

# Home Buyers Protection Insurance

## Policy Wording

### About this policy

This Policy has been arranged by Rhino Protect Limited and is administered by ARAG plc who are authorised to administer this insurance on behalf of the *insurer* ARAG Legal Expenses Insurance Company Limited.

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. Company Number 02585818.

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. This document and the schedule form a legally binding contract of insurance between *You* and *Us*. The contract does not give, or intend to give, rights to anyone else. No one else has the right to enforce any part of this contract. *We* may cancel or change any part of the contract without getting anyone else's permission.

In return for the payment of *Your* premium *We* will provide the insurance cover detailed in this policy document, subject to the terms, conditions, and limitations shown below or as amended in writing by *Us* and during the *period of insurance*.

Unless expressly stated nothing in this policy will create rights pursuant to the Contract (Rights of Third Parties) Act 1999.

### Making a claim

*You* must tell *Us* immediately after *You* first become aware of any cause, event or circumstances which could give rise to a claim under this policy.

If *You* need to notify a potential *Claim*, please call or write to:

Claims Department  
Rhino Protect Limited  
Windsor House  
Troon Way Business Centre  
Humberstone Lane  
Thurmaston  
Leicestershire  
LE4 9HA

**Email:** [claims@rhinoprotectinsurance.com](mailto:claims@rhinoprotectinsurance.com)

**Tel:** 01455 852100

*You* should provide *Your* policy number and a description of the circumstances of the *Claim*. A claim form will then be provided, and *You* should complete this and return it without delay.

### Definitions

The following words or phrases have the same meaning whenever they appear in *italics* in this document.

#### Break in the chain

The house *You* are selling falls through due to one or more of the buyers in the chain not proceeding.

#### Claim date

The date upon which *You* are notified either verbally or in writing of an *insured event* occurring that affects the purchase of the *property* and is covered by this policy.

#### Computer Virus

A set of corrupting, harmful, or otherwise unauthorised instructions or code, whether these have been introduced maliciously or otherwise, and multiply themselves through a computer system or network of whatsoever nature.

#### Contract race

Where the *vendor* has received two or more offers for the *property* with the intention of selling to the party that is ready to exchange contracts first.

#### Conveyancing

The legal process conducted by *Your solicitor* whereby the ownership of the *property* is transferred from the *vendor* to *You*.

#### Conveyancing fees

The amount charged by *Your solicitor* as their fees for the *conveyancing*.

#### Costs & expenses

*Conveyancing fees, mortgage arrangement fees/lender's fees, survey fees, valuation fees, mortgage advisors' fees and alternative accommodation and storage costs* that *You* have incurred as part of *Your* purchase of the *property*.

**Electronic Data**

Facts, concepts and information stored to form useable data for communications, interpretations, or processing by electronic or electromechanical data processing or other electronically controlled hardware, software and other coded instructions for the processing and manipulation of data, or the direction and manipulation of such hardware.

**End date**

The date *Your* cover ends being the date of the first of the following:

1. *You* make a claim on this policy; or
2. *You* or *We* cancel this policy; or
3. *You* complete on the purchase of the *property*; or
4. the policy expiry date has been reached (as detailed on *Your* policy schedule.)

**Insured event(s)**

An event that occurs during the *period of insurance* and leads to *Your* purchase of the *property* failing.

**Insurer**

ARAG Legal Expenses Insurance Company Limited.

**Limit of indemnity**

The maximum *costs & expenses* the *insurer* will pay relating to the purchase of the *property* that *You* are legally liable for or have incurred up to the *claim date* as follows:

£750.00 incl. VAT	Conveyancing Fees
£500.00 incl. VAT	Survey / Valuation Fees:
£250.00 incl. VAT	Mortgage Arrangement Fees / Lender's Fees

**Mortgage arrangement fees / lender's fees**

A non-refundable administrative charge paid by *You* to the mortgage lender to cover administration fees incurred in setting up a mortgage for the *property*.

**Period of insurance**

The period which must commence within fourteen days of the *start date* and finishes on the *end date*.

**Property**

A property that has been built or converted for private use only and is subject to local council tax (at any rate) and is a permanently-constructed domestic dwelling situated within the *territorial limits*, that *You* have made an offer to purchase and that offer has been accepted by the *vendor*. We do not cover, mobile homes, caravans or any other type of non-permanent dwelling.

**Reasons beyond your control**

Where *You* have no adverse influence on the outcome of the purchase failing.

**Redundancy**

Where *You* or the person who is buying the *property* with *You*, are unable to work due to being made redundant as defined in Section 139 of the Employment Rights Act 1996. To qualify for this cover *You* or the person buying the *property* with *You* must have been in full time employment for a minimum of six months prior to the start date and not be aware of any impending redundancy at the *start date* of this policy.

**Relocation**

Where *You* or the person who is buying the *property* with *You*, are advised that they are to be permanently relocated to an alternative place of work which is greater than fifty miles from the *property*.

**Scheme administrator**

As detailed on *Your* policy schedule.

**Self-employed**

Means *You* are: (i) Actively working for financial gain in a business or profession, alone or in association with others, and paying Class 2 National Insurance Benefit Contributions, or (ii) A non-salaried partner in a partnership, or (iii) A director of (or someone who has a shareholding in) a private limited company with an issued and fully paid share capital of less than £1,000.

**Solicitor**

Means either: (i) a professional lawyer or firm of lawyers, registered and authorised by the Law Society of England & Wales to practice; or (ii) a Licensed Conveyancer.

**Start date**

Within 14 days from the date on which *Your* mortgage application is submitted to the lender or *Your solicitor* is instructed, whichever is the sooner and once written acceptance of *Your* formal offer to purchase the *property*, from either the *vendor* or their representatives has been received.

**Survey fees**

The amount paid by *You* to a qualified Valuer or Surveyor to carry out a House Buyers Report or Valuation or Structural Survey of the property.

**Territorial limits**

England, Wales and Northern Ireland.

## Eligibility Criteria

You are eligible for cover provided that, at the *start date*:

1. You are over 18 years of age; and
2. The purchase of the *property* is not subject to a *contract race* or sealed bids; and
3. You are using a *solicitor* or a Licensed Conveyancer to conduct the *conveyancing* of the *property*; and
4. You have not had a survey carried out on the *property*.

## This policy will cover

The *insurer* will pay *Your costs & expenses* up to the *limit of indemnity* following the occurrence of one or more of the following *insured events*:

1. The *property* is withdrawn from sale by the *vendor* due to *reasons beyond your control*.
2. The *vendor* receives and accepts an offer from a third party, which is a minimum of £1000 greater than the offer from *You* previously accepted by them.
3. A Local Authority search highlights that the *property* is the subject of a compulsory purchase order.
4. The *vendor* is not legally entitled to sell the *property* or to transfer interest in the *property* to *You*.
5. You or the person who is buying the *property* with *You*:
  - a. die and the survivor is unable or unwilling to continue with the purchase; or,
  - b. are given notice of *redundancy* and *You* are unable or unwilling to continue with the purchase; or,
  - c. are given notice of *relocation* and *You* are unable or unwilling to continue with the purchase.
6. *You* are diagnosed with a terminal illness and are unable or unwilling to continue the purchase.
7. The initial mortgage lender's valuation of the *property* is less than 90% of the sum *You* have offered for the *property* and which has been accepted by the *vendor*.
8. Prior to the releasing of funds, the mortgage lender insists on rectification work being carried out to the *property*, the cost of which exceeds 10% of the sum *You* have offered and which has been accepted by the *vendor*.
9. The mortgage lender applies a retention on the loan for the *property* and this figure exceeds 10% of the sum *You* have offered for the *property* and which has been accepted by the *vendor*.
10. The *property* sustains damage during the *period of insurance* where the total cost of rectification work exceeds 10% of the *property* value.

This policy will pay any otherwise covered claim involving the use of or inability to use a computer, including devices such as smart phones, tablets and wearable technology. This cover is subject to all other policy terms.

## This policy will not cover

1. You are not covered for *costs & expenses*:
  - a) Incurred before the *start date*.
  - b) If there is a *break in the chain* below *You*, preventing *You* from purchasing the *property*.
  - c) If *You* withdraw from the purchase of the *property* for any reasons other than those specifically covered by this policy.
  - d) If *You* are aware of a previous survey having been carried out to the *property* up to 90 days prior to the *start date*, that may give cause for the purchase to fail.
  - e) If *You* are aware, prior to the *start date*, of any circumstances which could lead to a claim being made under this policy.
  - f) If *You* deliberately and knowingly cause a delay or behave in a manner that results in the failed purchase.
  - g) Where *You* have made a reduced offer leading to a failed purchase.
  - h) Where they can be reimbursed by *Your* employer.
  - i) Where *You* are able to obtain a refund.
  - j) Relating to any property that *You* are selling.
  - k) In respect of *mortgage advisor fees* where the mortgage is used to purchase an alternative property.
  - l) Where, in the case of *redundancy*:
    - i. *You* are *self-employed*;
    - ii. *You* are a company director or partner of the company giving notice of redundancy; or,
    - iii. The *redundancy* is voluntary.
2. Any direct or indirect consequence of war, civil war, invasion, acts of foreign enemies (whether war be declared or not), rebellion, revolution, insurrection, military or usurped power, or confiscation, nationalisation, requisition, destruction of or damage to property by or under the order of any government or public or local authority;
3. Any direct or indirect consequence of:
  - i. irradiation or contamination by nuclear material; or
  - ii. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter; or
  - iii. any device or weapon employing atomic or nuclear fission and / or fusion or other like reaction or radioactive force or matter;
4. Any consequence, howsoever caused, including but not limited to Computer Virus in Electronic Data being lost, destroyed, distorted, altered or otherwise corrupted.
5. Any direct or indirect consequence of terrorism as defined by the Terrorism Act 2000 and any amending or substituting legislation.
6. Any claim relating to a dispute where providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

## General Conditions

Failure to keep to any of these conditions 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 *costs & expenses* from *You* should this occur.

### 1. Our consent

We must give *Our* written consent to pay any claim under the policy.

## 2. Dual insurance

The *insurer* will not pay 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.

## 3. Fraudulent claims

You must not act in a fraudulent way. If *You* or anyone acting for *You*:

- fails to reveal or hides a fact likely to influence whether *We* accept *Your* proposal, *Your* renewal, or any adjustment to *Your* policy;
- fails to reveal or hides a fact likely to influence the cover *We* provide;
- makes a statement to *Us* or anyone acting on *Our* behalf, knowing the statement to be false;
- sends *Us* or anyone acting on *Our* behalf a document, knowing the document to be forged or false;
- makes a claim under the policy, knowing the claim to be false or fraudulent in any way; or
- makes a claim for any loss or damage *You* caused deliberately or with *Your* knowledge.

If *Your* claim is in any way dishonest or exaggerated, *We* may pay any benefit under this policy or return any premium to *You* and *We* may cancel *Your* policy immediately and backdate the cancellation to the date of the fraudulent claim. *We* may also take legal action against *You* and inform the appropriate authorities.

## 4. Subrogation

If *You* claim under this insurance *We* may take over *Your* rights of action against any third party for *Our* own benefit, before or after *We* have paid *Your* claim, to recover any costs or payments *We* may make.

## 5. Recovery of costs & expenses

If *We* make a payment to *You* under the terms of this insurance and subsequently *You* successfully purchase the property, *We* may request from *You* full reimbursement of any moneys paid by *Us*.

## 6. Governing law

Unless some other law is agreed in writing, this policy is governed by English law. If there is a dispute, it will only be dealt with in the courts of England or of the country within the United Kingdom in which *Your* main residence is situated.

## 7. 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.

## 8. Changes to *Your* circumstances

*You* must take reasonable care to:

- a) supply accurate and complete answers to all the questions *We* or the administrator may ask as part of *Your* application for cover under the policy
- b) to make sure that all information supplied as part of *Your* application for cover is true and correct
- c) tell *Us* of any changes to the answers *You* have given as soon as possible.

*You* must take reasonable care to provide complete and accurate answers to the questions *We* ask when *You* take out, make changes to and renew *Your* policy. If any information *You* provide is not complete and accurate, this may mean *Your* policy is invalid and that it does not operate in the event of a claim or *We* may not pay any claim in full.

If *You* become aware that information *You* have given *us* is inaccurate or has changed, *You* must inform *us* as soon as possible.

## Cancellation

If *You* decide that for any reason, this Policy does not meet *Your* insurance needs then please return it to Rhino Protect Limited within 14 days from the day of purchase or the day on which *You* receive *Your* policy documentation, whichever is the later. On the condition that no claims have been made or are pending, *We* will then refund *Your* premium in full.

Thereafter *You* may cancel the insurance cover at any time by informing Rhino Protect Limited however no refund of premium will be payable.

*We* shall not be bound to accept renewal of any insurance and may at any time cancel any insurance document by giving 14 days notice in writing where there is a valid reason for doing so. A cancellation letter will be sent to *You* at *Your* last known address. Valid reasons may include but are not limited to:

- a) Where *We* reasonably suspect fraud
- b) Non-payment of premium
- c) Threatening and abusive behaviour
- d) Non-compliance with policy terms and conditions
- e) *You* have not taken reasonable care to provide complete and accurate answers to the questions *We* ask.

If *We* cancel the policy and/or any additional covers *You* will receive a refund of any premiums *You* have paid for the cancelled cover, less a proportionate deduction for the time *We* have provided cover.

Where *Our* investigations provide evidence of fraud or misrepresentation, *We* may cancel the policy immediately and backdate the cancellation to the date of the fraud or the date when *You* provided *Your* administrator / *Your* agent with incomplete or inaccurate information. This may result in *Your* policy being cancelled from the date *You* originally took it out and *We* will be entitled to keep the premium.

If *Your* policy is cancelled because of fraud or misrepresentation, this may affect *Your* eligibility for insurance with *Us*, as well as other insurers, in the future.

## Complaints

It is the intention to give *You* the best possible service but if *You* do have any questions or concerns about this insurance or the handling of a claim *You* should follow the Complaints Procedure below:

### 1. Complaints regarding the sale of the policy:

Please contact *Your* agent who arranged the Insurance on *Your* behalf.

### 2. Complaints regarding claims:

ARAG is committed to providing a first class service at all times. However, if a complaint arises, this should be addressed to ARAG's Customer Relations Department who will arrange to have it reviewed at the appropriate level.

ARAG can be reached in the following ways:

**Tel:** 0117 917 1561 (hours of operation are 9am–5pm, Mondays to Fridays excluding bank holidays.

For our mutual protection and training purposes, calls may be recorded).

**Email:** [customerrelations@arag.co.uk](mailto:customerrelations@arag.co.uk)

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

If ARAG 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:

**Tel:** 0800 0234 567 or 0300 123 9123

**Email:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

**Post:** 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](http://www.financial-ombudsman.org.uk)

The FOS's decision is binding upon the *insurer*, but *You* are free to reject it without affecting *Your* legal rights. *You* can read more about ARAG's complaints procedure on their website by clicking here:

<https://www.arag.co.uk/contact/making-a-complaint>

## Financial Services Compensation Scheme

The *insurer* is covered by the Financial Services Compensation Scheme (FSCS). *You* may be entitled to compensation from the scheme in the unlikely event that the *insurer* cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Most insurance contracts are covered for 90% of the claim with no upper limit. *You* can get more information about compensation scheme arrangements from the FSCS by visiting [www.fscs.org.uk](http://www.fscs.org.uk).

## ARAG Privacy Statement

This is a summary of how *We* collect, use, share and store personal information. To view *Our* full privacy statement, please see *Our* website [www.arag.co.uk](http://www.arag.co.uk)

### Collecting personal information

ARAG may be required to collect certain personal or sensitive information which may include name, address, date of birth and if appropriate medical information. *We* will hold and process this information in accordance with all relevant data protection regulations and legislation. Should *We* ask for personal or sensitive information, *We* undertake that it shall only be used in accordance with *Our* privacy statement. *We* may also collect information for other parties such as suppliers *We* appoint to process the handling of a claim.

### Using personal or sensitive information

The reason *We* collect personal or sensitive information is to fulfil *Our* contractual and regulatory obligations in providing this insurance product, for example to process premium or handle a claim. To fulfil these obligations, *We* may need to share personal or sensitive information with other organisations.

*We* will not disclose personal or sensitive information for any purpose other than the purpose for which it was collected. Please refer to *Our* full privacy statement for full details.

### Keeping personal information

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

### Your rights

Any person insured by this policy has a number of rights in relation to how *We* hold personal data including; the right to a copy of the personal data *We* hold; the right to object to the use of personal data or the withdrawal of previously given consent; the right to have personal data deleted.

For a full list of privacy rights and when *We* will not be able to delete personal data please refer to *Our* full privacy statement.