

PERSONAL LOCAL SEARCH INDEMNITY BLOCK POLICY

keyfacts

To the Policyholder/Intermediary

This document must be revealed to the ultimate insured (including any lender which may be insured by the policy) before conclusion of the insurance contract.

If you are a solicitor, you should disclose this document to your client and/or their lender and/or the purchaser's solicitors for the benefit of their client and/or their lender prior to the conclusion of the insurance contract. We assume that you are authorised by the FSA or otherwise licensed (where applicable) to provide insurance mediation activities.

If you are a broker, you should disclose this document in accordance with the Financial Services Authority (FSA) rules.

To the Insured

This document provides a summary of the cover provided under the policy purchased. It does not contain the full terms and conditions of the policy and you should therefore read this summary in conjunction with the full policy wording to ensure you are fully aware of the terms and conditions of the cover provided.

The Underwriter of this policy is:-

Stewart Title Limited ('STL') of Stewart House, Pynes Hill, Exeter, EX2 5AZ ('STL's address'). The Policyholder is Property Search Network Ltd of 70 Fore Street, Heavitree, Exeter, EX1 2RR

Summary of insurance and cover provided by this policy.

If you are a Buyer (as defined by the policy) who has requested or in a Home Information Pack has been provided with a personal local search provided by Property Search North East ('PSNE') ('the Search') this policy is an indemnity policy relating to the Search. In some circumstances PSNE will not have been able to obtain the answer to a certain question in the Search from the Local Authority and so has sought to arrange insurance for you against any possible adverse entry had the question been answered in the usual way. If an answer to the particular question has been given then the cover under the policy will not apply unless the answer given is incorrect due to the negligence of or an error by the Local Authority in question or by PSNE. The cover applies to those searches and properties notified to us by the Policyholder on behalf of PSNE. We assume that the need to purchase this policy has resulted from advice provided to you by the professional legal conveyancing adviser who has applied for the Search from PSNE or because you have been provided with a Home Information Pack which has PSNE's search in it. The policy has therefore been sought to protect you against losses that you may incur, as defined in the policy, as a result of any deficiency in the Search result attributable to the lack of an answer or an incorrect answer from the Local Authority or PSNE and thus a potential adverse entry for the property, as per the terms and conditions of the policy.

If you are selling the Property and have requisitioned the Search from PSNE you will have cover starting on the Completion Date where the Local Authority has made an error in its reply by revealing an Adverse Entry which should not have been revealed ('the Error') and which is the sole and direct cause of the Buyer renegotiating the Offer Price of the Property to the Sale Price and as a result of which renegotiation you suffered loss.

Significant features or benefits under this policy.

This policy is on an indemnity basis. The purpose of this type of policy is to protect you so that you are reimbursed with the financial loss you may incur as a result of a claim and to ensure that you are placed back in the same position you enjoyed prior to the claim (subject to the terms and conditions of the policy). There is a Maximum Liability which we will pay and this is set out in the definition of that term.

Significant Conditions or Exclusions under this policy.

Significant conditions:-

- You must notify us immediately of any Adverse Entry which comes to your attention and co-operate fully with all reasonable requests by us for information and documentation and shall, at our expense, take any action required by the Company to mitigate any loss or potential loss arising as a result of the Adverse Entry.
- The Policy covers only those Personal Searches which have been declared to us by the Policyholder together with the premium due.
- If you knowingly make a claim which is false or fraudulent in any respect the cover provided under this Policy shall become void with immediate effect.
- This Policy does not cover any loss which at the time of the loss is insured by (or would be insured by but for the existence of this Policy) any other policy of insurance other than any excess beyond the amount which would have been payable under such other policy had this Insurance not been effected.
- any act or omission by you, which in whole or part induces a claim under this policy, will prejudice your position and could void the policy
- you or your professional legal advisors should not take any steps to compromise or settle a claim without STL's prior written consent

Exclusions:-You are not insured:-

- for any Adverse Entry known to you at the date of cover or where you know the answer given is incorrect or
- in respect of any answer which is actually obtained in the Personal Search relating to questions in the Local Search covered by the policy unless the answer given is incorrect because the Local Authority or PSNE has made an error or is negligent and it is later found that the correct answer would have been adverse
- where, had the question been answered at the date of the search, there would have been no adverse entry.
- Where you have suffered no loss.

A full list of Conditions and Exclusions is contained in the policy.

What is the Policy term?

There is no fixed term – usually the policy will expire upon your ceasing to be the owner of the property or if you are lending under the terms of a mortgage over the Property the date on which your loan is repaid or the Property ceases to be subject to your mortgage.

Updating the cover.

STL can consider requests to increase or extend cover. STL will not however provide advice thereon or

recommend how you should proceed. You will need to make your own choice about how to proceed and we recommend that this is done with guidance from your professional legal conveyancing advisor and the Policyholder .

Rights of cancellation.

You have a right to cancel your policy within 14 days of the commencement of the contract or receipt of the policy whichever is later. Where performance of the contract has commenced at your request before expiry of the cancellation period we may require you to pay for the cover actually provided in connection with the policy. The amount will be in proportion to the extent of the cover already provided to you in comparison with the full coverage of the contract.

Claims under this policy

If you wish to notify a claim under this policy, please contact us in writing immediately you become aware of the claim with as much detail as is available for the attention of the Company Solicitor at STL's address.

What if you have a complaint?

If you wish to register a complaint, please contact us by writing to 'The Company Solicitor at STL's address or, if you are not satisfied with the response, to the Financial Ombudsman Service whose current address is in the Policy.

The Financial Services Compensation Scheme (FSCS)

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our 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 currently contactable at 7th Floor Lloyds Chambers, Portsoken Street, London E1 8BN.