Palladium Insurance Ltd

No Search Buyer and Lender Policy – Draft Only

You are
any owner(s) now of the freehold or leasehold interest in the Property
any bank, building society or other lending institution now and in the future holding a mortgage or charge on the Property.

We are
The Insurer is PALLADIUM INSURANCE LIMITED (a company incorporated in Guernsey) of Second Floor, Block A, Lefebvre Court, Lefebvre Street, St Peter Port, Guernsey, GY1 2JP

Your Cover Limit
You are covered for all and any claims under this policy for Insured Losses which you incur up to a total value as per your policy documentation.

Your Cover Limit will increase by 10% every year for 10 years on each anniversary of the Start Date.

Your Period of Cover

Cover under this section of your policy is effective from the Start Date and continues until:

- if you are the buyer of the freehold or leasehold interest of the Property at the Start Date, for your single period of ownership, or
- if you are a bank, building society or other lending institution holding a mortgage or charge on the Property, for the full term of any mortgage or charge created during the buyer's Period of Cover or until such mortgage or charge is repaid, if later.

Statements of Fact
Indemnity is provided on the basis that the Buyer of the Property has answered “Yes” to the following questions:

1. Has the Property been used continuously as a single private dwelling throughout the past 12 months?
2. Can you confirm that you are not aware of any information which would result in an adverse entry appearing in any searches?
3. Can you confirm that no responses to the enquiries contained in official or personal searches of the local authority, land charges, water and drainage and/or Coal Authority registers on forms LLC1, Con29R, Con29O, Con29DW and/or Con29M have been given in respect of the Property within the past 3 months?
4. Except for the searches described above, will all usual enquiries before contract be completed before contracts are exchanged?

Your Covered Risk

The following enquiries relating to the Property have not been raised, either officially or personally, within 3 months before the Start Date

- a search of the Local Land Charges Register on form LLC1 (or any other official form replacing this); and/or
- a search of the local authority's records on form(s) Con29R and/or Con29O (or any other official form(s) replacing these); and/or
- a search of water and drainage records on form Con29DW (or any other official form replacing

this); and/or

- a search of the Coal Authority's records on form Con29M (or any other official form replacing this); and/or
- a search of the Highways department of the appropriate borough, county or city council; and/or
- a Cheshire Salt search, Cheshire Brine search or other search of the Cheshire Compensation Board's records.

Operation of Cover

In return for the payment of your Premium, we will provide the Cover to you throughout your Period of Cover, provided that

- to the best of your knowledge and belief, the information in the Statement of Fact attached to this policy was true when given; and
- you comply with the Terms and Conditions of this policy.

Your Cover

In the event that any response(s) which would be given on the Start Date to the enquiries under a Covered Risk prevent or restrict your use of the Property or reduce its value when used in accordance with your Insured Use, we will, subject to the Terms and Conditions of this policy, indemnify you for your Insured Losses.

Your Insured Losses

As owner: If you are an owner of the freehold or leasehold interest in the Property, the losses for which you are insured under this section of your policy are

- any reduction in the open market value of the Property, caused solely and directly by information which would be obtained on the Start Date in response to the enquiries under a Covered Risk, where 'open market value' means the average of the estimates given by two independent valuers (one to be appointed and paid for by us, the other to be appointed and paid for by you) of the values of the Property on the open market assuming first that the Property is subject to the response(s) and second that the Property is not subject to the response(s)
- the amount outstanding under any financial charge registered against the Property in the Register of Local Land Charges on the Start Date
- the costs and expenses of taking or defending any action at law or otherwise, subject to our prior written agreement

These losses are payable by us notwithstanding a breach of the Terms or Conditions of this policy by someone other than you, provided that you did not agree with, and were not aware of, the breach.

As lender: If you are a bank, building society or other lending institution holding a mortgage or charge on the Property, the losses for which you are insured under this policy are

- any shortfall in the repayment of your mortgage advance or loan secured by the Property caused directly by a Covered Risk, together with interest and costs, insurance premiums, legal and estate agency fees, ground rent and service charges (if applicable), following the exercise of your power of sale of the Property as mortgagee-in-possession

These losses are payable by us notwithstanding a breach of the Terms or Conditions of this policy by someone other than you, provided that you did not agree with, and were not aware of, the breach.

Your Uninsured Losses

As owner: If you are an owner of the freehold or leasehold interest in the Property, the losses for which you are not

- insured under this section of your policy are any losses, costs or expenses which result from
- any information likely to give rise to a claim under this policy about which you were already aware at the Start Date (other than notice or knowledge imputed to you by statute solely by reason of the existence of an entry on the Register of Local Land Charges)
- the registration of the Property as common land, or town or village green
- the lack of planning permission for the construction, conversion and/or use of the Property or any part of it.

As lender: If you are a bank, building society or other lending institution holding a mortgage or charge on the Property, the losses for which you are not insured under this policy are any costs or expenses which result from

- any information likely to give rise to a claim under this policy about which you or your legal adviser(s) were already aware at the Start Date (other than notice or knowledge imputed to you by statute solely by reason of the existence of an entry on the Register of Local Land Charges).

Grounds of Invalidity

The Policy must not be disclosed without the prior written consent of the Insurer to anyone other than:

- your legal adviser
- your lender
- a purchaser from you

If you disclose the existence of the Policy to anybody else, the Policy may be invalidated.

In the Event of a Claim

You must:

- contact the Insurer immediately you become aware of anything which may cause a claim
- not agree to any actions or payments without the consent of the Insurer
- allow the Insurer to decide how to handle any claim
- cooperate with the Insurer and take any action it requests in relation to the claim
- provide any information which the Insurer requires

It is important that you contact the Insurer before taking action or otherwise responding to a claim.
If you do not, you may invalidate the Policy.

Cancellation Rights

The Policy may be cancelled by contacting the Insurer within 21 days of the Inception Date or the date when you receive a copy of the Policy (whichever is the later) PROVIDED THAT all interested parties consent.

Notice of the cancellation must be given in writing to the Insurer at the address below

POLICY TERMS

The following terms and conditions apply to all sections of your policy. If you do not keep to these terms and conditions

- we may cancel your policy and refuse to pay any claim, or
- we may not pay any claim in full, or
- we may revise the premium and/or change any excess, or
- the extent of the cover may be affected.

General

Without first obtaining our written consent (which we need not give), you and anyone who acts on your behalf must not

- disclose the existence of this policy to anyone other than the legal advisers of prospective buyers of your Property and/or their mortgage-lenders;
- discuss or enter negotiations with anyone who may have an interest in or rights to enforce your Covered Risks;
- use the Property otherwise than in accordance with your Insured Use.

This Policy Terms is read together with the Policy Schedule and Policy Summary.

Claims

You must

- without unnecessary delay give written notice to us of any potential or actual claim or any circumstances likely to result in a claim;
- pass immediately to us all court documents and/or other communications received by you, and provide all information and assistance which we reasonably require;
- not deal with or attempt to settle a claim without our prior written agreement;
- at our expense, do and allow us to do all things reasonably necessary to minimise any losses, damages, costs and expenses payable under this policy.

We can

- have full discretion to conduct in your name the defence and settlement of any claim or the prosecution of any claim for indemnity, damages or otherwise;
- pay to you at any time the amount of the Cover Limit or any lesser amount for which claims can be settled, and then give up control of the claims and have no further involvement with them;
- if we have accepted a claim, refer any disagreement between you and us over the amount to be paid to an agreed arbitrator (or, in the absence of agreement, an arbitrator appointed by the President of the Chartered Institute of Arbitrators) in accordance with the law at the time. Legal action can be taken by you only after the arbitrator has made an award.

If you have other insurance covering the same loss as is covered under this policy, we will pay no more than our rateable proportion of the loss.

Palliadum Insurance Ltd

Our liability to you in respect of all and any claims under this policy will not exceed in total the amount of the Cover Limit.

Choice of Law

The law of England and Wales will apply to this policy unless

- you and we agree otherwise; or
- at the Start Date of the contract you are a resident of (or, in the case of a business, the registered office or principal place of business is situated in) Scotland, Northern Ireland, Channel Islands or the Isle of Man, in which case (in the absence of agreement to the contrary) the law of that country will apply.

Use of language

Unless otherwise agreed, the contractual terms and conditions and other information relating to this contract will be in English.

Your cancellation rights

If you have taken out this policy acting other than in the course of your trade, business or profession ('a consumer'), you have the right to cancel your policy within 14 days from either the date of purchase of the policy or the day on which you receive your policy documentation, whichever is the later. If you wish to cancel and the insurance cover has not yet commenced, you will be entitled to a full refund of the premium paid. You will only be able to cancel provided that no claim has been made on the policy and all interested parties consent in writing. Cancellation shall be effected by a notice in writing to the Insurer.

Please be aware that cancellation of this policy may put you in breach of your mortgage terms and/or the terms of a sale or lease agreement.

If you are not a consumer you do not have a statutory right of cancellation under this policy.

How to claim

If you need to make a claim, please contact Palladium Insurance Limited by emailing to info@palladiuminsurance.gg; or you can write to Palladium Insurance Limited, Second Floor, Block A, Lefebvre Court, Lefebvre Street, St Peter Port, Guernsey, GY1 2JP

Please be aware of the General and Claims Terms and Conditions of this policy.

Complaints

At Palladium Insurance Limited each of our customers is important to us and we are always pleased to hear about any aspect of your membership that you feel has worked well, or that you have had problems with.

In the first instance please contact Palladium Insurance Limited in writing at:

Palladium Insurance Limited

Second Floor, Block A, Lefebvre Court, Lefebvre Street, St Peter Port, Guernsey, GY1 2JP

E-mail: info@palladiuminsurance.gg

If we have not been able to resolve the problem and you wish to take your complaint further, please write to the Palladium Insurance Limited Board:

Palladium Insurance Limited

Second Floor, Block A

Lefebvre Court

Lefebvre Street

St Peter Port

Guernsey

GY1 2JP

On the rare occasion that we are not able to settle your complaint ourselves, you may also refer your complaint to the Channel Islands Financial Ombudsman at:

Channel Islands Financial Ombudsman (CIFO)

P O Box 114

Jersey, Channel Islands

JE4 9QG

Email: enquiries@ci-fo.org

Website: www.ci-fo.org

Jersey local phone: 01534 748610

Guernsey local phone: 01481 722218

International phone: +44 1534 748610

Our Commitment to You

At Palladium Insurance Limited each of our customers is important to us, and we believe you have the right to a fair, swift and courteous service at all times.

Once we are in receipt of your complaint, we will deal with it promptly, effectively and in a positive manner.

Step One

We will acknowledge your complaint within five working days of receipt of your complaint.

Step Two

We will investigate your complaint and endeavour to send a final response to you within four weeks of receipt of your complaint. If we are unable to provide you with a final response within this time, we will send you an update.

Step Three

We will endeavour to send a final response to you within eight weeks of receipt of your complaint. If we are unable to provide you with a final response within this time frame, we will write to you explaining why and advise you when you can expect a final response.

Step Four

If more than eight weeks from the date of your complaint has passed and you haven't received a final response, or you are dissatisfied with the final response you have received (at any stage of the process) you can write to:

Channel Islands Financial Ombudsman (CIFO)

PO Box 114

Jersey

Channel Islands

JE4 9QG

Tel: 01481 722218 (Guernsey local)

01534 748610 (Jersey local)

+44 1534 748610 (International)

Email: enquiries@ci-fo.org

IMPORTANT INFORMATION

Important notice - information we need to know about

You must take reasonable care to provide complete and accurate answers to the insurer's questions when you take out or make changes to your policy.

If you are in any doubt, please contact Palladium Insurance Limited.

When you inform us of a change, we will tell you if this affects your policy, for example whether we are able to accept the change and if so, whether the change will result in revised terms and/or premium being applied to your policy.

- If the information provided by you is not complete and accurate:
- we may cancel your policy and refuse to pay any claim;
- we may not pay any claim in full;
- we may revise the premium and/or change any excess;
- the extent of the cover may be affected.

We recommend you keep a record (including copies of letters) of all information supplied to the insurer for future reference.

Data Protection

Use of personal information

To provide our services as an insurer, Palladium Insurance Limited will collect and use information about you or a beneficiary under the policy (e.g. other identified individuals), such as name, address and contact details. This may also include special categories of personal data such as information relating to criminal convictions and offences. The purposes for which we use personal data may include: evaluating your insurance application and providing a quotation; providing insurance cover; handling claims; and crime prevention and debt recovery.

More information about our use of personal data is set out in the Palladium Insurance Privacy Policy (Privacy & Your Personal Information) which can be found on our website palladiuminsurance.gg / alternatively you may also request a copy of the Privacy Policy by contacting the Managing Director at Palladium Insurance Limited, Second Floor, Block A, Lefebvre Court, Lefebvre Street, St Peter Port, Guernsey, GY1 2JP. We recommend that you review this notice.

We may pass personal data, including claims information, to third parties such as intermediaries, other insurers, reinsurers, loss adjusters, solicitors, administration service providers, the police and other law enforcement agencies, fraud and crime prevention and detection agencies (for example certain regulatory bodies who may require personal data themselves for the purposes described in the Privacy Policy). If you require details of the third parties your data has been passed to and how this information is used please contact the Managing Director at the address above.

Guernsey is not within the European Economic Area (EEA), but has a robust and effective regulatory framework. Palladium Insurance Limited is required to comply with the EU

General Data Protection Regulation (GDPR) when handling the personal data of European Citizens and secondly the Data Protection (Bailiwick of Guernsey) Law, 2017 which provides an equivalent framework for handling the personal data of non-EU citizen.

Use of personal data for which consent is required

In some circumstances, we (and other insurance market participants) may need to collect and use special categories of personal data (e.g. information relating to criminal convictions and offences. Where this is required, unless another ground applies, consent to this processing is necessary for us to provide relevant services. Although consent may be withdrawn at any time, this may mean we are unable to continue to provide services and/or process enquiries and/or claims and that insurance cover will stop. Where you are providing us with personal data about a person other than yourself, you agree to provide this notice to them and confirm that you have obtained their consent as outlined here.

Security

We take privacy seriously and have systems in place to ensure the security and accuracy of any personal information we collect. All information you provide to us is stored on our secure servers. We restrict access to your information as appropriate within Palladium Insurance to those who need to know that information for the purposes set out above.

Our regulatory status

Palladium Insurance Limited is incorporated under number 62801 in accordance with The Companies (Guernsey) Law 2008, and is a licensed insurer registered with the Guernsey Financial Services Commission under the Insurance Business (Bailiwick of Guernsey) Law 2002 as amended.