

Summary of Terms and Conditions for 12 Months Cover

1. **Guarantee** SafetyLet Ltd will guarantee the Landlord in respect of lost rent. We provide our own legal services following default by the tenant on the Tenancy Agreement relating to the specified private residence.
 - (a) **Rent** SafetyLet Ltd guarantee the Landlord for rental arrears and unpaid rent for the remaining term of the period covered by the Certificate of Guarantee (“the Certificate”) and until vacant possession of the property is obtained. The first unpaid rent must commence during the period covered by the Certificate or where legal proceedings have been instituted before possession is obtained (whichever is the sooner). The maximum rent that can be covered is £2000.00 per calendar month – unless by special prior agreement.
 - (b) **Legal Services** SafetyLet Ltd guarantee the Landlord for all legal services regarding the recovery of rent arrears; obtaining Possession Orders; Bailiffs Warrants or other enforcement.
 - (c) **Eviction** SafetyLet Ltd guarantee will provide the Landlord with a legal service in the event that it becomes necessary to evict the Tenant due to any unexpected event; Breach; Default or unauthorised occupation such as squatters.
 - (d) **Disputes** In the event of disputes arising between the Landlord and Tenant, SafetyLet Ltd provide legal assistance and advice.
 - (e) **Defence of Prosecutions** In the event that a tenant brings a claim against the Landlord, where a Landlord is prosecuted for an offence arising from his letting of the property, or where there is any other dispute between Landlord and Tenant, SafetyLet Ltd will provide a legal service and defend proceedings against the Landlord.
2. **Limits Of Liability**
 - (a) The Maximum Liability of SafetyLet Ltd will be £25,000 in respect of any one Guaranteed Incident or series of Guaranteed Incidents.
 - (b) The policy excess is the industry standard of one calendar month’s rent. The excess is deducted from the first Application for Unpaid Rent.
 - (c) The Guarantee in respect of outstanding rental arrears and unpaid rent will be limited to a maximum of 12 months’ rent.
 - (d) The Guarantee in respect of rent reduces to 75% of the monthly rental income on vacation of the property by the Tenant and is limited to one month’s rent.
 - (e) Payments whilst the property is vacant are conditional on (a) The Landlord making the property available, through the Managing Agents, for re-letting; and (b) The Landlord must accept an offer of a tenancy in excess of 85% of the monthly rental
 - (f) The decision of SafetyLet Ltd over dilapidation disputes will be binding as to the value of the dilapidations in such disputes.
 - (g) This contract is non-transferable.
 - (h) In the event of the non-payment of rent by [or the Insolvency of] the Managing Agent, this contract is cancelled with immediate effect.
 - (i) Non-payment under the contract for SafetyLet® protection [by either monthly percentage fee or annual charge as agreed], will result in the contract being cancelled with immediate effect.
3. **The Tenancy** The Tenancy must be either: an Assured Shorthold Tenancy as defined by the Housing Acts 1988 and 1996 or a Tenancy to a Limited Company. The requirements of the relevant legislation (including all relevant statutory instruments) in relation to the Tenancy Agreement must be followed.
4. **The Tenant** The Tenant must be recommended as acceptable by the Referencing Department of SafetyLet Ltd prior to the commencement of the Guarantee; and SafetyLet Ltd must be notified of any proposed changes in the person(s) who are for the time being the Tenant in occupation of the property during the period of the Contract.
5. **Claim Procedure** Notification of all situations giving rise to a Claim must be made within 45 days of the first default by the Tenant. Any applications for settlement of unpaid rent will be considered after 60 days from the first default. Payments will be made in either one or two instalments at the Landlord’s request.
6. **Exclusions** The Guarantee shall not apply where the Landlord has failed to comply with his own contractual and statutory obligations; or where
 - (a) there is late notification to SafetyLet Ltd;
 - (b) The Management Agent has failed to obtain a Tenancy Agreement signed by both Landlord and Tenant. This applies to any subsequent contracts required due to renegotiations of terms such as rent increases; or removal/additions of parties to the contract.
 - (c) cleared funds in respect of the first month’s rent and a deposit equal to at least one month’s rent have not been received from the Tenant prior to the granting of the tenancy;
 - (d) negotiations have taken place between the Landlord and the Tenant for the purchase of the Property (whether or not such purchase is completed);
 - (e) there is a dilapidations dispute and no Check-in Inventory was agreed by or on behalf of both the Landlord and the Tenant prior to the granting of the tenancy;
 - (f) there is a simple ‘dilapidations only’ dispute in where the value does not exceed £750;
 - (g) there is an application for payment which is for less than £250;
 - (h) the mortgagee of the property initiates recovery proceedings against the Landlord for repossession of the property for failure to pay the mortgage instalments except where prior to such failure the Tenant failed to pay the rent;
 - (i) any payment of rent or mesne profit arising from occupation of the property by any unauthorised occupant;
 - (j) where the landlord enters into negotiations with any party to the contract without prior notification to and agreement from SafetyLet Ltd.
7. **Pre-conditions to SafetyLet® protection.**

Signed Tenancy Agreements and Guarantor Agreements where required, must be in-situ upon commencement of the Tenancy. Compliance with all Statutory and Contractual Obligations are prerequisite. The onus is entirely on the Landlord to comply with all Statutory and Contractual Obligations arising from the Tenancy Agreement.