

# Search Validation Insurance

## Insurance Product Information Document

This insurance is provided by Liberty Mutual Insurance Europe SE ('the Insurer') through its UK branch, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (registered number 829959).

This Insurance Product Information Document provides a summary of the standard cover, exclusions and obligations under your policy. Complete information is provided in your policy documents, and we would draw your attention to the schedule which contains details unique to this policy including, where appropriate, additional terms under a section headed Additional Policy Clauses.

### What is this type of insurance?

This Search Validation Insurance policy provides cover where you are relying on searches previously obtained, but the property may be affected by adverse entries that would have been revealed if up-to-date searches had been obtained. It is designed to help your property transaction proceed by providing an alternative to obtaining up-to-date searches on the policy commencement date.



#### What is insured?

- ✓ The cost of remedying or removing an adverse entry
- ✓ Reduction in market value of the property due to any adverse entry that cannot be removed or remedied
- ✓ For a lender, any shortfall in the outstanding debt under its mortgage or charge following repossession of the property, or where the Insurer otherwise accepts liability
- ✓ Any other costs and expenses incurred with the Insurer's prior written agreement.



#### What is not insured?

Claims arising from or relating to:

- ✗ any adverse entry known to you or your advisors on the policy commencement date, including those contained in any existing searches available
- ✗ any adverse entry dated after the policy commencement date
- ✗ the absence of any planning, listed buildings and/or conservation area consent required for the use, construction and any past alterations at the property
- ✗ any phase of the HS1 and HS2 rail links, Crossrail 1 and/or Crossrail 2 projects
- ✗ loss or damage due to ground movement, including subsidence.
- ✗ contamination arising from nuclear fuels or waste, radioactivity, asbestos or any naturally occurring matter
- ✗ the installation of external cladding or defective or insufficient fire compartmentation or thermal protection.



#### Are there any restrictions on cover?

- ! The policy is not intended to replace the usual title investigations undertaken by your legal advisor
- ! Cover only applies for adverse entries affecting the property on the policy commencement date
- ! The total amount payable by the Insurer for all claims made under the policy will not exceed the Policy Limit stated on the policy schedule.



#### Where am I covered?

- ✓ You are covered for claims arising in relation to the property stated on the policy schedule.



#### What are my obligations?

- You, or anyone acting on your behalf, must not:
  - disclose the existence of this policy to any third party other than genuine prospective purchasers, lenders, lessees and their legal advisers, without our prior written consent
  - take or fail to take steps which result in losses as outlined in the Cover section
  - enter into any negotiations or take steps to compromise or settle a claim made against you,

without our prior written consent

- You must provide details to us of any potential claim as soon as reasonably practicable.

**When and how do I pay?**

Please liaise with your legal advisor or insurance intermediary, as appropriate, who will have been provided with details of the arrangements for payment of the single premium due for this policy.

**When does the cover start and end?**

The policy starts from the date stated in your policy schedule and continues indefinitely.

**How do I cancel the policy?**

This policy can be cancelled by contacting us within 14 days of the policy commencement date or the day on which you receive the policy, whichever is the later, provided all insured parties (such as lenders holding a mortgage or charge on the property) consent to cancellation. You will receive a full refund of premium, as long as there are no potential or actual claims pending under the policy.

Policy schedule:  
Search Validation Insurance - Draft

Policy number	CLI
Premium	£50.00 (inclusive of Insurance Premium Tax)
Insurer	LIBERTY LEGAL INDEMNITIES – Underwritten by Liberty Mutual Insurance Europe SE, UK Branch under Binding Authority Contract Number MR24CW01
Insured	The current and future owner(s) of the Property, their lessees and any bank, building society or other lender holding a mortgage or charge on the Property.
Policy Limit	£175,000.00 increasing by 10% compound interest per annum on each anniversary of the Policy Commencement Date but not exceeding 200% of the original Policy Limit at the Policy Commencement Date
Policy Commencement Date	
Policy Term	The policy runs indefinitely from the Policy Commencement Date, subject to the terms of this policy
Property	Ground floor Basement and External Areas 364 Barlow Moor Road Manchester M21 8AZ as shown [TBC]
Insured Risk	Existing Searches have previously been obtained against the Property (dated not more than 2 years before the Policy Commencement Date). The Property may be subject to an Adverse Entry that would otherwise be revealed by identical Searches had they been carried out on the Policy Commencement Date.
Insured Use	Continued use as commercial or mixed commercial and residential premises as in existence on the Policy Commencement Date.

Date policy signed

# Liberty Legal Indemnities

## Policy wording: Search Validation Insurance

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This policy and policy schedule are one contract and any word or expression to which a specific meaning has been given in the Schedule shall have that meaning throughout.

The law of England and Wales will apply to this contract unless otherwise specifically agreed between the Insurer and the Insured.

### Operation of Cover

- a. In return for payment of the Premium, the Insurer agrees to protect the Insured during the Policy Term against loss incurred as outlined in the Cover section, subject to the terms and conditions of this policy
- b. The Insured agrees to comply with the terms and conditions of this policy. If the Insured fails to comply with any of the terms and conditions, the Insurer may refuse to pay all or part of any claim, or reduce the amount paid to the extent that the Insured's breach is responsible for increasing the losses and/or expenses incurred
- c. In providing this policy and confirming its terms and Premium, the Insurer relied on information provided by the Insured (including parties acting on their behalf) prior to the Policy Commencement Date. The Insured must take care when answering any questions and ensure that all information provided is accurate and complete. If the Insurer establishes that the Insured (including any parties acting on their behalf):
  - i. deliberately or recklessly provided false or misleading information, the Insurer may treat this policy as though it had never existed and refuse all claims for that Insured
  - ii. carelessly provided false or misleading information, this may adversely affect the cover provided to that Insured. If the Insurer would not have provided the Insured with the policy they may treat this policy as though it had never existed and refuse to pay claims but must return the Premium. If the Insurer would have offered this policy on different terms then the Insurer may apply these amended terms. If the Insurer would have charged more premium for this policy the Insurer may reduce proportionately the amount to be paid on a claim.
- d. The total liability of the Insurer under this policy will not exceed the Policy Limit.

### Non-Invalidation Clause

The interest of any Insured under this policy will not be invalidated or affected by any other party breaching the policy terms and conditions, or providing false or misleading information to the Insurer, unless:

- a. such party acted on the Insured's behalf or with the Insured's knowledge and consent
- b. where the Insured is a successor in title, they had knowledge of a breach of the policy terms or conditions, or that false or misleading information has been provided to the Insurer prior to the Policy Commencement Date.

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### Definitions

**Adverse Entry** means:

- a. any outstanding financial charge registered against the Property
  - b. any matter that affects the market value of the Property
- which would otherwise have been disclosed in Searches had they been obtained on the Policy Commencement Date.

**Existing Searches** means Searches previously obtained against the Property.

**Searches** mean all or any of the following, relating to search reports in accordance with: -

- a. a search of the local land charges register of the relevant local authority in accordance with Form LLC1
- b. an enquiry of the local authority in accordance with form CON 29 Enquiries of Local Authority (2016) and CON290 Enquiries of Local Authority (2016) (or a property enquiry certificate of the relevant local authority, where the Property is situated in Scotland or Northern Ireland)
- c. an enquiry of the water and/or sewerage undertaker for the area in which the Property is situated, in accordance with Form CON29DW (or a regional property enquiry certificate where the Property is situated in Northern Ireland)
- d. a coal mining report in accordance with Form CON29M or any other mining report
- e. a Cheshire Salt Search.
- f. a Highways Search with the relevant Local Authority
- g. a desktop Environmental Report to the extent that the report would have 'failed', on the Policy Commencement Date under part IIA of the Environmental Protection Act 1990 (as amended and including any statutory modification or re-enactment)

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### Cover

In the event that there is an Adverse Entry against the Property on the Policy Commencement Date not revealed by the Existing Searches, directly attributable to the Insured Risk, the Insurer will pay to or on behalf of the Insured, the following: -

# Liberty Legal Indemnities

- a. the cost of remedying an Adverse Entry (including provision of a defective title policy covering any associated risk) and/or any amount necessarily payable to free the Property from the Adverse Entry
- b. reduction in market value of the Property in accordance with the Insured Use, being the difference between the market value with and without the Adverse Entry, the values to be determined by a surveyor with reference to prices current at the date of the Insured becoming aware of the Adverse Entry and the Insurer accepting liability. The surveyor will be appointed jointly by the parties or, in absence of mutual agreement, by the President for the time being of the Royal Institution of Chartered Surveyors. The cost of the survey shall be incurred by the Insurer.
- c. any shortfall in the outstanding debt under the mortgage or charge where the Insured is a mortgagee and exercises its rights under the mortgage or charge, or where the Insurer otherwise accepts liability
- d. any other costs incurred with the written agreement of the Insurer for the purpose of settling any claim.

## **Policy Exclusions**

Claims arising from or relating to: -

- a. any Adverse Entry known to the Insured (and/or the Insured's legal representatives) as affecting the Property and/or contained in any existing Searches made available to the Insured, on the Policy Commencement Date
- b. the absence of any planning, listed buildings and/or conservation area consent required for the use and/or construction of the Property and/or any alterations, extensions or conversion works completed at the Property
- c. any phase of the HS1 and HS2 rail links, Crossrail 1 and/or Crossrail 2 projects
- d. loss or damage to the Property due to ground movement, for example subsidence.
- e. contamination arising from any nuclear fuels, nuclear waste, any explosive nuclear assembly or component or any radioactivity possessed by any substances, any asbestos in any form in on or applied to any fixture, building, or other structure and any naturally occurring matter in its unaltered form or altered solely through naturally occurring processes action or reactions (including but not limited to radon gas)
- f. the installation of external cladding or defective or insufficient fire compartmentation or thermal protection at the Property and/or any building of which the Property forms part (as appropriate).

## **General Exclusions**

- a. If the Insured makes a fraudulent claim, the Insurer will not be liable to pay the claim and may recover from the Insured any sums already paid and on notifying the Insured, treat the policy as having been terminated from the time of the fraudulent act. The Insurer will not be liable for any loss, claim or potential claim occurring after the time of the fraudulent act and need not return any premium paid. Provided that cover for any other Insured will not be prejudiced, unless they were complicit to and/or aware of the fraudulent act and/or where parties committing the fraudulent act were acting on behalf of that Insured.
- b. The Insurer will not provide cover and make any payment or provide any other benefit otherwise due under this policy where doing so would expose the Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America
- c. This policy will not cover any claim involving the use of or inability to use a computer, including devices such as smart phones, tablets and wearable technology.

## **General Conditions**

- a. Any act or omission by the Insured or anyone acting on the Insured's behalf which in whole or in part results in losses or expenses as specified in the Cover section, may entitle the Insurer to reject claims made by the Insured, refuse to pay part of any claim, or reduce the amount paid, to the extent that the Insured's breach is responsible for those losses and/or expenses incurred
- b. The Insured or anyone acting on the Insured's behalf will not without the Insurer's prior written consent disclose the existence of this policy, or any information relating to it, to any third party other than genuine prospective purchasers, their lenders, lessees and respective legal advisers.

## Claims conditions

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### 1. Duties of the Insured

On becoming aware of any potential or actual circumstance which may give rise to a claim under this policy, the Insured must: -

- a. provide written notice and details to the Insurer, without unnecessary delay
- b. not admit any liability whatsoever, enter into any negotiations or take steps to compromise or settle the claim, without the consent of the Insurer
- c. provide all necessary information and assistance the Insurer (and/or their agents, solicitors or surveyors) reasonably requires, at the Insured's own expense.

### 2. Rights of the Insurer

In dealing with the claim under this policy the Insurer will at their discretion be entitled to: -

- a. appoint professional advisors to act for the Insured
- b. take or defend proceedings in any court or tribunal in the Insured's name
- c. exercise in the Insured's name any rights available to the Insured in any proceedings including the right to abandon or submit to judgement
- d. compromise, settle or compound the claim and deal in such manner as they think fit
- e. pay at any time to the Insured the amount of the Policy Limit or any lesser amount for which the claim can be settled and then relinquish control of and have no further involvement with the claim.

### 3. Abandonment of the Property

The Insured will not be entitled to abandon the Property to the Insurer.

### 4. Other Insurance

If the Insured may be entitled to make a claim under other insurance, either wholly or partly in respect of the same interest or risk covered by this policy, the Insurer will not be liable to pay more than their proportion of the claim based on the total policy limits under all policies.

### 5. Arbitration

The Insured and the Insurer can mutually agree to refer to an arbitrator any difference that arises as to the amount to be paid under this policy (liability being otherwise admitted). In the absence of an agreement to use a specific arbitrator, an arbitrator will be appointed by the Chartered Institute of Arbitrators in accordance with the law at that time. This clause does not affect any rights of the Insured under consumer regulations to refer a complaint to the Financial Ombudsman Service, in accordance with the Complaints procedure, prior to, during or subsequent to any arbitration process.

## Cancellation rights and notifying claims and complaints

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### **Cancelling the policy**

This policy can be cancelled by contacting us within 14 days of the Policy Commencement Date or the day on which you receive the policy, whichever is the later, provided all insured parties (including lenders holding a mortgage or charge on the Property) consent to this. You will receive a full refund of premium, as long as there are no circumstances which may give rise to a claim under the policy.

If you wish to cancel this policy, please write (quoting your policy number) to The Underwriting Manager, Countrywide Legal Indemnities, 3 St James Court, Whitefriars, Norwich, NR3 1RJ.

### **Claims notification**

If anything should happen which might give rise to a claim under the policy, please forward full details to Countrywide Legal Indemnities by

- Writing to The Claims Manager, Countrywide Legal Indemnities, 3 St James Court, Whitefriars, Norwich, Norfolk NR3 1RJ
- Telephoning 01603 617617
- Emailing [claims@cli.co.uk](mailto:claims@cli.co.uk)

### **Complaints**

Any complaint should be raised in the first instance with our Underwriting Manager by:

- writing to the Underwriting Manager, Countrywide Legal Indemnities, 3 St James Court, Whitefriars Norwich, NR3 1RJ
- telephoning 01603 617617, or;
- emailing [complaints@cli.co.uk](mailto:complaints@cli.co.uk)

If it is not possible to resolve the complaint to your satisfaction by close of business of the third working day following receipt, we will send you a written acknowledgement and refer your complaint to the Complaints Manager at Liberty Specialty Markets for and on behalf of Liberty Mutual Insurance Europe SE at 20 Fenchurch Street, London EC3M 3AW ("Liberty"). Liberty will aim to resolve your complaint within 14 days. In the unlikely event that Liberty are unable to resolve your complaint within this time, they will write to let you know. At the very latest, you will receive a response to your complaint within 8 weeks of receipt.

If you are still not satisfied with the response provided, or you have not received a response within the 8 week period, you may refer your complaint to the Financial Ombudsman Service ([www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)). Further details will be provided at this stage of the complaints process.

Because Liberty Mutual Insurance Europe SE is registered as a Luxembourg insurance company, you are also entitled to refer the dispute to any of the following dispute resolution bodies instead of referring to the Financial Ombudsman Service: Commissariat aux Assurances ([www.caa.lu](http://www.caa.lu)), Service National du Médiateur de la consommation ([www.mediateurconsommation.lu](http://www.mediateurconsommation.lu)) or Médiateur en Assurances ([www.ulc.lu/fr](http://www.ulc.lu/fr)). Again more details will be provided during the complaints process.

In all cases please quote the Policy Number shown in the Policy Schedule.

### **Are we covered by the Financial Services Compensation Scheme (FSCS)?**

The Insurer is covered by the FSCS. You may be entitled to compensation from the scheme if they cannot meet their obligations. This will depend on the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the FSCS who can be contacted at:

Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY.

The FSCS website may be viewed at [www.fscs.org.uk](http://www.fscs.org.uk)

# Liberty Legal Indemnities

## Notices

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### Privacy policy - how Liberty Legal Indemnities uses your personal data

Liberty takes the protection of your personal data seriously and is committed to protecting your privacy. There are a number of different companies within our group. The specific company which acts as the "data controller" of your personal data will be the organisation providing your policy as set out in the documentation that is provided to you. If you are unsure you can also contact us at any time by e-mailing us at [dataprotectionofficer@libertyglobalgroup.com](mailto:dataprotectionofficer@libertyglobalgroup.com) or by post at Data Protection Officer, Liberty Specialty Markets, 20 Fenchurch Street, London EC3M 3AW, UK.

In order for us to deliver our insurance services, deal with any claims or complaints that might arise and prevent and detect fraud, we need to collect and process personal data. The type of personal data that we collect will depend on our relationship with you: for example as a policyholder, third party claimant or witness to an incident. Your information will also be used for business and management activities such as financial management and analysis. This may involve sharing your information with, and obtaining information about you from, our group companies and third parties such as brokers, credit reference agencies, claims handlers and loss adjusters, professional advisors, our regulators or fraud prevention agencies. We also collect personal data about our suppliers and business partners (such as brokers) for the purposes of business management and relationship development.

For further information on how your information is used and the rights that you have please see privacy notice available at [www.libertyspecialtymarkets.com/privacy-cookies](http://www.libertyspecialtymarkets.com/privacy-cookies). Please contact us using the details above if you wish to see the privacy notice in hard copy.

### About the Insurer

Liberty Mutual Insurance Europe SE (LMIE) trading as Liberty Specialty Markets, is a member of the Liberty Mutual Insurance Group. LMIE's registered office is 5-7 rue Leon Laval, L-3372, Leudelange, Grand Duchy of Luxembourg, Registered Number B232280 (Registre de Commerce et des Sociétés). LMIE is a European public limited liability company and is supervised by the Commissariat aux Assurances and licensed by the Luxembourg Minister of Finance as an insurance and reinsurance company.

This insurance is provided by LMIE through its UK branch at 20 Fenchurch Street, London, EC3M 3AW, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (registered number 829959). [www.libertyspecialtymarkets.com](http://www.libertyspecialtymarkets.com).