

# Legal indemnity guide

This legal indemnity insurance guide outlines the range of standard covers and information needed in order for CLEAR to obtain quotations

# Introduction

Time is money. Whether you are dealing with a routine property transaction or experience a problem which threatens to hold up a sale or a development, you need it to be solved quickly and in the most cost-effective way.

That's where we come in.

Our staff have been placing legal indemnity insurances for over 25 years, so we understand your problems need quick solutions and, as an independent insurance broker, we have access to all the major insurers in the market. As one of the leading specialists in the sector, we aim to respond to all but the most complex enquiries within 24 hours.

As well as the standard range of covers, demand is increasing for policies with agreed conduct, pre-planning terms and cover for dispute risks. With limits available in excess of £1bn we can accommodate even the largest contracts.

This legal indemnity insurance guide outlines the range of standard covers and the information needed in order for CLEAR to obtain quotations. However, please do not hesitate to contact us even if the product is not outlined as we may still be able to source cover on your behalf.

CLEAR is an award winning chartered independent insurance broker. As well as providing legal indemnity solutions, our teams specialise across a wide range of industry sectors, including construction and real estate. So, you can rest assured that we will source you the most appropriate cover.



# Contents

1. Absence of easement/access indemnity
2. Absent landlord indemnity
3. Adverse possession indemnity
4. After the event insurance and third party funding
5. Balcony rights indemnity
6. Breach of planning/building regulations/listed buildings consent indemnity
7. Breach of restrictive covenant indemnity
8. Building over sewer indemnity
9. Chancel repair indemnity
10. Contaminated land/environmental indemnity
11. Contingent buildings insurance indemnity
12. Defective lease indemnity
13. Defective title indemnity
14. Enforcement of (known/unknown) adverse third party rights indemnity
15. Enlargement of lease (residential) (o/s) indemnity
16. Executor liability insurance
17. Flat/maisonette indemnity (residential) indemnity
18. Flying/creeping freehold indemnity
19. Forfeiture of lease – bankruptcy/insolvency indemnity
20. Forfeiture of lease - breach of covenant indemnity
21. Forfeiture of lease Housing Act 1998 indemnity
22. Freehold rent charge coverage indemnity
23. Good leasehold indemnity
24. Insolvency Act indemnity
25. Japanese knotweed indemnity
26. Judicial review Indemnity
27. Lack of party wall indemnity
28. Lack of NHBC & architect certificate
29. Limited or no title guarantee
30. Lost/missing share certificate indemnity
31. Manorial rights indemnity
32. Mining/mineral rights indemnity
33. Missing beneficiary indemnity
34. Missing deeds indemnity
35. Overage indemnity
36. Portfolio/re-finance indemnity
37. Possessory title (residential) indemnity
38. Property dispute indemnity
39. Rights of light indemnity insurance
40. Right to park indemnity
41. Right to buy indemnity
42. Search indemnity
43. Section 52/106 agreement indemnity
44. Tax liability indemnity
45. Town and village green indemnity
46. Trustee (breach of trust) indemnity
47. Visibility splay indemnity
48. Warranty and indemnity

# Products

## 1. Absence of easement/access indemnity

### Insurance cover:

Protection against interference with the use of the property due to a lack of legal grant for access and/or services to a property.

### Information required:

1. A plan showing the route of the easement, the nearest adopted highway and the location of the property
2. A draft statutory declaration setting out the use of easement
3. The existing use of the property, whether the use of the property will change and/or be developed
4. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
5. Index map search
6. Title to the property
7. Details of any contact with servient owner
8. Limit of indemnity required

## 2. Absent landlord indemnity

### Insurance cover:

Protection against forfeiture of the lease of the property for non-compliance with covenants contained within the lease and/or payment of ground rent where a landlord is missing or insolvent.

### Information required:

1. Details of the attempts to trace the landlord
2. Last known whereabouts of the landlord
3. The existing use of the property, whether the use of the property will change and/or be developed
4. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
5. Limit of indemnity required

## 3. Adverse possession indemnity

### Insurance cover:

Protection against a challenge to occupation of land that forms part of the property but is not included in the documentary title to the property.

### Information required:

1. Title to the property
2. Index map search and any information as to the probable ownership of the land
3. If the deeds were lost details of how/in whose possession
4. Draft statutory declaration
5. The existing use of the property, whether the use of the property will change and/or be developed
6. If change of use/development – whether planning permission has been obtained and if so the letters of objection/ planning officer's report
7. Whether the land is to be built upon/ used as access
8. Limit of indemnity required

## 4. After the event insurance and third party funding

### Insurance cover:

Protection for claimants against a potential adverse costs order in the event of an unsuccessful outcome in their litigation. Funding can also be sourced for own legal costs and disbursements.

### Information required:

1. Details of the case as per questionnaire (available upon request)
2. Case summary
3. Copy correspondence
4. Expert reports (if available)
5. Counsel's advice (if available)

## 5. Balcony rights indemnity

### Insurance cover:

Protection against third party challenge to the exclusive right to use a balcony forming part of the property.

### Information required:

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Details of use of the balcony
5. Limit of indemnity required

## 6. Breach of planning/building regulations/ listed buildings consent indemnity

### Insurance cover:

Protection against enforcement action by the local authority in respect of lack of appropriate consents for alteration/use of the property.

### Information required:

1. Use of the property
2. Details of the works to be insured
3. How long the works have been in existence?
4. If listed building – a copy of the listing
5. Whether there has been any contact with the local authority
6. Limit of indemnity required

## 7. Breach of restrictive covenants indemnity

### Insurance cover:

Protection against the enforcement of covenants.

### Information required:

1. Title to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Which covenants are to be insured and how they have been/ will be breached
5. Whether there has been any contact with anyone thought to benefit from the covenants
6. If leasehold – details of the landlord, copy of the lease,
7. Limit of indemnity required

## 8. Building over sewer indemnity

### Insurance cover:

Protection against increased costs of works, whether or not there is a formal build over agreement, whereby a water authority require demolition/alteration of the building.

### Information required:

1. Water search showing line of sewer and building location
2. Details of structure over sewer and when it was constructed
3. Whether there is a build over agreement
4. Details of any inspection of the sewer to confirm it is in good repair
5. Details of any contact with water authority
6. The existing use of the property, whether the use of the property will change and/or be developed
7. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
8. Limit of indemnity required

## 9. Chancel repair indemnity

### Insurance cover:

Protection against a liability to contribute towards the repair of the chancel of a church.

### Information required:

1. Title and filed plan to property
2. Details of any searches carried out
3. The existing use of the property, whether the use of the property will change and/or be developed
4. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
5. Limit of indemnity required

## 10. Contaminated land/environmental indemnity

### Insurance cover:

Protection in the event a remediation notice is issued by the enforcing authority in accordance with the Environmental Protection Act 1990 (relating to the property or Insured in respect of the property). Cover for third party property damage and third party bodily injury can be also included.

### Information required:

Details of the risk as per questionnaire (available upon request).

# Products

## 11. Contingent buildings insurance indemnity

### Insurance cover:

Protection against uncertain or inadequate insurance arrangements for the building of which the property forms part.

### Information required:

1. The existing use of the property, whether the use of the property will change and/or be developed
2. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
3. Who is responsible in the lease for insurance
4. How the buildings insurance is dealt with in practice if this is different
5. Use of adjoining premises of which the property forms part
6. Why the insurance provisions in the lease are thought to be defective
7. Limit of indemnity required

## 12. Defective lease indemnity

### Insurance cover:

Protection against potential defects existing in their lease, including rights to repair and/or maintenance, rights over common parts etc.

### Information required:

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Details of the defect(s) of concern within the lease
5. Limit of indemnity required

## 13. Defective title indemnity

### Insurance cover:

Protection in the event of a third party attempting to:

- Enforce an estate right or interest adverse to or in derogation of the insured's title to the property
- Prevent the insured's use of any right of way or easement necessary for the enjoyment of the property

### Information required:

1. The existing use of the property, whether the use of the property will change and/or be developed
2. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
3. Any relevant plans
4. Limit of indemnity required

## 14. Enforcement of (known/unknown) adverse third party rights indemnity

### Insurance cover:

Protection against the exercise of rights or easements over or under the property. Coverage can depend on whether development or continued use is proposed.

### Information required:

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Details of the rights to be insured and how they will/have been interfered with
5. Whether an alternative route will be provided
6. Whether the rights are currently being exercised, by whom and when
7. Title and filed plan to the dominant land
8. Details of the boundary features
9. Limit of indemnity required

## 15. Enlargement of lease (residential) (o/s) indemnity

### Insurance cover:

Protection against the exercise of historic rights, easements or other interests over the property contained or reserved in the original lease of the property.

### Information required:

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Confirmation no approach has been made to any party who may reasonably be entitled to exercise a right or interest over the property on the basis of the lease in question
5. Whether third party rights are currently being exercised over the property, by whom and when
6. Limit of indemnity required

## 16. Executor liability insurance

### Insurance cover:

Protection for the executor(s) of the estate against allegations that matters have not been dealt with in accordance with the requirements of the will and/or of relevant legislation.

### Information required:

Details of the risk as per questionnaire (available upon request).

## 17. Flat/maisonette indemnity (residential) indemnity

### Insurance cover:

Protection against uncertain or inadequate arrangements for maintenance of the building of which the property forms part.

### Information required:

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Limit of indemnity required

## 18. Flying/creeping freehold indemnity

### Insurance cover:

Protection against uncertain or inadequate arrangements for maintenance of a flying/creeping freehold element of the property.

### Information required:

1. The existing use of the property and the adjoining premises of which the property flies/creeps. Plus details as to whether the use of the properties will change and/or be developed
2. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
3. Whether the adjoining premises are occupied
4. Disclosure of any survey/works required to the property
5. Title and filed plan to the property
6. Limit of indemnity required

## 19. Forfeiture of lease - bankruptcy/insolvency indemnity

### Insurance cover:

Protection for a mortgagee against forfeiture of their borrower's lease due to borrower's bankruptcy.

### Information required:

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Clear bankruptcy search against proposers
5. Details of whether borrower is self-employed or director as guarantor
6. Is cover required for the sub or the head lease?
7. Limit of indemnity required

## 20. Forfeiture of lease - breach of covenant indemnity

### Insurance cover:

Protection for a mortgagee against forfeiture of their borrower's lease due to breach of covenant.

### Information required:

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Full details of any known breaches of the lease
5. Confirmation that all ground rents and service charges, and any other payments under the lease, are paid up to date
6. Is cover required for the sub or the head lease?
7. Limit of Indemnity required

# Products

## 21. Forfeiture of lease Housing Act 1998 indemnity

### Insurance cover:

Protection for the lender should the landlord issue proceedings for possession against a tenant under section 8 ground 8 of the Housing Act 1988 where the tenant's lease could be construed as an assured shorthold tenancy as a result of outstanding ground rent.

### Information required:

1. Title and filed plan of the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Limit of indemnity required

## 22. Freehold rent charge coverage indemnity

### Insurance cover:

Protection against re-entry by a rent charge holder due to non-payment of a rent-charge.

### Information required:

1. The existing use of the property, whether the use of the property will change and/or be developed
2. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
3. Whether there has been any contact with or from the party who benefits from the rent charge – whether any payments have been made or demanded.
4. Whether the rent charge is registered – index map search
5. Title and filed plan to the property
6. Limit of indemnity required

## 23. Good leasehold indemnity

### Insurance cover:

Protection against a challenge to the property's title and unknown covenants.

### Information required:

1. Title to the property
2. Use of the property
3. Whether there is to be any development and if so full details
4. Limit of indemnity required

## 24. Insolvency Act indemnity

### Insurance cover:

Protection for a mortgagee or successor in title to the transfer in the event the transfer to the property is set aside pursuant to the Insolvency Act.

### Information required:

1. Loan amount
2. Market value of property
3. Use of the property
4. Whether any of the parties are related
5. Identity of the parties and details of the transaction taking place
6. Bankruptcy search valid at the time of the transaction taking place
7. Sale price
8. Limit of indemnity required

## 25. Japanese knotweed indemnity

### Insurance cover:

Protection against the future discovery of Japanese knotweed or Japanese knotweed reoccurring, which may result in remediation works for the treatment and removal of the knotweed.

### Information required:

1. Use of the property
2. Is the property affected by Japanese knotweed?
3. Has a mortgage valuation survey, home buyer's report or building survey been carried out?
4. Has any previous treatment or remediation works for Japanese knotweed been undertaken at the property?
5. Has there been contact with any enforcing authorities regarding Japanese knotweed at the property or nearby?
6. Has there been contact with any other property owners regarding the presence of Japanese knotweed?
7. Limit of indemnity required

## 26. Judicial review indemnity

### Insurance cover:

Protection in the event that a planning permission is quashed.

### Information required:

1. The existing use of the property
2. The change of use/development requested
3. What stage is development at?
4. Details of works to be insured
5. Planning officer's report, minutes of the committee meeting and letters of objection
6. Gross Developed Value (GDV)
7. Limit of indemnity required

## 27. Lack of party wall indemnity

### Insurance cover:

Protection as a result of a historical alteration being made to the property which would have required the adjoining neighbour's consent under the Party Wall Act but the permission or relevant documentation was not obtained.

### Information required:

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Whether there has been any complaints/objections to the above
5. Whether there are any identified problems with structure of the property or any adjoining building
6. Limit of Indemnity required

## 28. Lack of NHBC & architect certificate indemnity

### Insurance cover:

Protection where the property is constructed or converted without a valid NHBC or architects completion certificate.

### Information required:

1. Use of the property
2. Title documents
3. Has the land has been owned and occupied for at least 2 years since the date of its practical completion?
4. Was the land built under a self-build scheme?
5. Confirmation no structural defects are disclosed in a structural survey, homebuyers report or mortgage valuation report
6. How long has the build been complete?
7. Limit of indemnity

## 29. Limited or no title guarantee indemnity

### Insurance cover:

Protection against a third party challenging property ownership because full title guarantee has not been provided.

### Information required:

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Limit of indemnity required

## 30. Lost/missing share certificate indemnity

### Insurance cover:

Protection in the event that the lost document is discovered and fraudulently used to obtain monies from the insured.

### Information required:

Details of the risk as per questionnaire (available upon request).

## 31. Manorial rights indemnity

### Insurance cover:

Protection in the event that the Lordship of the Manor attempts to enforce manorial rights over the property such as the right to hunt, shoot, fish or, rights to hold fairs and markets.

### Information required:

1. The existing use of the property, whether the use of the property will change and/or be developed
2. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
3. If a unilateral notice has been issued office copy entries will also be required
4. Title and filed plan to the property
5. Limit of indemnity required

# Products

## 32. Mining/mineral rights indemnity

### Insurance cover:

Protection against financial loss as a result of the future exercise of rights to extract mineral reserves underneath the property.

### Information required:

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Mining search
5. If development – possible designation in local plan
6. Limit of indemnity required

## 33. Missing beneficiary indemnity

### Insurance cover:

Protection for the personal representatives of a deceased's estate in the event of any person(s) claiming a share in the estate whose identity or whereabouts was unknown both at the inception of the policy and the distribution of the estate.

### Information required:

1. Name of proposer in full
2. Name of deceased
3. Date of birth and death of deceased
4. Total value of estate for distribution
5. Names of executors, administrators or trustees
6. Relationship of proposer to deceased
7. If the deceased left a will, please supply a copy.
8. Details of missing beneficiaries incl. name, last known address, date of birth, names and ages of any children
9. If a family tree is available, please supply a copy.
10. What enquiries have been made to trace the missing beneficiary/ies?
11. If advertisements have been placed, please supply a copy and advise the name of newspapers and date of insertions.
12. Have all traced beneficiaries been approached for information on the missing beneficiary/ies and the accuracy of the family tree?
13. If so, can they confirm they have had no contact with the missing beneficiary/ies for at least the last 10 years and have no knowledge of their present whereabouts?
14. Have any enquiries been made to any third party organisations (eg genealogists)
15. Limit of indemnity required (i.e. the amount due to all missing beneficiaries)

## 34. Missing deeds indemnity

### Insurance cover:

Protection in the event that ownership of the property is challenged and cannot be substantiated by reference to original title deeds.

### Information required:

1. Title and filed plan to the property.
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Copies of the statutory declaration/documentation in support of your claim to ownership of the property
5. Clear SIM of property
6. Limit of indemnity required

## 35. Overage indemnity

### Insurance cover:

Protection in the event that a claim is made against a historic overage over the property.

### Information required:

1. Title to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Whether there has been any contact with anyone thought to benefit from the overage
5. Limit of indemnity required

## 36. Portfolio/re-finance indemnity

### Insurance cover:

Protection for the lender and/or owner across a portfolio of properties where only a core sample of due diligence has been carried out.

### Information required:

1. Number of properties within the portfolio
2. Property addresses and title numbers
3. The existing use of the properties, whether the use of the properties will change and/or be developed
4. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
5. Whether cover is required for full owner or on a lender only basis
6. Details of the transaction i.e. is it a refinance, is it a buyer purchasing a number of properties, is it a sale and leaseback scenario etc.
7. If there has been previous DD carried out
8. Limit of indemnity required per property/market value & LTV

### 37. Possessory title (residential) indemnity

**Insurance cover:**

Protection against a challenge to the property's title.

**Information required:**

1. Title to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Statutory declaration on first registration
5. Limit of indemnity required

### 38. Property dispute indemnity

**Insurance cover:**

Protection against the defendant's ongoing own legal costs and disbursements, potential adverse cost order and an award in the event of an unsuccessful outcome in a "live" issue that is property related.

**Information required:**

1. Summary of the case, legal strategy to deal with the issue and any supporting documentation such as expert report or counsel's advice

### 39. Rights of light indemnity

**Insurance cover:**

- Damages and compensation awarded as a result of an enforcement action
- Costs of alteration or demolition necessarily incurred to comply with that action
- Diminution of market value
- Costs incurred prior to the action which render the development abortive
- In addition, a policy can be tailored to cover other potential costs such as increased interest payments incurred by the developer following a temporary injunction.

**Information required:**

Details of the risk as per questionnaire [available upon request].

### 40. Right to park indemnity

**Insurance cover:**

Protection against third party challenge as a result of the property's lease purporting to grant a right to park in a designated space.

**Information required:**

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Whether there has been any complaints /objections to the above
5. Limit of indemnity required

### 41. Right to buy indemnity

**Insurance cover:**

Protection for the lender where there is no deed of postponement for a charge in favour of a local authority relating to discount repayable under the Housing Act 2004, where the property has been purchased under 'right to buy' legislation.

**Information required:**

1. Has there been any communication with the local authority regarding the lack of the deed of postponement or in relation to any monies to which they may be entitled
2. The full address of the property
3. Title to the property
4. The limit of indemnity required

# Products

## 42. Search indemnity

### Insurance cover:

Protection against financial loss caused by a matter that would have been revealed to the owner of a property by a search in from local authority, mining, drainage, village green. The following options are available: no search, search delay and search validation.

### Information required:

1. The existing use of the property, whether the use of the property will change and/or be developed
2. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
3. When a search was last carried out
4. No parties to the transaction are aware of any matters that would be an adverse entry
5. Enquiries before contract have been raised and the replies do not reveal any matter that could lead to a claim
6. Details of the transaction i.e. remortgage or purchase
7. Limit of indemnity required

## 43. Section 52 /106 agreement indemnity

### Insurance cover:

Protection against the lack of evidence of compliance with, or failure to comply with, condition(s) contained in a section 52 or 106 agreement relating to the property.

### Information required:

1. Title to the property
2. Current/future use of the property
3. Is the section 52/106 agreement at least 5 years old?
4. Was the property completed at least 4 years ago?
5. Are you aware of the local authority indicating any intention to pursue individual plot owners in relation to the agreement?
6. Limit of indemnity

## 44. Tax liability indemnity

### Insurance cover:

Protection against a multitude of scenarios relating to a historic tax position and challenge by a tax authority (for example lack of certainty of the VAT election for a property or liabilities arising under tax deed given on company sale).

### Information required:

1. Full details of the tax risk to be covered
2. Experts advice and defence position
3. Details of any contact with relevant authorities
4. Quantum of liability
5. Limit of indemnity

## 45. Town and village green indemnity

### Insurance cover:

Protection against damages or compensation, costs of altering/ demolishing, diminution in value, abortive costs, where any third party (including any corporation) applies to the relevant statutory authority for the registration of the property or any part thereof as a town or village green after the policy date.

### Information required:

1. Title and filed plan to the property
2. Planning officer's report and letters of objection
3. Whether there has been any attempts to register the land
4. Previous and proposed use of the property
5. Fully developed value of the site
6. Limit of indemnity required

## 46. Trustee (breach of trust) indemnity

### Insurance cover:

Protection for the trustees and their successors in title, agents and professional representatives in respect of all loss, damages, costs and expenses sustained, suffered or incurred which are directly attributable to the distribution or winding up of the trust.

### Information required:

1. Explanation as to what action the trustees are taking and why, and what they see as the risk
2. Copy of any relevant documentation such as the will, trust deed or club/society rules
3. If missing beneficiaries are involved we will need full details of what steps have been made to trace them
4. Limit of indemnity required (this will need to reflect the risk the trustees believe they are running and, depending on the circumstances, may mean the full amount of distribution)

## 47. Visibility splay indemnity

### **Insurance cover:**

Protection against a third party obstructing and/or proposing to obstruct the required sight lines by interfering with the insured's use of the visibility splay.

### **Information required:**

1. Title and filed plan to the property
2. The existing use of the property, whether the use of the property will change and/or be developed
3. If change of use/development – whether planning permission has been obtained and if so the letters of objection/planning officer's report
4. Confirmation whether the land that falls within the visibility splay is registered
5. Confirmation whether the land that falls within the visibility splay, or intends to have, practical use
6. Limit of indemnity required

## 48. Warranty and indemnity

### **Insurance cover:**

Risks arising from breaches of warranties and indemnities in the share purchase agreement relating to a corporate transaction. Cover can be for both the buyer or seller and can be taken out pre or post completion.

### **Information required:**

1. Draft share purchase agreement
2. Deal overview
3. Due diligence reports
4. Access to the virtual data room

# Legal Indemnity - Q&As

**Q. Do policies cover lenders, tenants and successors in title?**

A. Legal indemnity policies usually cover all three parties, but can be limited to cover lender and/or tenant only.

**Q. Can we tell others about it?**

A. Legal indemnity policies often contain a condition stating that if others are notified of the policy or situation then coverage could be invalidated. We would advise not to make any notification without talking to the insurance company.

**Q. Does the policy cover loss of developers profit?**

A. Legal indemnity policies are designed to offer Indemnity only i.e to put the insured back in the position they were prior to the loss occurring. Loss of developers profit is therefore not covered as standard, but can be requested as an extension.

**Q. Is the premium payable annually?**

A. No, for legal indemnity policies, unlike other insurance policies, the payment is one off at inception of the policy period.

**Q. What is the policy term**

A. A large proportion of legal indemnity policies are in perpetuity unless specifically stated.

**Q. Can I insure before the planning application has been submitted?**

A. Yes, both pre and post planning covers are available in certain circumstances.

**Q. Will the standard policy satisfy my need?**

A. Bespoke policies can be written specifically for the individual transaction.

**Q. How quickly can I obtain a quotation?**

A. We can respond to all but the most complex enquiries within 24 hours and many of the straightforward cases only take a few hours. We would advise our solicitors to use this guide for assistance in collating the information at the outset to speed the process up.

**Q. How soon can I place the risk on cover?**

A. Once we have provided a quotation, we need to ensure that any of the insurer's subjectivities have been provided. When this has been completed, and if you are satisfied with the quotation and draft wording, we just need instructions to place the risk on cover (email is preferable) and we can proceed immediately. We will then provide you with written confirmation along with an invoice outlining the premium due. Payment will then be required within 14 days of inception and full documentation will follow on.

**Q. Are there any regulations governing who can arrange Legal Indemnity insurance?**

A. Yes, to arrange cover you must either be a firm authorised by the Financial Conduct Authority (FCA) directly, or authorized and regulated by the FCA's exempt professional firms register. Our compliance department is available for guidance should you be in any doubt.

**Q. How do I update a policy or make sure it remains adequate?**

A. Underwriters will consider cover changes or amendments upon request and we can refer these on your behalf.

**Q. If my client is a successor in title how do I make sure the policy is adequate?**

A. A copy of the original submission is normally available from underwriters. They will consider any cover changes or amendments upon request.

**Q. Can a legal indemnity policy be protected from inflation?**

A. Many underwriters will add an 'escalator clause' which will increase the indemnity limit by an agreed percentage over an agreed number of years.

**Q. What is an adequate limit of indemnity?**

A. There is no set formula for calculating the limit of indemnity, but most lenders will require a sum to that of the property/development full value. If your client wishes to obtain varied limits for due consideration we would be happy to accommodate this request.

**Q. Are cover extensions and top-ups available for existing policies?**

A. Yes, we have various extension options available e.g. Business Interruption (BI), delay costs. We can also request an endorsement from insurers if you wish to top up the limit of indemnity.

Please contact us for more information.

Here are just a few of the insurers we have relationships with;



# Who to contact

The next time you face a problem with a property transaction where insurance could be required call one of the team.

## Legal indemnity enquiries:



**Lianne Bayne:**  
**020 8329 4963**  
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**Lucy Fermor:**  
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**Nick Mace:**  
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## Rights of light enquiries:



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