

# Buyers Protection Explained

When you purchase a house, there could be some up-front costs involved for property searches, valuations/surveys, lenders arrangement fees etc.

This means that if your purchase falls through, you could be left out of pocket. With our Buyers Protection Policy you could be covered.

## What is Buyers Protection?

Buyers Protection is a policy which can be added by your Mortgage Adviser alongside your purchase and offers you peace of mind for certain up-front costs involved.

You will receive protection for certain unforeseen events linked to your purchase to a value of £1,000. The policy is valid for a total of 365 days from instruction, providing ample cover.\*

**Up to £1,000 worth of cover as standard, with a potential £600 additional cover. See below:**

Mortgage Lenders Arrangement Fees  
Mortgage Lenders Valuation/Survey Fees  
Searches and Disbursements

**Plus** £300 towards the cost of a Mortgage Adviser  
**An additional** £300 towards alternative accommodation, storage and removal

## When does it start?

The Buyers Protection policy is valid in England & Wales, and will be put on risk from the date the policy is taken out.

Please note that any fees incurred prior to this date will not be reclaimable. It is within your best interest to ask your mortgage adviser to set up this policy before, or on the same day as the mortgage application is made.

## How long is it valid for?

The policy is valid for 365 days from the date of instruction.

## What happens next?

Upon acceptance of the case, a PDF copy of the policy documentation will be emailed to you from SortRefer.

## What happens in the event of a claim?

If you need to make a claim, there are two ways:

1) Register the claim yourself by phoning the dedicated claim number **0344 776 8373**.

You'll be asked to provide as much information concerning the claim as possible. The claims reporting line will advise you what you'll need to provide.

2) Your Mortgage Adviser can start this process on your behalf, reporting the initial claim through their dedicated online portal. You'll receive an email to confirm it has been reported and this will include a list of documents to get ready to support the claim. The claims department will contact you within 48 hours of the claim being reported by your Mortgage Adviser.

The claim must be reported as soon as you become aware of any circumstances which could give rise to a claim under the insurance and no less than 14 days after the date of occurrence.

\*For further information and to see exactly what is covered, please refer to the Policy Documents.

This Home Buyers Protection: Failed Residential Transaction Insurance is exclusively provided to Mortgage Advice Bureau clients. The policy is arranged and administered by Northcott Beaton Ltd. Mortgage Advice Bureau are not responsible or liable for this product. As administrators of this scheme, please contact Northcott Beaton Ltd should you require any advice, further information or should you need to cancel the policy for any reason within the 14 day cancellation period on this product. For any of the above, please email [returns@northcottbeaton.co.uk](mailto:returns@northcottbeaton.co.uk) or call 01392 426046.

# Home Buyer's Protection Failed Residential Transaction Insurance Insurance Product Information Document



Company: Legal Protection Group Limited

Product: Mortgage Advice Bureau Failed Residential Transaction Insurance

This insurance is:

- Arranged and managed by Legal Protection Group Limited, registered in England and Wales, number 10096688. Legal Protection Group Limited is an appointed representative of Somerset Bridge Insurance Services Limited, who are authorised and regulated by the Financial Conduct Authority (FCA No. 477112)
- Underwritten by Alwyn Insurance Company Limited, P.O. Box 1338, First Floor Grand Ocean Plaza, Ocean Village, Gibraltar. Registered in Gibraltar, number 106261. Authorised and regulated by the Gibraltar Financial Services Commission.

This document is a summary of cover highlighting the main features and benefits as well as the general conditions and exclusions of this policy. Full terms and conditions can be found in the policy wording. Please take some time to read the policy documents when you receive them. It is important that you tell us as soon as possible if any of the information is incorrect. Please note, all amounts shown below include any applicable tax.

## What is this type of insurance?

**Home Buyers Protection – Failed Residential Transaction Insurance** will pay the costs and expenses, as listed below, incurred as a result of your attempted purchase of a residential property not being completed for the reasons insured under this policy. Cover also extends to include the costs of alternative accommodation if the transaction is successful but delayed due to issues with transferring the necessary funds.



### What is insured?

Following an **insured incident**, the insurer will pay up to:

- (a) £1,000 for:
  - (i) mortgage lender arrangement fees;
  - (ii) mortgage lender valuation fees;
  - (iii) survey fees and searches;
  - (iv) disbursements;
- (b) £300 for mortgage advisor's fees;
- (c) £300 for alternative accommodation and storage costs.



### What is not insured?

- ✗ Any event or matter you were aware of before this insurance started; or any costs incurred before this insurance started.
- ✗ Any claim reported more than 14 days after the date you should have known that your purchase of the property will not be completed. *(Please note that in respect of **insured incident 3 – Alternative Accommodation and Storage Costs**, any claim must be notified immediately on discovery that the transaction has been delayed).*

## The Cover

This policy covers the above stated costs incurred in the event of the following **insured incidents**.



### What is insured?

#### Insured incident 1 - Home Buying Costs

Up to £1,000 for any one claim following your failure to buy the property due to:

- ✓ **Seller's withdrawal from sale (What is insured)**  
The seller withdrawing from the sale of the property to you for reasons beyond your control.
- ✓ **Your withdrawal from purchase (What is insured)**  
You having to withdraw from the purchase of the property due to:
  - (i) an adverse legal search;
  - (ii) a survey revealing structural defects which need remedial work, the cost of which is more than 10% of the sum you have offered;
  - (iii) the mortgage lender's valuation of the property is less than 90% of the sum you have offered for the property.
  - (iv) Your employer deciding to no longer move their premises from its current location to a different location;
  - (v) you unexpectedly being made redundant;
  - (vi) you or your family members who permanently live with you die or suffer unforeseen illness or physical bodily injury caused by a sudden and specific accident.



### What is not insured?

#### Insured incident 1 – Home Buying Costs

- ✗ More than £1,000 for any one claim.
- Seller's withdrawal from sale (What is not insured)**
  - ✗ Claims where you cannot provide documentation which verifies both your accepted offer and the seller's subsequent withdrawal for reasons beyond your control.
- Your withdrawal from purchase (What is not insured)**
  - ✗ Claims where an adverse legal search was known to you before your offer was accepted or before those search results were received by you.
  - ✗ Claims where an adverse legal search does not restrict your legal right to sell the property at a future date, or where the search does not reveal that some areas of the property have insufficient planning or legal permissions.
  - ✗ Claims where it is reasonably likely that you were aware that structural defects existed when your offer was accepted and the survey commissioned.
  - ✗ Surveys which do not have a full professional valuation attached which shows the difference in value.
  - ✗ Where the offer was not made on the basis that you were intending to complete the transaction for the purpose of relocating for work.
  - ✗ Where you have accepted voluntary redundancy, or were aware of any impending redundancy when your offer was accepted.
  - ✗ Any illness, injury or condition diagnosed before your offer was accepted.

## The Cover (continued)

### What is insured?

#### Insured incident 2 – Mortgage Advisor's Fees

- ✓ Mortgage advisor's fees, up to a maximum of £300, in respect of a mortgage advisor's services should the mortgage not be used on an alternative property.

#### Insured incident 3 – Alternative Accommodation and Storage Costs

The costs of:

- ✓ temporary alternative accommodation;
  - ✓ moving and storing your personal possessions;
  - ✓ temporarily housing your domestic pets;
- up to a maximum amount payable of £300 or for a maximum period of 72 hours, whichever happens sooner.

### What is not insured?

#### Insured incident 2 – Mortgage Advisor's Fees

- ✗ Any claim for mortgage advisor's fees where we have not agreed to provide cover for your claim under **insured incident 1 – Home Buying Costs**.
- ✗ More than £300 for any one claim.

#### Insured incident 3 – Alternative Accommodation and Storage Costs

- ✗ More than £300 per claim or alternative accommodation and storage costs incurred for a period greater than 72 hours (if this happens before £300 of costs are incurred).



### Are there any restrictions on cover?

#### The property you made the offer on:

- ! must be located in England or Wales;
- ! must be a private dwelling designed for people to live in or provide accommodation for;
- ! must be intended to be used as your main residence; and
- ! must not solely or specifically be designed or used for business or commercial purposes.

#### There is no cover under this policy for:

- ! costs incurred in obtaining information or documents to support your claim;
- ! any transaction where you or the seller voluntarily withdraws, or withdraws for a reason not stated under **insured incident 1 - Home Buying Costs**;
- ! claims arising from or relating to flooding or potential flooding or where the property is classified as being located on a flood risk area;
- ! claims where you are not able to provide Legal Protection Group Limited with documentation from either your solicitor/estate agent or the seller's solicitor/estate agent which are relevant to your claim;
- ! claims where the true valuation or extent of remedial work required was clear to you before acceptance of your offer or instruction of a survey/valuation;
- ! any defect in a title which can be rectified or for which an insurance policy can provide cover for.



### Where am I covered?

- ✓ England and Wales.



### What are my obligations?

#### You must:

- notify Legal Protection Group Limited as soon as you become aware of any circumstances that could give rise to a claim and not later than 14 days after the date you became aware or should have been aware that the purchase of your property will not be completed or, in respect of **insured incident 3 – Alternative Accommodation and Storage Costs**, as soon as you discover that the successful transaction has been delayed;
- keep to the terms and conditions of the policy;
- take reasonable precautions to minimise the risk of a claim occurring under this policy and to avoid incurring any unnecessary costs;
- supply Legal Protection Group Limited with all requested information and documentation to support your claim.



### When and how do I pay?

Please ask the person selling you this policy for full payment terms and conditions.



### When does the cover start and end?

This insurance will remain in force from the date you instruct your solicitor to commence conveyancing work or the date you commence your mortgage application (whichever is sooner) for a period of 12 months, unless one or more of the following events occur sooner (upon which this insurance will then terminate):

- the date on which costs and expenses are paid in respect of a claim under this insurance which results in your claim being closed, or when the maximum amount payable under this insurance is reached which results in your claim being closed;
- the date on which the property transaction is successfully completed;
- where this insurance is terminated in accordance with the policy terms and conditions.



### How do I cancel the contract?

You can cancel this policy by notifying the person who sold you this policy within 14 days of either the start date or the date you receive your policy documents, whichever is later. Providing no claims have been made under this insurance, the premium will be refunded in full.

You can cancel at any other time by giving the person who sold you this policy 7 days' notice. Providing no claims have been made under this insurance and you are not aware of any event or circumstance which could give rise to a claim under this insurance, you will receive a partial refund for the remaining time on cover.

In the event of cancellation, the person who sold you this insurance may apply an administration charge and you should contact them for more information on any charges applied.