Policy Document

ARAG

Flat Living Insurance
Legal Expenses

FlatLiving® Insurance

Flat Living Insurance Legal Expenses

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**
- ✓ **Business legal services website**
- ✓ **Claims procedure.**

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

Telephone helplines

Legal advice on business matters within UK, Isle of Man, Channel Islands and EU law, 24 hours a day, 365 days of the year
0344 571 7978
UK tax advice, 9am to 5pm weekdays
0344 571 7978
Executive suite identity theft resolution
0333 000 2083
Crisis communication
0344 571 7964
Counselling service
0333 000 2082

Business legal services

www.araglegal.co.uk
Register on your first site visit using voucher code **X1232KC79BB5**. Discover our law guides and create legal documents and letters to help with commercial legal matters.

Main benefits of Flat Living Insurance Legal Expenses

Protection for legal costs arising from:

- employment disputes & compensation awards
- employment restrictive covenants
- tax investigations & VAT disputes
- legal nuisance, trespass or damage to property
- legal defence
- compliance & regulation
- statutory licence appeals
- loss of earnings
- personal injury
- claims involving your executives
- contract & debt recovery
- crisis communication
- First-tier Tribunal (Property Chamber) costs protection.

Who is ARAG?

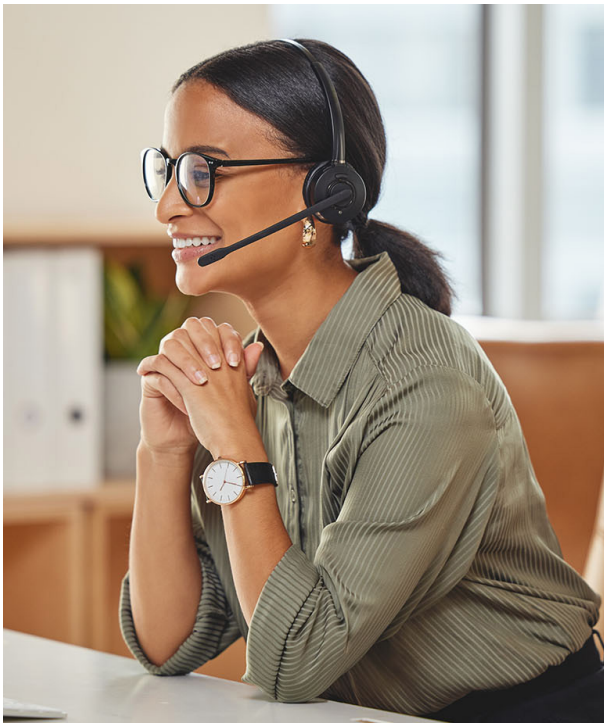
ARAG is the largest family enterprise in the German insurance industry and has positioned itself as a versatile quality insurer. Specialising in legal insurance as the leading legal insurer worldwide, ARAG also offers its customers attractive, needs-based products and services from a single source.
Active in a range of countries across Europe, alongside the US and Canada, the Group holds a leading position in multiple international markets 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.

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 7978

If you have a legal or tax problem relating to your business, 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 business-related legal matters within UK, Isle of Man, Channel Islands and EU law and 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.

Executive suite – identity theft resolution 0333 000 2083

This service is available to the principal, executive officers, directors and partners of the business between 9am and 5pm on weekdays (except bank holidays). We provide telephone advice to help executives keep their personal identity secure. Where identity theft is suspected, our specialist caseworkers can help the victim to restore their credit rating and correspond with their card issuer, bank or other parties. Identity theft expenses are insured under Insured event 11) c) when your executives use this helpline.

Crisis communication 0344 571 7964

Following an event that has attracted negative publicity which could affect your business, you can access professional public relations support from our Crisis communication experts. This service is available 24 hours a day, 365 days of the year.
In advance of any actual adverse publicity, where possible, initial advice for you to act upon will be provided over the phone. If your circumstances require professional work to be carried out at that time, we can help on a consultancy basis and subject to you paying a fee.
Where an event has led to actual publicity online, in print or broadcast, that could damage your business, you are insured against the costs of crisis communication services under Insured event 13) when you use this helpline.

Counselling assistance 0333 000 2082

Our qualified counsellors will provide free confidential support and advice by phone to your employees or their 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 your employees know about Counselling assistance which you may find useful.

Business legal services

www.araglegal.co.uk

Getting started

You will need to enter voucher code **X1232KC79BB5** 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.

Choosing your legal documents

We have suggested legal documents and law guide content that may help you in particular circumstances throughout this policy wording.

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.

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.

What happens if the insurer cannot meet its liabilities?

The insurer is covered by the Financial Services Compensation Scheme (FSCS). The insured may be entitled to compensation of up to 90% of the cost of their claim in the unlikely event that we cannot meet our obligations. Further information about compensation scheme arrangements is available at **www.fscs.org.uk** or by calling them on **0800 678 1100**.

Privacy Notice

When you purchase and use an ARAG product we will process personal information about you and anyone else whose details are given to us to provide you with a service or claim.

We process your personal information in accordance with our Privacy Notice. You can find our Privacy Notice online at www.arag.co.uk/data-legal/privacy-notice/.

Alternatively you can make a request for a printed copy to be sent to you by emailing dataprotection@arag.co.uk or in writing at:

Data Protection Officer
ARAG UK
Unit 4a
Greenway Court
Bedwas
Caerphilly
CF83 8DW

Flat Living Insurance Legal Expenses

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** including the cost of appeals (and compensation awards under Insured event 2) Employment compensation awards), up to

a) the limit of indemnity specified in the schedule to which this policy attaches for all claims related by time or originating cause;
b) an aggregate limit of £1,000,000 for compensation awards under Insured event 2) Employment compensation awards;

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) Unless otherwise stated in this policy, the Insured event arises in connection with **your business** and 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**
   a) in any claim to be heard by an Employment Tribunal and/or
   b) before proceedings have been or need to be issued.
6) Any dispute will be dealt with through mediation or by a court, tribunal, Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body 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.

Insured events covered

1) Employment

A dispute between **you** and **your employee**, ex-**employee**, or a prospective **employee**, arising from a breach or an alleged breach of their

a) contract of service with **you**

b) related legal rights.

You can claim under the policy as soon as internal procedures as set out in the

a) ACAS Code of Practice for Disciplinary and Grievance Procedures or

b) Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland

have been or ought to have been concluded.

What is not covered under Insured event 1)

Any claim arising from or relating to:

1) the pursuit of an action by **you** other than an appeal against the decision of a court or tribunal
2) actual or alleged redundancy that is notified to **employees** within 180 days of the start of this policy except where **you** have had equivalent cover in force up until the start of this policy
3) costs **you** incur to prepare for an internal disciplinary hearing, grievance or appeal
4) a pension scheme where actions are brought by ten or more **employees** or ex-**employees**.

Our Business legal services **website** features a range of useful documents including Workplace Policies, Discipline and Dismissal letters and Hiring Staff documents.

2) Employment compensation awards

Following a claim **we** have accepted under Insured event 1) Employment, the **insurer** will pay any

a) basic and compensatory award or

b) an amount agreed by **us** in settlement of a dispute.

Provided that compensation is:

a) agreed through mediation, conciliation or under a settlement approved by **us** in advance or

b) awarded by a tribunal judgment after full argument unless given by default.

What is not covered under Insured event 2)

1) Money due to an **employee** under a contract or a statutory provision relating thereto.
2) Compensation awards or settlements relating to
   a) trade union membership, industrial or labour arbitration or collective bargaining agreements
   b) civil claims or statutory rights relating to trustees of occupational pension schemes.

Our **Law Guides** are available to provide information on many of the different legal issues employers face.

3) Employment restrictive covenants

a) A dispute with **your employee** or ex-**employee** which arises from their breach of a restrictive covenant where **you** are seeking financial remedy or damages.
   Provided that the restrictive covenant
   i) is designed to protect **your** legitimate **business** interests, for a period not exceeding 12 months and
   ii) is evidenced in writing and signed by **your employee** or ex-**employee** and
   iii) extends no further than is reasonably necessary to protect the **business** interests.

b) A dispute with another party who alleges that **you** have breached their legal rights protected by a restrictive covenant.

The Employment Agreement on our Business legal services **website** includes post-termination clauses including covenants.

4) Tax disputes

a) A formally notified enquiry into **your business** tax.
b) A dispute about **your** compliance with HMRC regulations relating to **your employees**, workers or payments to contractors.
c) A dispute with HMRC about Value Added Tax.

Provided that:

a) **you** keep proper records in accordance with legal requirements and
b) in respect of any appealable matter **you** have requested an Internal Review from HMRC where available.

What is not covered under Insured event 4)

Any claim arising from or relating to:

1) tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty, or which contain careless and/or deliberate misstatements or omissions
2) an investigation by the Fraud Investigation Service of HMRC
3) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to **your** financial arrangements
4) any enquiry that concerns assets, monies or wealth outside of the United Kingdom
5) **your** failure to register for VAT.

5) Property

A dispute relating to material property which **you** own or is **your** responsibility:

a) following an event which causes physical damage to **your** material property
b) following a public or private nuisance or trespass
c) which **you** wish to recover or repossess from an **employee** or ex-**employee**.

What is not covered under Insured event 5)

Any claim arising from or relating to:

1) a contract between **you** and a third party except for a claim under 5) c)
2) goods lent or hired out
3) compulsory purchase, demolition restrictions, controls or permissions placed on land or property by any government, local or public authority.

6) Legal defence

a) A criminal investigation and/or enquiry by:
   i) the police or
   ii) other body with the power to prosecute

   where it is suspected that an offence may have been committed that could lead to the **insured** being prosecuted.
b) The charge for an offence or alleged offence which leads to the **insured** being prosecuted in a court of criminal jurisdiction.

What is not covered under Insured event 6)

Any claim relating to a parking offence.

The Government have published a **four-part guide** containing information and advice about the criminal court process that you may find useful if you are required to appear in court as a defendant.

7) Compliance & regulation

a) Receipt of a Statutory Notice that imposes terms against which **you** wish to appeal.
b) Notice of a formal investigation or disciplinary hearing by any professional or regulatory body.
c) A civil action alleging wrongful arrest arising from an allegation of theft.
d) A claim against **you** for compensation under the Data Protection Act 2018 provided that
   i) **you** are registered with the Information Commissioner
   ii) **you** are able to evidence that **you** have in place a process to
      - investigate complaints from data subjects regarding a breach of their privacy rights
      - offer suitable redress where a breach has occurred and that **your** complaints process has been fully engaged.
e) A civil action alleging that an **insured** (or an ex-**employee** provided that they have **your** agreement to claim under this policy) has
   i) committed an act of unlawful discrimination; or
   ii) failed to correctly exercise their fiduciary duty as a trustee of a pension fund set up for the benefit of **your employees**.

What is not covered under Insured event 7)

Any claim arising from or relating to:
1) the pursuit of an action by **you** other than an appeal
2) a routine inspection by a regulatory authority
3) an enquiry, investigation or enforcement action by HMRC
4) a claim brought against **your business** where unlawful discrimination has been alleged.

ico.org.uk Guide to information rights.

We have a category for Health and Safety documents on our Business legal services website, this includes a Health and Safety Compliance and Policy Review and Fire Risk Assessments.

8) Statutory licence appeals

An appeal against a formal written proposal by the relevant authority to alter, suspend, revoke or refuse to renew a licence or compulsory registration required to run **your business**.

9) Loss of earnings

The **insured**'s absence from work to attend court, tribunal, arbitration, regulatory proceedings or a professional body's disciplinary hearing at the request of the **appointed advisor** or whilst on jury service which results in loss of earnings.

What is not covered under Insured event 9)

Any sum which can be recovered from the court.

www.gov.uk/jury-service/what-you-can-claim

10) Personal injury

An event that causes bodily injury to, or the death of, an **insured**.

What is not covered under Insured event 10)

Any claim arising from or relating to a condition, illness or disease which develops gradually over time.

11) Executive suite

This Insured event applies only to the principal, executive officers, directors and partners of **your business**.

a) An HMRC enquiry into the executive's personal tax affairs.
b) A motoring prosecution that arises from driving for personal, social or domestic use, including commuting to or from **your business**.
c) A claim that arises from personal identity theft provided that the person claiming has sought and followed advice from the Executive suite - identity theft resolution helpline.
d) A dispute that arises from the terms of **your business** partnership agreement that is to be referred to mediation.
e) Crisis communication as described in Insured event 13) below shall be available to the principal, executive officers, directors and partners of the **business** for matters occurring in their private and personal capacity that cause significant adverse publicity or reputational damage.

What is not covered under Insured event 11)

1) Any claim arising from or relating to:
   a) tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty or which contain careless and/or deliberate misstatements or omissions
   b) an investigation by the Fraud Investigation Service of HMRC
   c) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the executive's financial arrangements
   d) any enquiry that concerns assets, monies or wealth outside of the United Kingdom
   e) a parking offence
   f) costs incurred in excess of £25,000 for a claim under 11) d) and 11) e).
2) Crisis communication for a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast.

12) Contract & debt recovery

A breach or alleged breach of an agreement or alleged agreement which has been entered into by **you** or on **your** behalf to buy, sell, hire or lease goods or services or to rent **your business** premises, provided that if **you** are claiming for an undisputed debt **you** have exhausted **your** normal credit control procedures.

What is not covered under Insured event 12)

Any claim arising from or relating to:

1) an amount which is less than £200
2) a dispute with a tenant or lessee where **you** are the landlord or lessor
3) the sale or purchase of land or buildings
4) loans, mortgages, endowments, pensions or any other financial product
5) computer hardware, software, internet services or systems which
   a) have been supplied by **you** or
   b) have been tailored to **your** requirements
6) a breach or alleged breach of a professional duty by an **insured**
7) the settlement payable under an insurance policy
8) a dispute relating to an **employee** or ex-**employee**
9) adjudication or arbitration.

If you need to chase a debt go to **www.araglegal.co.uk**, where you can download a debt reminder letter and letter before claim. If you are not successful in obtaining an agreement to settle you should check that your right to claim is not affected by "what is not covered" and report the matter to us as a claim.

13) Crisis communication

Following an event which causes significant adverse publicity or reputational damage which is likely to have a widespread financial impact on **your business**, **we** will:

a) liaise with **you** and **your** solicitor (whether the solicitor is an **appointed advisor** under this policy, or acts on **your** behalf under any other policy) to draft a media statement or press release

b) prepare communication for **your** staff/customers/ suppliers and/or a telephone or website script or social media messaging

c) arrange, support and represent the **insured** at an event which media will be reporting

d) support the **insured** by taking phone calls/emails and managing interaction with media outlets

e) support and prepare the **insured** for media interviews

provided that **you** have sought and followed advice from **our** Crisis communication helpline.

What is not covered under Insured event 13)

Any claim arising from or relating to:

1) matters that should be dealt with through **your** normal complaints procedures
2) a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast
3) costs incurred in excess of £25,000.

14) First-tier Tribunal (Property Chamber) costs protection

An application by **your** tenant(s) for a section 20C notice under the Landlord and Tenant Act 1985 which could prevent **you** from recovering **legal costs & expenses** from **your** tenants(s) following proceedings brought under

a) section 27(A) in respect of **your** tenant(s) liability to pay **you** service charges and/or

b) section 19 in respect of the reasonableness of service charges or the standard of works carried out on **your** property.

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) costs or compensation awards incurred without **our** consent
2) any actual or alleged act, omission or dispute happening before, or existing at the start of the insurance provided by this policy, and which the **insured** knew or ought reasonably to have known could lead to a claim
3) 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, fraud, or any other financial crime activities
   f) antitrust or competition law and/or regulation

   except in relation to Insured event 13) Crisis communication
4) defending a claim in respect of damages for personal injury (other than injury to feelings in relation to Insured event 1) Employment), or defending a claim in respect of loss or damage that has been caused to **your** property
5) National Minimum Wage and/or National Living Wage Regulations
6) patents, copyright, passing-off, trade or service marks, registered designs and confidential information (except in relation to Insured event 3) Employment restrictive covenants)
7) a dispute with any subsidiary, parent, associated or sister company or between shareholders or business partners (except in relation to mediation under Insured event 11) d))
8) a) a franchise agreement
   b) an agency agreement through which one party has the legal capacity to alter the legal relations of the other
9) a judicial review
10) a dispute with **us**, the **insurer** or the party who arranged this cover not dealt with under Condition 6.
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, riot or civil commotion
    d) pressure waves from aircraft 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, funding, preventing or suppressing terrorist action
    f) a dispute where providing cover, payment of any claim or the provision of any benefit under this policy would breach any international resolutions or

any laws or regulations on sanctions (including but not limited to any financial and trade sanctions, export controls, anti-money laundering and anti-boycott laws) or would expose the **insurer** or any of their affiliated group of companies to any sanction, prohibition or restriction under such resolutions, laws or regulations

12) the payment of fines, penalties or compensation awarded against the **insured** (except as covered under Insured event 2) Employment compensation awards); or costs awarded against the **insured** by a court of criminal jurisdiction.

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 claim back **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 legal representative except, where the **insured**'s claim is to be dealt with by the Employment Tribunal, **we** shall always choose the **appointed advisor**.

c) Where the **insured** wishes to exercise the right to choose, the **insured** must write to **us** with their preferred representative's contact details.

d) 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, including rates which may be lower than those 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 **you** 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 and cost 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 their 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. Dispute resolution

If there is a disagreement about the handling of a claim and it is not resolved through **our** internal complaints procedure the Financial Ombudsman Service may be able to help. This is a free complaint resolution service for eligible complaints. (Details available from **www.financialombudsman.org.uk**)

Alternatively, there is a separate arbitration process available that can be used to settle any dispute with **us**. Any arbitration will be governed by English law, the seat of the arbitration will be England, and the Chartered Institute of Arbitrators (Ciarb) Arbitration Rules will apply. The arbitrator will be a jointly agreed barrister, solicitor or other suitably qualified person. If there is a disagreement over the choice of arbitrator, the party wanting the arbitration will ask the Ciarb to decide. The **insurer** will pay 50% of any upfront arbitrator costs provided these are incurred with **our** expressed consent. The other party to the arbitration will pay the remaining 50%. Payment of any upfront arbitrator costs by the **insurer** is subject to any final decision by the arbitrator on costs. For example, the arbitrator may decide that costs may be split between the parties or one party may pay all the costs.

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; even if the other insurer refuses the claim.

8. Fraudulent claims and claims tainted by dishonesty

a) If the **insured** makes any claim which is fraudulent or false, the policy may immediately become void 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 any claim, it appears to the **appointed advisor** 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 in 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 giving **us** at least 21 days written notice 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.

c) The **insurer** may also cancel the policy and refund the premium for the remaining **period of insurance** if at any time **you**:
   i) enter into a voluntary arrangement or a deed of arrangement or
   ii) become bankrupt, are placed into administration, receivership or liquidation or
   iii) have **your** affairs or property in the care or control of a receiver or administrator.

10. Law that applies

This policy is governed by English law and the parties agree to the exclusive jurisdiction of the English courts for any dispute (including non-contractual disputes) arising from or connected to this policy.

11. Acts of parliament

All legal instruments, bodies and rules referred to within the Insured events shall include the equivalent in Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement.

12. Contracts (Rights of Third Parties) Act 1999

Apart from **us**, only the policyholder shown in the policy schedule may enforce all or any part of this policy and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to the policy in relation to any third-party rights or interest.

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**.

Business

The occupation, trade profession or enterprise carried out by the entity shown in the schedule that attaches to this policy.

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 **you** 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.

Employee

A worker who has or alleges they have entered into a contract of service with **you**.

Insured

1) **You**, **your** directors, partners, managers, officers and **employee**s of **your business**.
2) A person declared to **us**, who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your employee**s and who performs work under **your** supervision.

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.
4) Health and Safety Executive Fees for Intervention.
5) **Your employee**'s basic wages or salary under Insured event 9) Loss of earnings in the course of their employment with **you** while attending court or tribunal at the request of the **appointed advisor** or whilst on jury service where lost wages or salary cannot be claimed back from the court or tribunal.

6) The reasonable cost of phone calls, postage (including special delivery), image scanning, photocopying or credit reports incurred under Insured event 11) c) where the **insured** has taken advice from **our** Executive suite - identity theft resolution helpline.
7) The professional fees and expenses of an **appointed advisor** selected by **us** to reduce the actual adverse or negative publicity or media attention under Insured events 11) e) Executive suite and 13) Crisis communication.

Period of insurance

The period shown in the schedule to which this policy attaches. (The **period of insurance** shall otherwise expire on earlier cancellation of this policy.)

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 12) Contract & debt recovery, 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

1) For Insured events 6) Legal defence and 12) Contract & debt recovery the United Kingdom, Channel Islands, Isle of Man, Norway, Switzerland and countries in the European Union. **https://europa.eu/european-union/index_en**
2) For all other Insured events the United Kingdom, Channel Islands and the 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 individual, partnership or corporate body named in the schedule, including any subsidiary and/or associated companies declared to **us**.

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

EBLPW.07-26 Flat Living Ins

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.

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