

**Financial GAP Insurance
Policy Document**

1. UNDERSTANDING YOUR POLICY

Please read this Policy Document carefully and make sure **You** understand and fully comply with its terms and conditions, failure to do so may jeopardise the payment of any claim which might arise and could lead to the Policy becoming void. Please ensure **You** keep it in a safe place.

2. THE POLICY

We will provide the insurance as stated in this Policy. **Your Policy Application**, which includes the signed declaration and the undertaking to pay the premium, is the basis of the contract. This Policy Document contains details of the insurance cover **You** have bought, what is excluded from the cover and the conditions of this insurance.

This insurance is designed to pay for the financial shortfall between the amount **You** receive from **Your Motor Insurance Policy** in the event of **Your Insured Vehicle** being a **Total Loss** following accidental damage, fire or theft and the amount **You** require to settle **Your Finance Agreement** up to the maximum stated in **Your Policy Schedule**, excluding any amount financed above the original **Net Invoice Selling Price of Your Insured Vehicle**. The payment of any shortfall is subject to terms and conditions.

3. CONTRACT OF INSURANCE

This Policy Document is evidence of a contract of insurance and should be read in conjunction with **Your Policy Schedule**. This Policy is not transferable.

4. THE POLICY SCHEDULE

This must be kept with the Policy and contains **Your** details, details of the **Insured Vehicle**, and the **Period of Insurance**.

Please check that information contained in the Policy Schedule is correct and that it meets **Your** requirements. If it does not, please contact the **Introducer** who arranged this Insurance for **You** or the **Administrator**.

5. ELIGIBILITY

You can apply for this Policy if at the **Date of Commencement** of the **Period of Insurance**:

- **You** are the registered keeper, owner or hirer of the **Insured Vehicle**;
- **You** are the insured person and named as the policyholder in the **Motor Insurance Policy** for the **Insured Vehicle**;
- **Your Insured Vehicle** is less than or equal to 6 years old;
- The term of the **Finance Agreement** on the **Insured Vehicle** is less than or equal to 60 months.

6. YOUR RIGHT OF CANCELLATION

You have a statutory right to cancel the Policy within 14 days starting on the later date **You** enter into the contract, or, if different the date **You** receive the Policy documentation. To cancel please write to the address or call the number shown on **Your Policy Schedule**. On receipt of **Your** notice of cancellation, **We** will refund any premiums **You** have already paid, unless **You** have already made a claim under **Your Policy**. If after this period has elapsed **You** wish to terminate cover **You** will not be entitled to any refund of premium.

7. DEFINITIONS

In this Policy the following expressions shall have the following meanings:
“**We/Us/Our**” means QBE Insurance (Europe) Limited, Plantation Place, 30 Fenchurch Street, London, EC3M 3BD.

“**You/Your/Yourself**” is the individual or company specified on the **Application** who/which has applied for insurance hereunder and paid the appropriate premium.

“**Administrator**” means Premia Solutions Limited, 3 Corunna Court, Corunna Road, Warwick CV34 5HQ. Customer Services telephone 0870 757 1680.

“**Introducer**” means the party, person or company who has arranged this insurance on **Your** behalf.

“**Proposal/Application**” means any signed **Proposal** and declaration together with any additional information **You** may have supplied **Us** in support of **Your Application** for insurance.

“**Date of Commencement**” means the Start Date of Cover shown on the Policy Schedule for insurance.

“**Date of Loss**” means the date of the incident to the **Insured Vehicle** in respect of which a claim for **Total Loss** is subsequently paid under the **Motor Insurance Policy**.

“**Finance Agreement**” means the agreement between **You** and the **Finance Company** for the purchase or hire of the **Insured Vehicle** but excluding any secondary schedule that may be noted on the **Finance Agreement**.

“**Finance Company**” means any **Finance Company** or any other lender with whom **You** have agreed a loan, credit or hire agreement.

“**Insured Value**” means the amount **You** received under **Your Motor Insurance Policy** in respect of the **Insured Vehicle** as a result of a **Total Loss** or the market value of the **Insured Vehicle** by reference to **CAP Guide** Retail value at the **Date of Loss** whichever is greater.

“**Insured Vehicle**” means the vehicle specified in the Policy Schedule being a vehicle not exceeding 3.5 tonnes registered and principally used in Ireland or the United Kingdom and having a Maximum Vehicle Price (including factory and dealer fitted accessories) as stated in **Your Policy Schedule**.

The following makes of vehicle are excluded: Aston Martin, Bentley, Bristol, Cosworth, De Tomaso, Dorchester, Ferrari, Ginetta, Lamborghini, Lancia Thema, Maserati, Rolls Royce, Kit Cars, Lotus, Nissan Skyline, Subaru SVX/Impreza WRX, STi, **Grey Import**, any left hand drive vehicle, and any American make of vehicle unless manufactured as right hand drive. This Policy also excludes any emergency vehicle, taxi, bus, truck, HGV,

motorcycle, invalid carrier, vehicles used for the purpose of driving schools, or any vehicle not mentioned in CAP Guide.

“**Grey Import**” means any vehicle not officially imported or distributed by the relevant manufacturer.

“**Motor Insurance Policy**” means a comprehensive policy of Motor Insurance issued by an authorised UK motor insurer which insures against accidental loss of or damage to the **Insured Vehicle** and which is maintained in **Your** name or a nominated/authorised driver throughout the **Period of Insurance**.

“**Net Invoice Selling Price**” means the sale price of the **Insured Vehicle** (including factory fitted accessories) including any discount given, but excluding warranty charges, insurance premiums, road fund licence, and dealer fitted extras and accessories unless specified on the relevant manufacturer's price list, or a maximum of 105% of the market value of the vehicle as shown by **CAP Guide** Retail value at the time of purchase, whichever is lesser.

“**Period of Insurance**” means the period as shown in **Your Policy Schedule** from the Start Date of cover to the End Date, or the date on which the **Insured Vehicle** is sold or transferred to a new owner or the **Finance Agreement** is terminated, whichever occurs sooner.

“**Territorial Limits**” means Great Britain, Northern Ireland, Ireland, Isle of Man, Channel Islands, member countries of the European Community.

“**Total Loss**” means the **Insured Vehicle** being the subject of accidental damage, fire or theft to the extent that the **Insured Vehicle** is forfeited and a claim is paid as full and final settlement under the **Motor Insurance Policy**.

8. WHAT IS COVERED

If within the **Period of Insurance** an incident occurs which results in the **Insured Vehicle** being classed as a **Total Loss** by the **Motor Insurance Policy** underwriter **We** will, in consideration of the payment of the premium, pay the difference between the **Motor Insurance Policy** underwriters settlement and the amount **You** require to settle **Your Finance Agreement** up to the maximum stated in **Your Policy Schedule** excluding any amount financed above the original **Net Invoice Selling Price of Your Insured Vehicle**.

9. CONDITIONS

- i) Any payment of benefit under this Policy is conditional upon **You** being insured under a **Motor Insurance Policy**.
- ii) If **You** decline the offer of a replacement vehicle under the terms of the **Motor Insurance Policy** then **We** will settle the claim based on the value of the replacement vehicle and not the settlement figure offered under the **Motor Insurance Policy**.
- iii) If **You** accept an offer of settlement from the underwriters of the **Motor Insurance Policy** of less than the current market value of the vehicle then **We** reserve the right to assess the loss at the current market value of the vehicle by reference to **CAP Guide** Retail value at the **Date of Loss**.
- iv) If any claim under the Policy shall be in any respect fraudulent or if any fraudulent means or devices are used by **You** or anyone acting on **Your** behalf to obtain benefit under this Policy, all benefit hereunder shall be forfeited and **We** shall be entitled to recover all benefits paid hereunder directly or indirectly as a result of such fraud or fraudulent means or devices.
- v) **You** shall not be entitled to any refund of premium.
- vi) The Policy is not transferable to any subsequent owner of the **Insured Vehicle**.
- vii) Written notice of the facts on which a claim is based must be given to the **Administrator** in a form approved by **Us** within 30 days of the **Date of Loss**. If such notice shall not be given within such period or any extension agreed by the **Motor Insurance Policy** underwriter, **We** may at **Our** option refuse to deal with **Your** claim.
- viii) The parties hereto are free to choose the law applicable to this insurance Policy. However, unless specially agreed to the contrary, this insurance shall be subject to English Law.
- ix) If **You** elect to pay the premium by monthly installments, in the event of a claim any outstanding premiums will be deducted from the benefit payable under this policy.

10. WHAT IS NOT COVERED

- This Insurance does not cover any claim:
- i) if the **Insured Vehicle** is stolen by any person who has access to the keys of the **Insured Vehicle**;
 - ii) any **Total Loss** where the **Total Loss** occurred before the inception of this insurance;
 - iii) in respect of any **Total Loss** which is not the subject of an indemnity under the accidental damage section of a **Motor Insurance Policy** or which occurs while the **Insured Vehicle** is being used for pacemaking, racing, rallying, speed testing or reliability trials, hiring (including private hire and taxis) or is being driven by any person not holding a valid current licence to drive the **Insured Vehicle**;
 - iv) if the **Insured Vehicle** has been modified in any way from the manufacturer's specification, or are owned temporarily or otherwise (resulting from trade-in or acquisition for the purposes of resale) by a business formed for the purposes of selling or servicing motor vehicles;
 - v) in respect of any **Total Loss** by accident when the driver of the **Insured Vehicle** is intoxicated by alcohol or under the influence of drugs not prescribed by a registered medical practitioner, or drugs prescribed by a registered medical practitioner in respect of which a warning against operating a motor vehicle is given;
 - vi) arising from war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, terrorism, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority;

- vii) directly or indirectly caused by or contributed to or arising from ionising radiation contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- viii) if any misrepresentation or concealment is made by or on behalf of **You** in obtaining this Policy or in support of any claim thereunder;
- ix) if either the **Application** or the premium are not received by the **Administrator**;
- x) if the **Total Loss** occurs outside the **Territorial Limits**;
- xi) in respect of loss of use of the **Insured Vehicle** or any consequential loss whatsoever;
- xii) in respect of any excess deducted under the **Motor Insurance Policy**;
- xiii) if the loss is covered by any other insurance or warranty;
- xiv) for any **Insured Vehicle** not mentioned in CAP Guide;
- xv) where the **Finance Agreement** allows for delayed payments, irregularly scheduled payments or payments less frequently than every 3 calendar months
- xvi) VAT where **You** are VAT registered;
- xvii) arising from any malicious damage claim which is not accompanied by a valid and substantiated crime reference number;
- xviii) arising from any finance due on the **Insured Vehicle** carried across to **Your Insured Vehicle** from previous finance arrangements.

12. CLAIMS CONDITIONS

You must comply with the following conditions to have the full protection of **Your** Policy. If **You** do not comply with them, **We** may at **Our** option cancel the Policy, refuse to deal with **Your** claim, or reduce the amount of the claims payment:

- i) all claims must be notified as soon as is reasonably possible;
- ii) **You** must take all reasonable steps to safeguard the **Insured Vehicle** in the event of any damage occurring to it;
- iii) in the case of malicious damage and theft **You** must report the incident to the Police and advise **Us** of **Your** crime reference number;
- iv) a detailed Claims Procedure is given in this Policy. **You** must follow this procedure, failure to do so may result in non-payment of **Your** claim;
- v) **We** accept no liability for the responsible disposal of the **Insured Vehicle** or it's salvage in any event;
- vi) at notification of any claim **We** reserve the right to instruct an independent engineer to inspect the **Insured Vehicle** before authorising any claim. Any decision on liability will be withheld until this report is received. When this right is exercised **We** shall have no liability for any loss to **You** arising from any possible delay;
- vii) **We** may at **Our** sole option take any steps in **Your** name against any person including but not limited to **Your Motor Insurance Policy** underwriter to recover any money **We** pay in settlement of **Your** claim. **You** must give us all assistance necessary. **We** may also at **Our** option take over negotiations with **Your Motor Insurance Policy** underwriter with respect to **Your Total Loss** claim.

13. CLAIMS PROCEDURE

If **Total Loss** occurs please help by reporting **Your** claim according to the following procedure:

- i) contact the **Administrator**. The claim notification telephone number is 0870 757 1680 or write to them at Premia Solutions Limited, 3 Corunna Court, Corunna Road, Warwick CV34 5HQ;
- ii) for claims authorisation **You** must advise **Your** Policy number, **Insured Vehicle** details and the cause of **Total Loss**;
- iii) no benefit shall become payable under this Policy until **We** have received proof to **Our** satisfaction of :-
 - payment of the appropriate premium in respect of the Policy
 - the payment of the claim for **Total Loss** under the **Motor Insurance Policy**
 - evidence of the **Total Loss** and the **Insured Value** as at the **Date of Loss**
 - **Your** Policy number and vehicle details
 - cause of **Total Loss**
 - valid crime reference in the case of malicious damage or theft
 - details of the outstanding finance arrangement including the outstanding balance, remaining term, interest charges etc.

14. DATA PROTECTION ACT 1998

Some or all of the information which **You** supply to **Us**, the **Administrator** or the **Introducer** in connection with this insurance will be held on their computer records to help with the administration of the Policy. It may be used for underwriting or claims purposes by **Us**. The details **You** supply will

be sorted and used by **Us** to administer **Your** insurance cover. **Your** details will not be kept for longer than necessary. **You** are entitled to a copy of all the information **We** hold about **You**.

15. COMPLAINTS PROCEDURE

If **You** are unhappy with the service provided for any reason or have cause for complaint **You** should initially contact or write to the Customer Services Manager at Premia Solutions Limited, 3 Corunna Court, Corunna Road, Warwick CV34 5HQ.

If **You** remain dissatisfied after this please write to:

The Customer Satisfaction Manager,
Product Protection,
QBE Insurance (Europe) Limited
Plantation Place, 30 Fenchurch Street,
London, EC3M 3BD.
Registered in England No. 1761561

If **We** cannot resolve the matter to **Your** satisfaction, **We** will provide **You** with a final response so that **You** can, if **You** wish, refer the matter to the Financial Ombudsman Service at the following address:

Insurance Division
The Financial Ombudsman Service
South Quay Plaza 2
183 Marsh Wall, Docklands
London E14 9SR

Making a complaint to the Financial Ombudsman Service does not affect **Your** right to take legal proceedings.

16. COMPENSATION

QBE Insurance (Europe) Limited is covered under the Financial Services Compensation Scheme. This provides compensation in case any of its members are unable, in specified circumstances, to meet any valid claims under their policies. The first £2,000 of a claim is protected in full. Above this threshold, 90% of the remainder of the claim will be met (100% if the insurance is legally compulsory). Compensation is only available to commercial customers in limited circumstances. Further information can be obtained from the Company at the address above, or from the Financial Services Compensation Scheme at the following address:

Financial Services Compensation Scheme
7th Floor,
Lloyds Chambers,
1 Portsoken Street,
London E1 8BN.
Tel: 020 7892 7300

17. DIRECTIVE REQUIRED INFORMATION

QBE Insurance (Europe) Limited is a private company limited by shares and is authorised and regulated by the Financial Services Authority (FSA) as an insurance company and, with effect from 14 January 2005, to undertake insurance mediation, under Registration Number 202842.

You can check this on the FSA's Register by the visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

18. THE LAW AND LANGUAGE APPLICABLE TO THE POLICY

The law of England and Wales will apply to this contract unless:

- i) **You** and **We** agree otherwise, or
- ii) at the commencement of this insurance **You** are resident of (or in case of a business, the registered office or principal place of business is situated in) Scotland, Northern Ireland, Channel Islands or the Isle of Man, in which case the law of that country will apply unless **You** and **We** agree otherwise.

The language used in this Policy and any communications relating to it will be English.

19. COMPANY HEAD OFFICE

Our Home State is the United Kingdom and the Policy is underwritten from its London premises located at the address below. **Our** Head Office and registered address is:

QBE Insurance (Europe) Limited
Plantation Place, 30 Fenchurch Street, London, EC3M 3BD.
Registered in England No. 1761561