

Policy of Insurance

Legal Expenses Insurance

This insurance is a contract between **You** and the **Insurers**, Financial & Legal Insurance Company Limited (registered in England under Company no. 03034220 and by the Financial Services Authority under no. 202915). The **Insurers** will indemnify the **Insured Persons** subject to the terms, conditions, clauses and exclusions of this insurance during the **Period of Insurance**.

This insurance has been effected with and is signed on behalf of Financial & Legal Insurance Company Limited.

DEFINITIONS

Each of the words or phrases listed below will have the same meaning wherever they appear in **bold** in this insurance.

Authorised Driver

Any person insured by the **Motor Policy** who is authorised by **You** to drive the **Insured Vehicle**.

Date of Occurrence

The date of one or more events arising at the same time or from the same cause which give rise to a claim under this insurance.

Insurance Certificate

The **Insurance Certificate** which proves that **You** have paid the premium and are entitled to the benefits under this policy.

Insured Person

The **Certificate Holder**, any **Authorised Driver**, any passenger in, on, getting into, out of or off the **Insured Vehicle** and, where applicable, the legal personal representatives of any of them.

Insured Vehicle

Any motor vehicle insured by the **Motor Policy** including any attached trailer or caravan.

Insurer/We/Us/Our

Financial & Legal Insurance Company Limited, No.1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire, SK8 3GW.

Legal Expenses

The legal fees, costs, disbursements and other professional charges in connection with **Legal Proceedings** which the **Insurer** has agreed to fund:

- i) reasonably and necessarily incurred by the **Nominated Representative**
- ii) incurred by other parties, in civil cases if an **Insured Person** has been ordered to pay them or pays them with the prior agreement of the **Insurer**.

Legal Proceedings

The pursuit of civil legal disputes and proceedings within the jurisdiction of a court or other body in the **Territorial Limits** including defending a counterclaim and appealing or defending an appeal against judgement and excluding correspondence by way of pre action protocol or any mediation or any other alternative dispute procedure, within the jurisdiction of a court or other body in the **Territorial Limits**.

Motor Policy

The motor insurance policy with which this insurance is issued.

Nominated Representative

A solicitor, claims negotiator or other suitably qualified person appointed in accordance with the terms of this insurance.

Period of Insurance

The period not exceeding twelve months from the date shown on the **Insurance Certificate** and for which **You** have paid or agreed to pay and **We** have agreed to accept a premium.

The expiry date of this period will be the same as that of the current certificate of motor insurance issued in conjunction with the **Motor Policy**.

Territorial Limits

The **United Kingdom**, the Isle of Man, the Channel Islands, and EU Member States.

United Kingdom

England, Scotland, Wales, Northern Ireland and the Isle of Wight.

You/Your/Certificate Holder

The party named in the **Motor Policy** and the **Insurance Certificate** as the policyholder or insured.

THE COVER

Part 1

We will pay up to £100,000 on any one claim and in the aggregate in any one **Period of Insurance** towards **Legal Expenses** incurred with **Our** prior written consent on behalf of all **Insured Persons** for the recovery of uninsured losses resulting from an incident involving an **Insured Vehicle** in the **Territorial Limits** which causes:

- a) damage to the **Insured Vehicle** and to personal property in it or on it
- b) death of or bodily injury to an **Insured Person** provided that the **Date of Occurrence** is within the **Period of Insurance**.

Part 2

We will pay up to £1,000 on any one claim and in the aggregate towards **Legal Expenses** incurred with **Our** prior written consent on behalf of the **Certificate Holder** or **Authorised Driver** in the defence of a criminal prosecution of a motoring offence in the **United Kingdom** provided that:

- i) the **Date of Occurrence** (which for this purpose will be the date when the motoring offence occurred or is alleged to have occurred) is within the **Period of Insurance**
- ii) no more than two claims will be covered in any one **Period of Insurance**, not taking into account any claim(s) rejected by the **Insurer**
- iii) the **Certificate Holder** or **Authorised Driver** will pay the first £100 of each and every claim which will be included within the applicable limit of £1,000 in the aggregate
- iv) **We**, in **Our** absolute discretion, are satisfied that there is a genuine defence to the prosecution and there are reasonable prospects of successfully defending the case
- v) there will be no coverage under this part of this section in respect of any **Legal Expenses** directly or indirectly arising out of prosecutions relating to parking offences, driving without insurance, driving whilst under the influence of drink or drugs, racing, pace-making, rallying, speed testing or any other sort of competition.

CONDITIONS AND CLAUSES

1 Your responsibilities

- i) **You** must observe and comply with the terms and conditions of this insurance and of the **Motor Policy**
- ii) all **Insured Persons** must:
 - a) observe the terms and conditions and exclusions of this insurance
 - b) take all reasonable steps to try to prevent any incident which may give rise to a claim

- c) take all reasonable steps to minimise the amount payable under this insurance
- d) take all reasonable steps to resolve any dispute which may otherwise give rise to a claim, by way of negotiation, mediation or any other available alternative dispute resolution procedure.

2 Reporting and acceptance of a claim

The **Insurer** should, as soon as possible, but within 14 days of the **Insured Person** receiving notice of an intended criminal prosecution for a motoring offence and otherwise no later than 60 days after the **Date of Occurrence** be notified in writing of any potential claim including any written or other evidence. **You** will be required to provide the names of any possible witnesses and details, produced at **Your** own expense, of any costs incurred prior to the **Insurer** accepting the claim, including any actions taken already.

3 Acceptance of a claim and right to refuse indemnity

The **Insurers** are entitled to refuse to accept a claim or to continue to indemnify an **Insured Person** where:

- i) in **Our** opinion,
 - a) the **Certificate Holder** and/or any other **Insured Person** has not disclosed any material information to the **Insurers**
 - b) the **Certificate Holder** and/or the **Insured Person** has failed to provide the **Insurer** or the **Nominated Representative** with any relevant information and/or supporting evidence
- ii) in the opinion of the **Nominated Representative**, there do not or no longer exist reasonable grounds for believing that the **Legal Proceedings** have a reasonable prospect of success, and where applicable, that there are no reasonable prospects of recovery from the other party
- iii) in **Our** opinion, after having taken advice from **Our** own advisers (who are not the **Nominated Representative**) or counsel, there do not or no longer exist reasonable grounds for believing that the **Legal Proceedings** have a reasonable prospect of success, and where applicable, that there are reasonable prospects of recovery from the other party.

We may, at any time, require **You** to obtain at **Your** own expense an opinion from counsel as to the merits of **Legal Proceedings**. Payment will be made under this insurance, subject to the limit applicable to the claim, to include the cost of obtaining the opinion only if counsel's opinion clearly demonstrates that there are reasonable grounds for pursuit or defence of the **Legal Proceedings**.

If **We** refuse to accept a claim or to continue to indemnify an **Insured Person**, **We** will give the reason(s) in writing to the **Certificate Holder** and the **Insured Person**.

In all cases, the onus will be on **You** to demonstrate to the **Nominated Representative**, or to **Our** own advisers or counsel (as appropriate) that such reasonable grounds as referred to above exist. **Your** cost of investigation and other expenses relating to **Your** seeking to prove that such reasonable grounds do exist are not covered under this insurance.

4 Legal Representation

- i) Before **We** accept a claim, **We** will tell **You** the name and address of **Our** nominated **Nominated Representative**. That person will not become the **Nominated Representative** until **We** confirm in writing that **We** have accepted the claim.
- ii) If **We** agree to the commencement of **Legal Proceedings** then an **Insured Person** has the right to nominate a **Nominated Representative**. This must be done by sending the **Insurer** the name and address prior to the commencement of any **Legal Proceedings**.
- iii) When a **Nominated Representative** is appointed the **Insurer** will send them a copy of their terms of appointment which must be accepted by the **Nominated Representative** before commencing any work for **You**.
- iv) If the **Insurer** and an **Insured Person** do not agree about the choice of the **Nominated Representative**, both parties may agree in writing to choose a second suitably qualified person to decide the matter.
- v) The **Insured Person** will always have regard to Condition 1 i) c) both in relation to the nomination of a **Nominated Representative** and in relation to the conduct of the **Legal Proceedings**.
- vi) This Condition 4 also applies where a conflict of interest arises during **Legal Proceedings** or arises from the handling of a claim and the appointment of a replacement **Nominated Representative** is required.

5 Control of the Claim

- i) All information, evidence and documents relating to the **Legal Proceedings** must be provided, at the **Insured Person's** own expense, to the **Nominated Representative** when requested and the **Insured Person** must meet with the **Nominated Representative** when requested
- ii) The **Insured Person** must keep the **Nominated Representative** regularly informed of all developments and co-operate fully in all respects
- iii) The **Insurer** must have direct access to the **Nominated Representative** at all times
- iv) The **Insured Person** must give the **Nominated Representative** any instructions asked for by the **Insurer** including for the supply of any documents or other information required by the **Insurer**
- v) The **Insurer** is entitled to require the **Certificate Holder** and or the **Insured Person** to produce immediately to the **Insurer** all information, evidence, legal advice and documents relating to the **Legal Proceedings** in the possession or custody of the **Certificate Holder**, the **Insured Person** or the **Nominated Representative**
- vi) The **Certificate Holder** or the **Insured Person**, directly or via the **Nominated Representative**, must inform the **Insurer** immediately in writing if anyone offers to settle the claim or makes an offer to settle the **Legal Proceedings**.

6 Payment under this insurance

- i) If any offer to settle the **Legal Proceedings** which equals or

exceeds the total damages (including any interest) eventually recovered by the **Insured Person** in the **Legal Proceedings** is not accepted by the **Insured Person**, the **Insurers** will have no liability in respect of **Legal Expenses** incurred after such refusal unless the **Insurer** has given their written agreement to the continuation of the **Legal Proceedings**

- ii) When requested by the **Insurer**, the **Insured Person** must instruct the **Nominated Representative** to have the **Legal Expenses** made subject to detailed assessment or audit by the relevant court or tribunal
- iii) All accounts, orders or awards of a court or tribunal for **Legal Expenses** to be paid under this insurance must be submitted to the **Insurer** promptly
- iv) Following receipt of the relevant accounts, orders or awards of a court or tribunal for **Legal Expenses** to be paid under this insurance, payment will be made direct to the **Nominated Representative**, to the other party's legal representative or to such other party as is appropriate according to the terms of any order or award of the court or tribunal
- v) If the **Insured Person** withdraws from the **Legal Proceedings** without the agreement of the **Insurer**, cover will cease immediately and the **Insurer** will be entitled to be reimbursed for any **Legal Expenses** agreed previously or paid to or on behalf of the **Insured Person** in respect of such **Legal Proceedings**.

7 Recoveries

We can take **Legal Proceedings** in **Your** name, at **Our** own expense and for **Our** own benefit, to recover any payment made under this insurance to anyone else. If **You** recover any **Legal Expenses** previously paid under this insurance from any other party, such **Legal Expenses** must be immediately repaid to **Us**.

8 Arbitration

Any dispute or difference of any kind between the **Insurers** and an **Insured Person** will be referred to arbitration by a single arbitrator who will be either a barrister or solicitor. If the parties are unable to agree on the appointment of an arbitrator, all parties agree to accept an arbitrator nominated by the President of the relevant national Law Society. The arbitrator's decision will be final and binding on all parties and the unsuccessful party will be responsible for any costs incurred by the successful party in the arbitration proceedings as well as their own costs.

9 Governing law

This insurance is governed by English law.

10 Third party rights

Unless expressly stated in this insurance, nothing in this insurance will create any rights in favour of any person pursuant to the Contracts (Rights of Third Parties) Act 1999. This Condition does not affect any right or remedy, of any person, which exists or is available otherwise than pursuant to that Act.

11 Cancellation Rights

The **Certificate Holder** has a right to cancel this Insurance without liability for the premium within 14 days of the date upon which **You** receive the **Certificate of Insurance** provided **You** have not made a claim. Written notice of cancellation (enclosing the **Certificate**) must be given to the insurance broker or agent (if this insurance was obtained through a broker or agent) or the **Nominated Representative** (if one has been appointed) (at the address at which they conducted business with **You**) or to the

Insurer in writing. If written notice of cancellation is not given within the 14 day period the **Certificate Holder** will be responsible for payment of the premium. If the **Certificate Holder** gives due notice of cancellation, cover under this insurance will cease from the date of delivery or posting of the notice of cancellation.

12 Data Protection

Any personal information provided by **You** may be held by the **Insurer** in relation to **Your** insurance cover. It may be used by the **Insurer's** relevant staff in making a decision concerning **Your** insurance and for the purpose of servicing **Your** cover and administering claims. Information may be passed to motor engineers, loss adjusters, solicitors, reinsurers or other service providers for these purposes. **We** may obtain information about **You** from credit reference agencies, fraud prevention agencies and others to check **Your** credit status and identity. The agencies will record **Our** enquiries, which may be seen by other companies who make their own credit enquiries. **We** will check **Your** details with fraud prevention agencies. If **You** provide false or inaccurate information and **We** suspect fraud, **We** will record this. **We** and other organisations may use these records to:

1. help make decisions on legal expense insurance proposals and insurance claims, for **You** and members of **Your** household
2. trace debtors, recover debt, prevent fraud, and manage **Your** insurance policies
3. check **Your** identity to prevent money laundering, unless **You** furnish us with satisfactory proof of identity.

This may involve the transfer of **Your** information to countries which do not have Data Protection laws.

Under Data Protection legislation, **You** can ask us in writing for a copy of certain personal records held about **You**. A charge may be made for this service.

We may contact **You** by letter email or phone during the course of the claim and at the conclusion of the claim to complete any customer satisfaction surveys.

We will not make **Your** details available to any other company to use for their own marketing purposes.

13 Financial Services Compensation Scheme

The **Insurers** are covered by the Financial Services Compensation Scheme, established under the Financial Services and Markets Act 2000 (the "Compensation Scheme"). If the **Insurer** is unable to meet its obligations under the policy an **Insured Person** may be entitled to compensation from the Compensation Scheme.

EXCLUSIONS

This insurance does not cover any claim:

1 Motor Policy Inoperative

Where, at the **Date of Occurrence**:

- i) the insurers of the **Motor Policy** are entitled to repudiate, have repudiated or have refused indemnity under the **Motor Policy**
- ii) any **Insured Person** other than the **Certificate Holder** is driving under the 'driving other cars', 'driving other vehicles' or any similar extension to any motor insurance other than the **Motor Policy**.

2 Disqualified drivers

Where, at the **Date of Occurrence**, the **Insured Person** who is the **Authorised Driver** has never held or has been disqualified from holding or obtaining a driving licence.

3 Contracts

Relating to a contract involving the **Insured Vehicle**.

4 Deliberate, dishonest, violent or criminal acts

- i) relating to:
 - a) a cause of action intentionally brought about by an **Insured Person**
 - b) an **Insured Person's** alleged dishonesty, violent behaviour or other criminal act
- ii) if the claim is dishonest or exaggerated in any way; if this happens, **We** will also cancel all cover immediately.

5 Legal Expenses not agreed

Legal Expenses incurred:

- i) before the **Insurer** agrees to pay them:
- ii) where the **Certificate Holder** and or **Insured Person**:
 - a) pursues or defends a case without the agreement of the **Insurer** or in a different manner to or against the advice of the **Nominated Representative**
 - b) fails to give proper instructions in due time to the **Insurer**, to the **Nominated Representative** or to counsel or other persons instructed by the **Nominated Representative**
- iii) where the **Nominated Representative** refuses to act on behalf of the **Insured Person** for any reason other than a conflict of interest when Condition 4 vi) will apply
- iv) in respect of witnesses, experts or agents interviewed, engaged or called as witness without the prior written approval of the **Insurer**
- v) prior to issue of formal **Legal Proceedings** which does not include correspondence by way of pre action protocol or any mediation or other alternative dispute resolution procedure.

6 Delay and prejudicial acts

Where an **Insured Person** acts in a manner which is prejudicial to the case, including being responsible for any unreasonable delay, withdrawing instructions from the **Nominated Representative** or withdrawing from the case.

7 Other insurances

For **Legal Expenses** which can be recovered by an **Insured Person** under any other insurance or which would have been covered if this insurance did not exist except for any amount in excess of that which would have been payable under the insurance(s).

8 Fines and penalties

For fines, damages or other penalties which the **Insured Person** is ordered to pay by a court or other authority.

9 Disagreement

Relating to a dispute with the **Insurer** other than over the choice of **Nominated Representative** or arising from the handling of a claim as provided for under Condition 8.

10 Bankruptcy

When the **Insured Person** is bankrupt, in liquidation, has made an arrangement with his or her creditors, has entered into a Deed of Arrangement or part or all of the **Insured Persons** affairs or property are in the care or control of a receiver or an administrator.

11 War Risks

For **Legal Expenses** arising from any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, confiscation, requisition or damage to property by or under the authority of any government, public or local authority.

12 Radioactive Contamination and Pressure Waves

Legal Expenses arising from any expense, loss of any income, legal liability or any loss or damage, to property directly or indirectly caused by, contributed to, by or arising from any of the following, or from any similar reaction or event:

- i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly
- iii) pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.

COMPLAINTS PROCEDURE

Our aim is to provide a first class standard of service at all times. If **You** think **We** have let **You** down, please contact the BDElite Manager, Broker Direct, Atria, Spa Road, Bolton, BL1 4AG who will try to help **You**. Please quote **Your** certificate number in all correspondence. If **You** are not satisfied with the outcome, please write to The Compliance Manager, Financial & Legal Insurance Company Limited, No.1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire SK8 3GW.

If **You** are not satisfied with the response of Financial & Legal Insurance Company Limited **You** may be entitled to refer **Your** complaint to the Financial Ombudsman Service at:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

www.financial-ombudsman.org.uk

The use of these facilities does not affect **Your** right to take legal action.

Making a Claim

If **You** need to make a claim during the **Period of Insurance**, the member must report an incident to **BDElite** within the timescales defined under **Parts 1 and 2, THE COVER** and under **CONDITIONS AND CLAUSES 2**.

Claims should be made either by phone on the claims helpline number **0844 248 9329**, or in writing to **BDElite**, Broker Direct, Spa Road, Bolton, BL1 4AG.

Once details of the claim have been sent to **Broker Direct** and it has been accepted, **Broker Direct** will advise which **Nominated Representative** will act on **Your** behalf. Please see Condition 4 for more details on legal representation.

It is very important that you read this document carefully and keep it safe for your future reference.