

GREENLIGHT MOTOR POLICY WORDING UNINSURED LOSS RECOVERY

THIS IS YOUR INSURANCE POLICY

This policy is evidence of the contract between **you** and the **Insurer**.

Following an Insured Event the **Insurer** will pay the **Insured's Legal Costs & Expenses** up to the **Limit of Indemnity**, including the cost of appeals provided that:

- 1) **you** have paid the insurance premium,
- 2) the Insured Event occurs within the **Territorial Limit**
- 3) the claim
 - always has **Reasonable Prospects of Success**
 - is reported to **us**
 - during the **Period of Insurance**
 - immediately after the **Insured** first becomes aware of circumstances which could give rise to a claim under this policy
- 4) the **Insured** always agrees to use the **Appointed Advisor** nominated by **us** in any claim
 - falling under the jurisdiction of the **Small Claims Court**, and/or
 - prior to the issue of proceedings
- 5) any proceedings or hearing are dealt with by a Court or any other body that **we** agree to, in the **Territorial Limit**
- 6) the **Insured** enters into a **Conditional Fee Agreement** with the **Appointed Advisor** or the **Appointed Advisor** enters into a **Collective Conditional Fee Agreement** with **us** if a claim will be decided in a Court within England & Wales and falls outside the jurisdiction of the **Small Claims Court**

INSURED EVENTS

1) Uninsured Loss Recovery

An event causing damage to the **insured vehicle** and/or personal property in or on it

2) Personal Injury

An event causing the **Insured** personal injury whilst in or on an **insured vehicle**

WHAT IS NOT INSURED BY THIS POLICY

You are not covered for any claim arising from or relating to:-

1. **Legal Costs & Expenses** incurred before **we** accept a claim
2. a contract
3. defending any action
4. any event occurring prior to the inception of the policy, and which the **Insured** knew or ought reasonably to have known could give rise to a claim under this policy
5. fines, penalties or compensation
6. a dispute with **us** or the **Insurer** not dealt with under Condition 6
7. Group Litigation Orders
8. a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
b) radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

- c) war, invasion, act of foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.
- d) pressure waves from aircrafts or other aerial devices travelling at sonic or supersonic speed
- e) any terrorist action (regardless of any other cause or event contributing concurrently or in any other sequence to the liability) or any action taken in controlling, preventing or suppressing terrorist action. If the **Insurer** alleges that by reason of this exclusion any liability or loss is not covered by this Policy, the burden of proving the contrary shall be upon the **Insured**;

CONDITIONS WHICH APPLY TO THE WHOLE POLICY

Failure to keep to any of these conditions it may lead the **Insurer** to cancel **your** policy, refuse a claim or withdraw from an ongoing claim. The **Insurer** also reserves the right to recover **Legal Costs & Expenses** from the **Insured** should this occur

1. The **Insured's** Responsibilities

An **Insured** must

- a) observe and keep to the terms of the policy
- b) not do anything that hinders **us** or the **Appointed Advisor**
- c) tell immediately after **you** first become aware of any cause, event or circumstances which could give rise to a claim under this policy
- d) tell **us** immediately of anything that may materially alter **our** assessment of the claim
- e) cooperate fully with the **Appointed Advisor** and **us**, give the **Appointed Advisor** any instructions **we** require and keep them updated with progress of the claim
- f) provide **us** with everything we need to help **us** handle the claim
- g) take reasonable steps to recover **Legal Costs & Expenses** that the **Insurer** pays and pay to the **Insurer** all costs that are recovered should these be paid to **you**
- h) tell the **Appointed Advisor** to have the **Legal Costs & Expenses** assessed or audited if **we** require
- i) minimise any **Legal Costs & Expenses** and try to prevent anything happening that may cause a claim
- j) allow the **Insurer** at any time to take over and conduct in the **Insured's** name any claim, proceedings or investigation

2. The **Appointed Advisor**

- a) In certain circumstances as set out in 2 c) below the **Insured** may choose an **Appointed Advisor**. In all other cases no such right exists and we shall choose the **Appointed Advisor**.
- b) Where the **Insured** wishes to exercise their right to choose, they should write to **us** with their nominated representative's name and address. The **Insured's** chosen **Appointed Advisor** must agree to act under **our** standard terms of business and cooperate with **us** at all times.
We may refuse to accept the **Insured's** nomination in exceptional circumstances. If we disagree over the appointment of an **Appointed Advisor** then **we** will agree for another suitably qualified person to decide the matter
- c) If **we** agree to start legal proceedings and the court requires any representative to be legally qualified, or there is a conflict of interest, the **Insured** may choose a suitably qualified **Appointed Advisor**. The right of the **Insured** to choose never applies to **Small Claims Court** claims unless there is a conflict of interest.
- d) If the **Appointed Advisor** refuses to continue acting for the **Insured** with good reason, the **Insured** dismisses the **Appointed Advisor** without good reason, or the **Insured** withdraws from the claim without **our** written agreement, cover will end immediately unless **we** agree to appoint another **Appointed Advisor**.
- e) The **Appointed Advisor** must enter into a **Conditional Fee Agreement** with the **Insured** or a **Collective Conditional Fee Agreement** with **us** if a claim will be decided in a Court within England & Wales and falls outside the jurisdiction of the **Small Claims Court**

3. **Our Consent**

We must give **our** written consent to the **Insured** to incur any **Legal Costs & Expenses**. The **Insurer** does not accept any liability for **Legal Costs & Expenses** incurred without **our** written consent.

4. Settlement

- a) The **Insurer** has the right to settle the claim by paying the value of **your** claim
- b) The **Insured** must not negotiate, settle the claim or agree to pay any **Legal Costs & Expenses** incurred without **our** agreement
- c) If the **insured** refuses to settle the claim following
 - (i) a reasonable offer, or
 - (ii) advice to do so from the **Appointed Advisor**the **Insurer** may refuse to pay further **Legal Costs & Expenses**

5. Counsel's Opinion

We may require the **Insured** to obtain and pay for an opinion from counsel regarding the merits or value of the claim. If the opinion supports the **Insured** then the **Insurer** will pay for the opinion.

6. Arbitration

If there is a dispute between the **Insured** and **us** about the handling of a claim or the choice of an **Appointed Advisor**, the matter will be referred to a suitably qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred. If we fail to agree on a suitable person **we** will ask the president of the relevant Law Society to nominate.

7. Fraudulent Claims

If the **Insured** makes any claim under the policy which is fraudulent or false, the policy shall become void and all benefit under this policy will be forfeited including the premium.

8. Cancellation

- a) **You** may cancel the policy within 14 days of the date of issue of this policy with a full refund of the insurance premium paid
- b) **You** may cancel this policy at any time by giving at least 21 days' written notice to **us** or **Proximo**. The **Insurer** will refund part of the premium for the unexpired period unless the **Insured** has notified a claim which has been or is subsequently accepted under this Policy in which case no return of premium shall be allowed.
- c) The **Insurer** may cancel the policy at any time by giving at least 21 days' written notice to **you**. The **Insurer** will refund part of the premium for the unexpired period

9. Acts of Parliament & Jurisdiction

All Acts of Parliament within the policy shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation.

This policy will be governed by English Law

10. Data Protection Act

It is agreed by the **Insured** that any information provided to **us** &/or the **Insurer** regarding the **Insured** will be processed by **us** &/or the **Insurer**, 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.

11. Contracts (Rights of Third Parties) Act 1999

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

MEANING OF WORDS & TERMS

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

Appointed Advisor

The solicitor or other advisor appointed by **us** to act on behalf of the **Insured**.

Conditional Fee Agreement

The separate agreement between the **Insured** and the **Appointed Advisor** for paying his or her professional fees which is an enforceable conditional fee agreement within the meaning of sections 58, 58A, Courts and Legal Services Act 1990 (as substituted and inserted by section 27, Courts and Legal Services Act 1990), the format and contents of which have been agreed to by **us** before it is entered into.

Collective Conditional Fee Agreement

The separate agreement between the **Appointed Advisor** and **us** for paying his or her professional fees which is an enforceable conditional fee agreement within the meaning of sections 58, 58A, Courts and Legal Services Act 1990 (as substituted and inserted by section 27, Courts and Legal Services Act 1990) which does not refer to specific proceedings but which provides for the **Appointed Advisor's** fees and expenses to be payable on a common basis.

Insured

You and any driver or passenger in or on the **Insured Vehicle** with your permission.

Insured Vehicle

The vehicle specified in **your** motor insurance policy and any trailer or caravan attached to it.

Insurer

Brit Insurance Limited

Legal Costs & Expenses

1) In respect of both **Insured Events** other than as provided for in 2) below

a. Reasonable legal costs, fees and disbursements reasonably and proportionately incurred by the **Appointed Advisor** on the Standard Basis and agreed in advance by **us**.

b. Other side's costs incurred in civil claims where the **Insured** has been ordered to pay them or pays them with **our** agreement

2) In respect of both **Insured Events** where the claim is brought within England & Wales and falls outside the jurisdiction of the **Small Claims Court** (except claims against the Motor Insurers' Bureau) reasonable legal costs reasonably and proportionately incurred by the **Appointed Advisor** on the Standard Basis and agreed in advance by **us** or in accordance with the Predictable Costs scheme if applicable.

The Predictable Costs scheme applies to any road traffic accident occurring where damages of less than £10,000 are negotiated prior to the issue of proceedings.

Limit of Indemnity

£100,000 which shall be the maximum **Legal Costs & Expenses** payable by the **Insurer** in respect of all claims related by time or original cause.

Period of Insurance

The period as shown in the policy to which this Policy attaches

Reasonable Prospects of Success

In all claims including an appeal where the **Insured** has a greater than 50% chance of successfully pursuing the claim or defending an appeal. If the **Insured** is seeking damages or compensation, there must also be a greater than 50% chance of enforcing any Judgment that might be obtained.

Small Claims Court

A court in England & Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999

Territorial Limit

The United Kingdom, Channel Islands, Isle of Man and countries in the European Union

We/Us/Our

ARAG plc who are authorised under a binding authority agreement to administer this insurance on behalf of the **Insurer**, Brit Insurance Ltd &/or Proximo Ltd who are acting as a claims handling agent on behalf of ARAG plc.

You/Your

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

COMPLAINTS

We are committed to providing a first class service at all times. If, however, a complaint arises, then call 0870 777 0266 – the staff handling your claim should be able to resolve it. If you are still unhappy, write to:

The Managing Director ARAG Plc, 9 Whiteladies Road, Clifton, Bristol BS8 1NN who will arrange to have **your** case reviewed at the appropriate level.

If the complaint is still not resolved to **your** satisfaction, then the matter may be referred to: Customer Relations Officer, Brit Insurance Limited, 55 Bishopsgate, London EC2N 3AS. Telephone: 020 7984 8800

If a complaint remains unresolved, **you** may request that the Financial Ombudsman Service review the case provided that the complaint falls within its jurisdiction. The Financial Ombudsman Service can normally deal with complaints from private individuals and small businesses with an annual turnover of less than £1 million (for a group of companies, this means a group annual turnover of less than £1 million). The Financial Ombudsman Service can also help with complaints from charities with an annual income of less than £1 million, and from trusts with a net asset value of less than £1 million.

The address is: Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall London, E14 9SR. Telephone: 0845 080 1800, www.financial-ombudsman.org.uk

The Financial Ombudsman's Service decision is binding upon the **Insurer**, but **you** are free to reject it without affecting **your** legal rights.

Same as provided above, in the event that any dispute as to the terms and effect of this Policy remains unresolved then such dispute shall be referred for arbitration to an independent solicitor to be agreed jointly by the parties. In the event that an independent solicitor cannot be agreed upon, then an arbitrator will be appointed by the President for the time being of The Law Society of England & Wales. The arbitration shall be subject to the Arbitration Acts and the arbitrator's decision shall be binding on the parties.

ARAG plc Registered in England number 02585818
Registered Office: 9 Whiteladies Road, Clifton, Bristol BS8 1NN
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ARAG plc and Brit Insurance Ltd are members of the Financial Ombudsman Service.

What happens if the Insurer cannot meet its liabilities

The **Insurer** is covered by the Financial Services Compensation Scheme ("FSCS"). **You** may be entitled to compensation from the scheme if the **Insurer** cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the FSCS.