solicitor **We** must agree this in advance and **You** will be responsible for any **Professional Fees** in excess of those which **Our** own specialists would normally charge **Us** (details are available upon request).

Important Notice

You must have obtained and be able to produce a satisfactory Tenant Reference as defined within this policy document for cover to be valid.

Please note that if You engage the services of anyone prior to making contact with the Helpline above and incur any costs without Our prior written approval these costs will not be covered by this insurance.

UK Underwriting Limited are an agent of Fortis Insurance Limited and in the matters of a claim act on their behalf.

Contract of Insurance

Simple Rent Guarantee Insurance is a trading name of TPS (Insurance Admin Services) Limited and underwritten by UK Underwriting Limited on behalf of Fortis Insurance Limited, Registered in England No.354568. Registered Office: Fortis House, Tollgate, Eastleigh, Hampshire, SO53 3YA.

TPS (Insurance Admin Services) Limited, UK Underwriting Limited and Fortis Insurance Limited are authorised and regulated by the Financial Services Authority. This can be checked on the FSA's register by visiting the FSA's website at www.fsa.gov.uk/register or by contacting them on 0300 500 5000.

In consideration of payment of the **Premium** for this policy Simple Rent Guarantee on behalf of the **Insurer**, agrees subject to the terms, exclusions and conditions of this policy to indemnify **You** up to the **Limit of Indemnity** in respect of the **Insured Events Sections** later in this policy occurring in the **Property** during the **Period of Insurance**.

Governing Law

The law which applies to this contract is English Law unless **You** live in Scotland where Scottish law applies.

Cancellation

We hope **You** are happy with the cover this policy provides. However, if **You** decide for any reason this policy does not meet **Your** insurance needs then please cancel **Your** policy online at www.simplerentguarantee.co.uk within 14 days of the start date. On the condition that no claims have been made or are pending, **We** will then refund **Your Premium** in full. Thereafter, **You** may cancel **Your** policy at anytime, however no refund of **Premium** will be available.

The **Insurer** shall not be bound to accept renewal of any insurance and may at any time cancel any policy document by sending 14 days notice to the **Insured** at their last known address. Provided the **Premium** has been paid in full the **Insured** shall be entitled to a proportionate rebate of **Premium** in respect of the unexpired period showing on the policy.

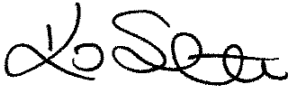
Compensation Scheme

Fortis Insurance Limited is covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from the scheme, if they cannot meet their obligations. This depends on the type of business and the circumstances of the claim. Most insurance contracts are covered for 100% of the first £2,000 and 90% of the remainder of the claim. **You** can get more information about compensation scheme arrangements from the FSCS or visit www.fscs.org.uk

Data Protection Act 1998

Please note that any information provided to **Us** will be processed by **Us** and **Our** agents in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.

For and on behalf of UK Underwriting Limited



Karen Smith
Technical Director

DEFINITIONS

Where **We** explain what a word means that word will appear highlighted in bold print and with a capital letter and will have the same meaning wherever it appears in this policy:

Administrator

Legal Insurance Management Ltd provides the services and benefits described in this policy during the **Period of Insurance** for which **You** have paid the **Premium**.

Authorised Professional

A solicitor, counsel, claims handler or mediator, or other appropriately qualified person appointed and approved by **Us** under the terms and conditions of this policy to represent **Your** interests.

Deposit

The sum paid by the **Tenant** to **You** or the managing agent under the terms of the **Tenancy Agreement** for the purpose of providing **You** with an indemnity or partial indemnity against losses arising from the **Tenant's** breach of any of the terms of the **Tenancy Agreement**.

Event

The initial act or omission which sets off a natural and continuous sequence of events that subsequently gives rise to a claim for indemnity against **Us**.

Excess

The first amount of each and every claim as detailed on the **Policy Schedule**.

Guarantor

The individual or organisation shown in the **Tenancy Agreement** that has received a written **Tenant Reference** and provided a financial guarantee of the **Tenant's** performance of their obligations under the **Tenancy Agreement**.

Legal Proceedings

When formal proceedings are issued against an opponent in a Court of Law.

Limit of Indemnity

The amount **We** will pay in respect of any one claim and during any one **Period of Insurance** as detailed in the **Policy Schedule**.

Period of Insurance

The policy commences from the date shown on **Your Policy Schedule** (the date **Your** application is accepted by **Us**) for the period for which the **Premium** has been paid.

Policy Schedule

Confirmation of cover confirming details of the **Insured**, **Period of Insurance**, type of policy and the Limit of **Indemnity**.

Premium

The amount payable as a single payment that **You** have agreed to pay **Us** in respect of insurance cover under this policy.

Professional Fees

Legal fees and costs reasonably and properly incurred by the **Authorised Professional**, with **Our** prior written authority including costs incurred by another party for which **You** are made liable by Court order, or may pay with **Our** consent in pursuit of a civil claim in the **Territorial Limits** arising from an **Insured Event**. **Professional Fees** will include VAT where it can not be recovered.

Property

The private residence having no more than 10 rooms, owned by **You**, but let to **Tenant(s)** situated in the **Territorial Limits** and having no more than 4 **Tenants**.

Rent

The monthly amount payable by the **Tenant** to the **Insured** as set out in the **Tenancy Agreement** and shown in the **Policy Schedule**.

Rent Arrears

Money owed to **You** by an accepted **Tenant** under a **Tenancy Agreement** (less the **Deposit** or balance of the **Deposit** following sight of accounted receipts relating to dilapidations caused to the **Property** by the **Tenant**).

Tenancy Agreement

1. A **Tenancy Agreement** in writing made between **You** and the **Tenant** which is an assured shorthold **Tenancy Agreement** within the meaning of the Housing Acts 1988 and 1996 or a Short Assured Tenancy or an Assured Tenancy as defined in the Housing (Scotland) Act 1988 or a **Tenancy Agreement** in which the **Tenant** is a limited company. In Northern Ireland the Agreement between **You** and the **Tenant** to let the **Property** must not be a Protected Tenancy or a Statutory Tenancy within the meaning of the **Rent (NI) Order 1978** nor a Protected Shorthold Tenancy within the meaning of Housing (NI) Order 1983 or a **Tenancy Agreement** in which the **Tenant** is a limited company or a **Tenancy Agreement** or lease of a commercial premises or
2. Any other residential tenancy.

Tenant

The individual(s) or company entitled to the tenancy of the **Property**.

Tenant Reference

1. A check against the **Tenant** and any **Guarantor** obtained from either Simple Tenants Referencing or a licenced credit referencing company showing:
 - a) no County Court Judgements (CCJ's) in the past 3 years
 - b) no outstanding CCJ's
 - c) the **Tenant's** or **Guarantor's** financial ability to meet the **Rent** commitment
 - d) that it is reasonable in the circumstances following receipt of the outcome of the credit check to grant a **Tenancy Agreement** for the **Tenant**.
2. Copies of 2 forms of identification, one of which must contain a photograph.

Territorial Limits

The United Kingdom of Great Britain and Northern Ireland, the Channel Islands and Isle of Man.

Time of Occurrence

Civil Cases- when the **Event** occurred or commenced whichever is the earlier.

Criminal Cases- when **You** commenced or is alleged to have commenced to violate the criminal law in question.

We / Our / Us / Insurer

UK Underwriting Limited on behalf of Fortis Insurance Limited.

You / Your / Insured

The landlord named in the **Policy Schedule** and **Tenancy Agreement** as the **Insured**.

INSURED EVENTS SECTION 1 – RENT GUARANTEE

Rent Guarantee

What is Covered?

The **Insured** is covered for **Rent Arrears** owed by the **Tenant** under the **Tenancy Agreement** during the **Period of Insurance** and up to the **Limit of Indemnity**, where an **Insured Event** under Section 2 occurs and the **Insured** is, where appropriate, pursuing **Legal Proceedings** under this policy.

Up to a maximum of 6 monthly **Rent** payments.

What is Excluded?

Cover is subject to:-

1. a full month's **Rent** being in arrears after deduction of the **Excess**.
2. the **Rent Arrears** indemnity only being payable during the period of the **Tenancy Agreement** or until vacant possession has been gained, whichever occurs sooner.
3. the claim being made during the **Period of Insurance**.
4. **Rent Arrears** indemnity being paid at the rate of 1/30th of the **Rent** for each continuous day in arrears.

SECTION 2 – LEGAL EXPENSES

Breach of Tenancy Agreement

What is Covered?

A breach by the **Tenant** of any of their obligations under the **Tenancy Agreement**.

Pursuit of Rent Arrears

What is Covered?

The pursuit of **Rent Arrears** which commenced during the **Period of Insurance**.

What is Excluded?

Excluding **Professional Fees** incurred in connection with:-

1. interest on **Rent** or service charges payable by the **Tenant**.
2. any **Rent** payable after **You** have recovered full and vacant possession.

Eviction

What is Covered?

The eviction of anyone in the **Property** without **Your** permission.

Legal Defence

What is Covered?

The defence of civil or criminal proceedings in respect of any act or omission or alleged act or omission by **You** arising out of **Your** ownership or management of the **Property**.

INSURED EVENTS SPECIFIC EXCLUSIONS SECTION 1 – RENT GUARANTEE

This insurance does not cover Rent Guarantee claims:

1. in respect of any **Event** where the **Time of Occurrence** commenced prior to the commencement of the insurance.
2. where the **Insured** should reasonably have realised when purchasing this insurance that a claim under this insurance might occur.
3. from an **Event** which **You** notify to **Us** more than 30 days after it occurred or ought to reasonably have come to **Your** knowledge.
4. unless the **Insured** and their agent act promptly to gain vacant possession of the **Property** and recover **Rent Arrears**.
5. **Rent Arrears** indemnity claims where the **Property** is not occupied for residential only purposes.

INSURED EVENTS SPECIFIC EXCLUSIONS SECTION 2 – LEGAL EXPENSES

This insurance does not cover:

1. **Professional Fees** incurred:-
 - a) in respect of any **Event** where the cause of action commenced prior to the commencement of the insurance.
 - b) where the **Insured** should reasonably have realised when purchasing this insurance that a claim under this insurance might occur.
 - c) before **Our** written acceptance of a claim.
 - d) before **Our** approval or beyond those for which **We** have given **Our** approval.
 - e) where **You** fail to give proper instructions in due time to **Us** or to the **Authorised Professional**.
 - f) where **You** are responsible for anything which in **Our** reasonable opinion prejudices **Your** case.
 - g) if **You** withdraw instructions from the **Authorised Professional** or withdraw from the **Legal Proceedings** or the **Authorised Professional** refuses to continue to act for **You**.
 - h) where **You** decide that **You** no longer wish to pursue **Your** claim as a result of disinclination. All costs incurred up until this stage will become **Your** responsibility.
 - i) in respect of the amount in excess of **Our** Standard **Professional Fees** where **You** have elected to use an **Authorised Professional** of **Your** own choice.
2. claims which are conducted by **You** in a manner different from the advice or proper instructions of **Us** or those of the **Authorised Professional**.
3. appeals unless **You** notify **Us** in writing of **Your** wish to appeal at least 6 working days before the deadline for giving notice of appeal expires and **We** consider the appeal to have a reasonable chance of success.
4. **Legal Proceedings** outside the **Territorial Limits** and proceedings in constitutional international or supranational courts or tribunals including the European Court of Justice and the Commission and Court of Human Rights.
5. any **Professional Fees** incurred arising out of **Rent** registration or reviews, purchasing the freehold of the **Property**, **Rent** tribunals, land tribunals or rate tribunals unless defending action brought against **You** by the **Tenant**.
6. any **Professional Fees** relating to **Your** alleged

- dishonesty, criminal act, or violent behaviour.
7. **Professional Fees** arising directly or indirectly from computer software except operating systems and packaged software that have not been tailored by the supplier to **You** own requirements.
 8. a dispute which relates to any compensation or amount payable under a contract of insurance.
 9. an **Event** which **You** notify to **Us** more than 30 days after it occurred or ought to reasonably have come to **Your** knowledge.
 10. the defence of dilapidation claims which fall to be determined by way of the Small Claims Procedure in the County Court with respect to **Property** situated in England, Wales or Northern Ireland or in Scotland the small claims procedure in the Sheriff Court.
 11. where the amount in dispute is less than £250 including VAT.

GENERAL EXCLUSIONS

This insurance does not cover:

1. any **Professional Fees**, or expenses that can be recovered under any other insurance except beyond the amount which would be payable under such insurance had this policy not been effected.
2. damages, fines or other penalties **You** are ordered to pay by a Court tribunal or arbitrator.
3. claims arising from an **Event** arising from **Your** deliberate act, omission or misrepresentation.
4. claims arising from:-
 - a) ionising, radiations or contamination by radioactivity from irradiated nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
 - b) any radioactive toxic explosive or other hazardous properties of any nuclear assembly or component thereof.
 - c) war terrorism or any like or any associated risk.
 - d) seepage pollution or contamination of any kind.
 - e) pressure waves caused by aircraft or other aerial devices.
5. any dispute relating to written or verbal remarks which damage **Your** reputation.
6. a dispute with **Us** not dealt with under the Arbitration Condition.
7. any dispute relating to patents, copyrights, trade or service marks, registered designs, passing off, intellectual property, trade secrets or confidential information.
8. an application for judicial review.
9. an **Event** arising out of a **Tenancy Agreement** which does not fall within the definition of **Tenancy Agreement** in this policy.
10. the **Tenant's** compensation payable by **You** following an Order of the Court or the terms of any settlement approved in writing by **Us**.
11. the **Tenancy Agreement** having been granted without first obtaining the requisite consent or licence.
12. damage or loss of fixtures and fittings, furniture or equipment not referred to in an existing inventory signed by the **Tenant** prior to or at the commencement of the **Tenancy Agreement** or which relates to a claim of less than £1,000.
13. payment or non payment of service charges.
14. subsidence, mining, actual or proposed works by public or local authority.
15. an **Event** which occurs within the first 90 days of the **Period of Insurance** where the **Tenancy Agreement**

- commenced before the **Tenant Reference** unless the **Insured** had continuous rent guarantee and legal expenses insurance with another insurer in respect of the same **Tenancy Agreement** and the same **Tenant** and there had been no claims reported under that insurance.
16. claims where the **Tenancy Agreement** commenced more than 31 days after the date of the **Tenant Reference**.
 17. claims where **You** fail to provide evidence relating to a **Tenant Reference**.
 18. disputes between the **Insured** and their agent or mortgage lender.
 19. disputes where the **Tenant** is not aged 18 years or over.
 20. claims if the **Insured** or their agent has allowed the **Tenant** into possession of the **Property** prior to:-
 - a) the **Tenancy Agreement** having been signed by all parties.
 - b) all necessary statutory pre-grant notices to the **Tenant** having been issued.
 - c) the first months rent and the **Deposit** having been received in cash or cleared funds.
 - d) The Dilapidations Inventory having been signed by the **Tenant**.
 21. any claim where the **Insured** or their agent gave any false or misleading information when they signed the **Tenancy Agreement** for this insurance cover or where the **Tenant** signed a **Tenancy Agreement** subject to a **Guarantor** and the **Guarantor** was not correctly assigned to the **Tenancy Agreement**.
 22. any **Professional Fees** incurred in defending or pursuing new areas of law or test cases.

GENERAL CONDITIONS

Alteration of Risk

You shall notify **Us** immediately of any alteration in risk which materially affects this insurance.

References

You must obtain a satisfactory **Tenant Reference** prior to granting a **Tenancy Agreement** or in respect of student and DSS tenants obtain an acceptance in writing from Simple Tenants Referencing or an approved **Tenant Referencing Company**.

Rent Arrears

1. If the **Tenant** is claiming housing benefit, **We** will not pay **Rent** until the outcome of the housing benefit claim is known. If the **Tenant's** housing benefit claim is rejected, **We** will pay **Rent** backdated to the date that **You** could first claim. There is no cover for any shortfall between the amount paid to the **Tenant** as housing benefit and the **Rent**.
2. If the **Deposit** is more than the **Excess**, **We** will pay **Rent Arrears** 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 **You**.
3. If **Rent** is overdue **You** must contact the **Tenant** within 7 days to establish the reason for the default.
4. If the **Rent** is not paid within a further 7 days the **Tenant** must be contacted again. If the **Tenant** cannot be contacted, and it is lawful to do so, **You** must serve notice of a requirement to undertake an inspection and visit the **Property** in accordance with **Your** obligations within the **Tenancy Agreement**. **You** should contact the Helpline if **You** are unsure that such an inspection is lawful.

Observance

Our liability to make any payment under this policy will be conditional on **You** complying with the terms and conditions of this insurance.

Claims

We will proceed with a claim where **We** believe there are sufficient prospects of success in pursuing or defending **Your** claim and that it is reasonable for **Professional Fees** to be paid and **You** have paid the **Excess**.

We may require **You** at **Your** expense to obtain the opinion of an expert or counsel on the merits of a claim or **Legal Proceedings**. If **We** subsequently agree to accept the claim, the costs of such opinion will be covered.

If after receiving a claim or during the course of a claim **We** decide that:-

1. **Your** prospects of success are insufficient;
2. it would be better for **You** to take a different course of action;
3. **We** cannot agree to the claim.

We will write to **You** giving **Our** reasons and **We** will not then be bound to pay any further **Professional Fees** for this claim.

We may limit any **Professional Fees** that **We** will pay under the policy in the pursuit, continued pursuit or defence of any claim:-

1. if **We** consider it is unlikely a reasonable settlement will be obtained or
2. where the likely settlement amount is disproportionate to the time and expense necessary to achieve a settlement.

Alternatively **We** may at **Our** option pay to **You** the amount in dispute which shall be deemed to represent full and final settlement under this policy.

In the **Event** that **You** make a claim under this policy which **You** subsequently discontinue due to **Your** own disinclination to proceed, any legal costs incurred to date will become **Your** own responsibility and will be required to be repaid to the **Insurer**.

Arbitration

If there is a dispute between **You** and **Us**, which is not solved by the policy, either side may refer it to the arbitration of an independent arbitrator who will be either a solicitor or barrister, to be agreed by the two sides. If no agreement can be reached the Law Society shall name an arbitrator. The arbitrator's decision will be final and binding on both sides. The arbitration will be governed by the rules set out in the Arbitration Acts then in force.

Fraud

We have the right to refuse to pay a claim or to avoid this insurance in its entirety if **You** make a claim which is in any respect false or fraudulent, or **You** gave false or misleading information when applying for either this insurance or the **Tenancy Agreement**.

Contracts (Rights of Third Parties) Act 1999

Unless expressly stated nothing in this insurance contract will create rights pursuant to the Contracts (Rights of Third Parties) Act 1999 in favour of anyone other than the parties to the insurance contract.

Notices

Any letter or notice concerning this insurance will be properly issued if it is sent to the last known address of the person intended to receive it.

Reasonable Care

You must not breach any of the conditions of the **Tenancy Agreement(s)** or Legal Charge affecting the **Property**.

You must take all reasonable steps to prevent incidents that may give rise to a claim and to minimise the amount payable by **Us**. **You** must act promptly to gain vacant possession of the **Property** and recover **Rent Arrears**.

Acts of Parliament

Any reference to Act of Parliament within this policy shall include an amending or replacing Act and shall also include where applicable equivalent legislation in Scotland, Northern Ireland and under European Law where applied in the United Kingdom.

Deposit

You will inform **Us** in writing of the allocation of the **Deposit** and no deductions may be made from the **Deposit** without **Our** approval. The balance of the **Deposit** after such approved deductions will be applied to reduce **Rent Arrears** which **You** may be entitled to claim from **Us** under the terms of this policy. Such monies may not be utilised to discharge **Your** liabilities in respect of the **Excess** under this policy.

Termination

The insurance provided hereunder will automatically terminate on the occurrence of one of the following:

- a) The natural expiry date of the policy;
- b) Any sequence of claims over the **Limit of Indemnity** during the **Period of Insurance**;
- c) **You** fail to pay **Your Premium**.

COMPLAINTS PROCEDURE

It is the intention to give **You** the best possible service but if **You** do have any concerns about this policy or the handling of a claim **You** should:

Step One – Initiating Your complaint

Please contact the **Administrator** at:

The Managing Director
Legal Insurance Management Ltd
18 Hagley Road
Stourbridge
West Midlands
DY8 1PS
Tel: 01384 377 000

Please ensure **Your** policy number is quoted in all correspondence to assist a quick and efficient response.

Step Two – If You are still unhappy

In the event **You** remain dissatisfied and wish to make a complaint, **You** can do so by contacting the following:

The Head of Claims
UK Underwriting Limited
Cast House
Old Mill Business Park
Gibraltar Island Road
Leeds
LS10 1RJ

Step Three – The Financial Ombudsman

If it is not possible to reach an agreement, **You** have the right to make an appeal to the Financial Ombudsman Service. This also applies if **You** are insured in a business capacity but have a group annual turnover of less than £1 million, or are a charity with an annual income of less than £1 million, or are a trustee of a trust with a net asset value of less than £1 million. **You** may contact the Financial Ombudsman Service at:

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR
Telephone (0845) 080 1800
Fax (020) 7964 1001

The above complaints procedure is in addition to **Your** statutory rights as a consumer. For further information about **Your** statutory rights contact **Your** local authority Trading Standards Service or Citizens Advice Bureau.



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Simple Rent Guarantee Insurance is a trading name of TPS (Insurance Admin Services) Limited.

TPS (Insurance Admin Services) Limited is authorised and regulated by the Financial Services Authority (Firm Reference No. 311788)

Registered Office: Cast House, Old Mill Business Park, Gibraltar Island Road, Leeds LS10 1RJ

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