

RETAIL PRICE PROTECTION GAP INSURANCE POLICY

If a **Total Loss** occurs within the Period of Insurance (36 months), the maximum amount that the Insurer will pay in respect of any one claim is unlimited, up to the original purchase price of the vehicle, subject to the Insurer of the **Motor Insurance** Policy making a full and final settlement. This insurance will pay the amount (if any) by which the **Agreed Vehicle Valuation** at time of GAP Insurance purchase or the original vehicle purchase price exceeds the Insured Value at the time of loss, dependant upon when you originally purchased your vehicle. The payment of any **benefit** is subject to the terms and conditions as set out below.

This policy wording is evidence of a legally binding contract of insurance between You and Motors Insurance Company Limited (hereinafter known as the 'Insurer', 'We', 'Our', 'Us').

Motors Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under number 202875. This can be checked on the Financial Services Register by visiting the FCA's website at www.fca.org.uk/register.

This policy is administered by Car Care Plan Limited (hereinafter known as the 'Administrator') which is authorised and regulated by the Financial Conduct Authority.

1 DEFINITIONS

The following words will have the following meanings when they appear in bold print in this document:

"benefit" means the maximum amount payable under the policy as detailed on the **schedule of cover**.

"end date" means the date this insurance cover ends, in accordance with Clause 7.

"insured vehicle" means the vehicle or motorhome:

- (i) purchased by you with monies advanced under the **finance agreement** or your own monies; or
- (ii) hired to you with an option for you to purchase it.

"invoice price" means the purchase price paid for the **insured vehicle** including dealer and factory fitted options up to £750 but excluding any insurance premiums, new vehicle registration fees, road tax, number plates, warranty costs, fuel, paintwork protection applications, other extras and any amount relating to finance for any other vehicle which may be consolidated onto the **finance agreement** in any way.

"market value" means the value of the insured vehicle at the date of total loss based on an average of the vehicle valuations given in recognised motor-trade guides provided by Parker, Glass and CAP and as explained on the Financial Ombudsman Service website at www.financial-ombudsman.org.uk/publications/technical_notes/motor-valuation.html.

"motor insurance" means a policy providing comprehensive **motor insurance** in respect of the **insured vehicle** issued by your **motor insurer** and maintained in your name throughout the period of cover.

"motor insurance excess" means the fixed amount of money you are required to pay under your **motor insurance policy** following a claim relating to the **insured vehicle**. The maximum amount we will pay is limited to £250 including VAT and will be paid if the **total loss** of your vehicle results in a benefit being paid under this policy.

"motor insurance settlement" means the money that you receive from your **motor insurer** under your **motor insurance** following a claim for the **total loss** of the **insured vehicle**.

"motor insurer" means a UK authorised **motor insurance** company that issued a policy of **motor insurance** to you.

"premium" means the amount that you have agreed to pay us in respect of insurance cover under this policy.

"schedule of cover" means the schedule we send you detailing your insurance cover.

"start date" means the date shown on your **schedule of cover** as the date this insurance cover commences.

"territorial limits" means England, Scotland, Northern Ireland, Wales, the Isle of Man and the Channel Islands. The **insured vehicle** is also covered in the European Union providing the

cover provided by your **motor insurer** is an equivalent level of cover as you would have enjoyed in the UK.

"total loss" means the **total loss** of the **insured vehicle** as a result of fire, theft, accident damage, vandalism, natural disaster or adverse weather conditions rendering the **insured vehicle** beyond economic repair resulting in a **motor insurance settlement**.

"we, our, us" means Motors Insurance Company Limited, and any third party administrator acting on their behalf.

"you, your, insured" means the person or company who has purchased or financed the **insured vehicle** and who has paid the **premium** for this insurance or who is a named driver on your **motor insurance** policy.

"agreed vehicle valuation" is the value of the insured vehicle provided by the policyholder or the value based on an average of the vehicle valuations given in recognised motor-trade guides provided by Parker, Glass and CAP at the purchase date of this insurance. Please note the insurer reserves the right to check the vehicle valuation provided at the time of purchase of this GAP insurance in the event of a claim.

2 ELIGIBILITY

- (i) An individual or sole trader will be eligible for this insurance cover if he or she:
 - (a) is resident in England, Scotland, Northern Ireland or Wales on the **start date** and remains so throughout the period of insurance;
 - (b) has purchased the **insured vehicle** with either their own monies or, if relevant, with monies advanced under a **finance agreement**;
 - (c) has applied for this insurance cover in the form approved by us;
 - (d) has paid or agreed to pay the **premium** and agreed to comply with the terms and conditions of this policy; and
 - (e) has **motor insurance** in place for the **insured vehicle**.
 - (f) **vehicle** is ten years old or under and it has covered less than 100,000 miles at the time of policy purchase.
- (ii) A partnership, limited company or other legal entity will be eligible for this insurance cover if:
 - (a) it is permanently situated, and in the case of a limited company, registered in England, Scotland, Northern Ireland or Wales on the **start date**;
 - (b) it has purchased the **insured vehicle** with either their own monies or, if relevant, with monies advanced under a **finance agreement**;
 - (c) it has applied for this insurance cover in the form approved by us;
 - (d) it has paid or agreed to pay the **premium** and agreed to comply with the terms and conditions of this policy; and
 - (e) it has **motor insurance** in place for the **insured vehicle**.

3 PAYMENT OF PREMIUM

Your premium can be paid as a single premium or via monthly instalments. Please note that if you wish to pay in instalments you must apply for cover online. Your policy will expire in accordance with Clause 7 of your policy.

4 WHAT YOU ARE COVERED FOR

- (i) In the event of the total loss of the insured vehicle occurring after the start date and before the end date, we will pay an amount equal to the difference between:
- the invoice price (or the early settlement amount – only if the insured vehicle is subject to a finance agreement and the early settlement amount is greater than the invoice price); and
 - the value of the insured vehicle at the date of total loss which will be the greater of:
 - the motor insurance settlement; or
 - the market value, less the deductions listed in (iv) and (v) below.
- (ii) The benefit under Clause 4. (i) will be paid to you where the insured vehicle is not subject to a finance agreement. Where the insured vehicle is subject to a finance agreement, the benefit will be paid to the finance company and we will pay any excess over the early settlement amount to you.

This insurance will pay the amount (if any) by which the Agreed Vehicle Value at time of GAP insurance purchase or the original vehicle purchase price exceeds the Insured Value at the time of loss, dependant upon when you originally purchased your vehicle:

Vehicle Purchased within last 12 months

- If the vehicle has been purchased within the previous 12 months of taking out this Insurance, you must provide a bona fide sales invoice. Otherwise, the value of the vehicle at the time of purchase (you will need to provide a copy of your V5 vehicle ownership document) will be determined based on an average of the vehicle valuations given in recognised motor-trade guides provided by Parker, Glass and CAP.

Vehicle Purchased more than 12 months ago

- If the vehicle has been purchased more than 12 months previous to the commencement of this Insurance, we will provide cover based on the value of the vehicle at the time of purchase of this Insurance, NOT the original purchase price of the vehicle. We reserve the right to check the vehicle value provided by you at the time of claim. If the vehicle value provided by you proves to be excessive, then the claim amount will be adjusted to reflect the true market vehicle value at the time of purchase of this GAP insurance. If necessary, vehicle values will be determined based on an average of the vehicle valuations given in recognised motor-trade guides provided by Parker, Glass and CAP.

- (iv) We will deduct from the benefit payment:
- Any motor insurance excess deducted under your motor insurance policy above £250;
 - the salvage value of the insured vehicle where you are not required to transfer ownership of the insured vehicle to the motor insurer;
 - any premium owing to the motor insurer for the motor insurance;
 - where the motor insurer reduces the motor insurance settlement because of your contributory negligence or due to the condition of the insured vehicle – the same percentage or amount as deducted by the motor insurer;
 - any premium, or a part of any premium that has not been paid to us; and
 - the VAT content of any claim if you are VAT registered.
- (v) If you decline the offer of a replacement vehicle under the terms of your motor insurance policy, then we will pay your claim based on the market value of the replacement vehicle and not the settlement figure offered by your motor insurer in lieu of the replacement vehicle.

5 WHEN YOU WILL NOT BE COVERED

- (i) The benefit will not be paid for a total loss of the insured vehicle if:
- it is used as an emergency or military vehicle, courier or delivery vehicle, invalid carrier or driving instruction vehicle;
 - it is subject to a lease agreement, contract hire agreement or is used for hire or reward of whatsoever nature, or as a taxi;
 - it is a scooter, motorcycle, touring caravan, non-UK specification vehicle or not built for principal sale in the UK or classed as a grey import, kit car, bus, coach,

commercial vehicle more than 3.5 tonnes, truck, heavy goods vehicle or any vehicle not listed in the Glass's Guide publication;

- it is used for road racing, rallying, pace-making, speed testing or any other competitive event;
 - it has been modified other than in accordance with the manufacturer's specifications; or
 - it is stolen by any person who has access to the insured vehicle's keys.
- (ii) The benefit will not be paid if the total loss:
- is caused when the insured vehicle is driven, with your general consent, by someone who does not hold a valid driving licence or is in breach of the conditions of that driving licence;
 - results from you, or any other person with your general consent driving the insured vehicle, when intoxicated or under the influence of alcohol or drugs not prescribed by a medical practitioner or drugs prescribed by a medical practitioner where advice against driving has been given;
 - results from an accident, theft, act of vandalism or flood outside the territorial limits where the insured vehicle has been driven for more than 30 days outside the territorial limits in the 12 months immediately preceding the total loss;
 - occurs while the insured vehicle is being driven outside the territorial limits and the cover provided by the motor insurer does not meet the minimum requirements under the policy; or
 - results from civil commotion, terrorism, riot or insurrection, war or any act incidental to war (whether declared or not).
- (iii) The benefit will not be paid if:
- you do not have motor insurance in place from the start date until the date of total loss;
 - your motor insurance claim is declined and you have not received the motor insurance settlement;
 - the loss is covered by any other insurance or warranty; or
 - if the insured vehicle is owned by a garage, vehicle trader or any other associated vehicle trade company.
- (iv) The cover also excludes any loss of use of the insured vehicle or any other costs that are directly or indirectly caused by the event which led to the total loss.
- (v) Any element of the original invoice price that exceeds the market value at the time of purchase if the insured vehicle is not subject to a hire purchase agreement.

6 TRANSFER OF COVER

Should your insured vehicle be declared a total loss by your motor insurer and you accept a new vehicle from your motor insurer, you may apply to the administrator to transfer the balance of your policy to your new vehicle subject to the following terms and conditions:

- The total loss occurred within the first 12 months following the start date of this policy
- The new vehicle must have been provided by your motor insurer in settlement of a claim for the total loss of the insured vehicle
- The invoice price of the insured vehicle will be used to calculate any future claim under this policy irrespective of whether the new vehicle value is higher or lower
- The start date of the policy will remain the same
- The period of insurance will remain the same

7 WHEN WILL THE COVER END?

The end date will be the earliest of:

- 36 months from the start date of the policy as stated on your schedule of cover;
- where the finance company is the owner of the insured vehicle, the date on which the insured vehicle is repossessed by the finance company;
- the date on which benefit is paid under this insurance cover;
- the date on which we advise you that your insurance cover is terminated under Clause 9;
- the date on which you do not pay the premium when it is due, or you cancel any payment previously made; or
- the date the insured vehicle is sold by you to another party.

This policy is non-renewable.

8 CANCELLING YOUR COVER

COOLING-OFF PERIOD

We hope that you will be happy with your insurance policy. However, if this policy does not meet your needs, you have 30 days from the date you received your policy document to cancel this policy and get a full refund. We will not give you a refund if you have claimed for the total loss of your car or an incident has happened when you would make that claim. To cancel your policy, please contact the administrator who sold you your policy.

YOUR RIGHTS TO CANCEL YOUR POLICY

If you wish to cancel your policy after this 30-day period, you can cancel at any time and receive a *pro rata* refund. To cancel your policy please contact the Administrator by calling 0344 573 8178 or by writing to: Car Care Plan Limited, Jubilee House, 5 Mid Point Business Park, Thornbury, West Yorkshire BD3 7AG. An administration fee of £30 will be deducted from the calculated amount prior to any refund being paid.

Please note that we will not give you a refund if you have claimed for the total loss of your vehicle or an incident has happened where you could make a claim for a total loss.

If you have paid for this policy in a single payment, provided you have not made a successful claim, the administrator will provide you with a refund proportional to the length of time the policy has been in force and is calculated using the policy start date. The amount of refund you receive will be based on each full calendar month remaining on your policy as a percentage of the original duration of your policy less an administration charge of £30.

If you have paid for your policy by instalment payments through an instalment agreement with Car Care Plan Ltd, any refund amount owed to you will be calculated in line with the following rules:

- Where you have paid all the instalment payments, we will calculate the refund as above. The refund will be paid directly to you.
- Where you have NOT paid all the instalment payments, we will calculate the refund as above and:
 - 1 If the refund you are eligible for is in excess of the total outstanding instalment payments you owe Car Care Plan, we will pay the difference directly to you, or
 - 2 If the refund you are eligible for is less than the total outstanding instalment payments you owe Car Care Plan, the refund will be applied as part payment of your total outstanding instalment payments. You will continue to be responsible for paying the remaining outstanding payments on your instalment agreement with Car Care Plan until the balance calculated at the time of notice of cancellation received by the administrator has been settled.

We will not give you a refund if you have successfully claimed for the total loss of your vehicle or an incident has happened where you could make a successful claim for a total loss.

Please allow up to 28 days for your cancellation and refund to be processed.

9 INVALID COVER BENEFIT

If any benefit is paid which is found to have been made as a direct or indirect result of your fraud, recklessness or negligence then all payments shall be forfeited and we reserve the right to demand that any sum paid by us is repaid by you and/or take the appropriate legal action against you.

10 CLAIMS

- (i) If you wish to make a claim under this insurance cover, please:
- (a) contact our administrator, Car Care Plan GAP Customer Services, on 0344 573 8178;
 - (b) supply all information and assistance that we may require in establishing the amount of any payment, under this insurance, including original documentation.

Please note that it is a condition of this insurance cover that you do not accept a settlement offer from your motor insurer without first contacting Car Care Plan GAP Customer Services 0344 573 8178.

- (ii) If you accept a settlement figure from your motor insurer, which is less than the current market value of the insured vehicle, we will calculate the loss using the current market value of the insured vehicle.

- (iii) We will be unable to process your claim if we do not receive:
- (a) a copy of your motor insurance schedule;
 - (b) the motor insurer's written confirmation that the motor insurance settlement has been paid following your claim for total loss and the terms on which the motor insurance settlement was made;
 - (c) the original sales invoice relating to the insured vehicle; and
 - (d) where the insured vehicle is subject to a finance agreement:
 - (i) a copy of the finance agreement; and
 - (ii) written confirmation from the finance company of the early settlement amount and the terms on which it has been calculated.
- (iv) We may at any time request you to provide us with proof, which is reasonably satisfactory to us, of the validity of the claim for benefit. If we do not receive such proof we will not pay the benefit.

11 GENERAL CONDITIONS

- (i) This policy, together with any written statement or other information made or supplied by you relating to your policy, shall constitute the entire contract between us. The provisions of the contract are, where their nature permits, conditions precedent to our liability.
- (ii) You cannot assign or change the policy in any manner whatsoever.
- (iii) When your cover under this policy ends it will not have a cash or surrender value.
- (iv) This policy shall be governed by and construed in accordance with the Law of England and Wales unless the insured's habitual residence (in the case of an individual) or central administration and/or place of establishment is located in Scotland, in which case the Law of Scotland shall apply.
- (v) To improve the quality of our service, we will be monitoring and recording all telephone calls made to our administrator, Car Care Plan.
- (vi) Identification – the terms and conditions and schedule of cover will be read as one contract. A word or expression to which a specific meaning has been attached will keep the same meaning wherever it appears unless specifically stated otherwise. A particular word or phrase, which is not defined, will have its ordinary meaning.
- (vii) Your Duty – you are required by the provisions of the Consumer Insurance (Disclosure and Representations) Act to take care to supply accurate and complete answers to all the questions in the application form and to make sure that all information supplied is true and correct. You must tell us of any changes to the answers you have given as soon as possible. Failure to advise us of a change to your answers may mean that your policy is invalid and that it does not operate in the event of a claim. We may also recover any money we may have paid under this policy.
- (viii) Fraud – the insurer will void this policy in its entirety from the date of loss or alleged loss and no cover provided will apply if:
- (a) a claim made by you or anyone acting on your behalf to obtain any benefit is fraudulent or intentionally exaggerated; or
 - (b) a false declaration or statement is made in support of a claim under this policy.
- (ix) Subrogation – the insurer may at their own expense take such proceedings as they think fit in the name of the insured to enforce any rights and remedies against or obtain relief or indemnity from other parties to which the insurer shall be or may become entitled or subrogated under this policy and the insured shall at the request and expense of the insurer do such acts and things as may be reasonably required by the insurer for that purpose.
- (x) Observance of policy terms – it is a condition precedent to our liability that you and anyone claiming indemnity has complied with the terms and conditions of this policy.
- (xi) Contribution – if at any time of any loss or damage arising under this policy there is another insurance policy covering such loss or damage, the insurer will not be liable for more than their rateable proportion.
- (xii) Limit of Liability – in the event of a claim payment as a consequence of any insured event the insurer will deem that full liability has been met under the terms of this policy and the insurance cover will cease upon settlement. In no circumstances shall the liability of the insurer exceed the benefit limit shown in the schedule of cover.

- (xiii) A person who is not a party to this insurance has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this insurance but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

12 GENERAL EXCLUSIONS

The insurers will not be liable for any claim for:

- 1 Loss or damage caused by or arising from the intentional act or wilful neglect of the **insured**.
- 2 Loss of use of the **insured vehicle** or any other costs that are directly or indirectly caused by the event which led to the **total loss**.
- 3 Penalties for delay or detention or in connection with guarantees of performance or efficiency, which is directly or indirectly caused by or is a result of:
 - (i) earthquake,
 - (ii) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power confiscation, or nationalisation,
 - (iii) riot or civil commotion outside England, Scotland, Wales, the Isle of Man and the Channel Islands.
- 4 Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any other costs that are directly or indirectly caused by the event which led to the **total loss**.
- 5 Any legal liability of whatsoever nature directly or indirectly caused by or contributed to be or arising from ionising radiations or contamination by radioactivity from the combustion of nuclear fuel.
- 6 Damage caused by pressure waves of an aircraft or other aerial device travelling at sonic or supersonic speed.
- 7 Liability where the terms of the policy have been amended or altered without our written consent to the **insured**.

13 COMPLAINTS PROCEDURE

We hope that **you** will be pleased with the service we provide. In the unlikely event of a claim, **you** should contact the administrator on 0344 573 8187, or in writing to: Car Care Plan GAP Customer Services, Jubilee House, 5 Mid Point Business Park, Thornbury, West Yorkshire BD3 7AG or call us on 0344 573 8178.

You can also email the administrator at complaints@motor-admin.com.

If it is not possible to reach an agreement, **you** also have the right to ask the Financial Ombudsman Service to review **your** case. The right to apply to the Ombudsman must be exercised within six months of the date of **our** final decision.

For more information **you** can visit the Financial Ombudsman Service website www.financial-ombudsman.org.uk or write to: The Financial Ombudsman Service, Exchange Tower, London E14 9SR. Telephone: 0800 023 4567 or 0300 123 9123.

The above complaints procedure is in addition to **your** statutory rights as a consumer.

We abide by the Motor Industry Vehicle Warranty Products Code of Practice which can be found on The Motor Ombudsman website at www.TheMotorOmbudsman.org.

The Motor Ombudsman will offer free impartial information and if appropriate an alternative dispute resolution process in the event that **you** are not satisfied with the outcome of a concern.

For further information, **you** can visit The Motor Ombudsman website at www.TheMotorOmbudsman.org or call their Information Line on 0345 241 3008.



Motor Industry Code of Practice for

Vehicle Warranties

14 FINANCIAL SERVICES COMPENSATION SCHEME

Motors Insurance Company Limited is covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from the scheme if they cannot meet their obligations. This depends on the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 90% of the claim amount, without any upper limit.

For further information about the scheme (including the amounts covered and eligibility to claim) **you** can contact the FSCS helpline on 0800 678 1100 or 0207 741 4100, visit the website www.fscs.org.uk or write to Financial Services Compensation Scheme, PO Box 300, Mitcheldean GL17 1DY.

15 PRIVACY AND DATA PROTECTION NOTICE

1 DATA PROTECTION

Car Care Plan Limited (the "Data Controller") are committed to protecting and respecting **your** privacy in accordance with the current Data Protection Legislation ("Legislation"). Below is a summary of the main ways in which the Data Controller processes **your** personal data. For more information please visit www.view-privacy-policy.co.uk.

2 USE OF YOUR PERSONAL DATA

The Data Controller may use the personal data it holds about **you** for the purposes of providing insurance, handling claims and any other related purposes (this may include underwriting decisions made via automated means), for offering renewal, research or statistical purposes and to provide **you** with information, products or services that **you** request from the Data Controller or which the Data Controller feels may interest **you**. The Data Controller will also use **your** data to safeguard against fraud and money laundering and to meet the Data Controller's general legal or regulatory obligations.

3 DISCLOSURE OF YOUR PERSONAL DATA

The Data Controller may disclose **your** personal data to third parties involved in providing it with products or services, or to service providers who perform services on the Data Controller's behalf. These include group companies, affinity partners, brokers, agents, third party administrators, reinsurers, other insurance intermediaries, insurance reference bureaux, credit agencies, fraud detection agencies, loss adjusters, external law firms, external auditors and accountants, regulatory authorities, and as may be required by law.

4 INTERNATIONAL TRANSFERS OF DATA

The Data Controller may transfer **your** personal data to destinations outside the European Economic Area ("EEA"). Where the Data Controller transfers **your** personal data outside of the EEA, the Data Controller will ensure that it is treated securely and in accordance with the Legislation.

5 YOUR RIGHTS

You have the right to ask the Data Controller not to process **your** data for marketing purposes, to see a copy of the personal information held about **you**, to have **your** data deleted (subject to certain exemptions), to have any inaccurate or misleading data corrected or deleted, to ask for a copy of **your** data to be provided to any controller and to lodge a complaint with the local data protection authority.

6 RETENTION

Your data will not be retained for longer than is necessary, and will be managed in accordance with the Data Controller's data retention policy. In most cases the retention period will be for a period of seven (7) years following the expiry of the contract, or the Data Controller's business relationship with **you**, unless the data must be retained for a longer period due to business, legal or regulatory requirements.

If **you** have any questions concerning the Data Controller's use of **your** personal data, please contact: The Data Protection Officer, Car Care Plan Limited, Jubilee House, 5 Mid Point Business Park, Thornbury, West Yorkshire BD3 7AG, England.