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Vehicle Replacement Gap Insurance

Terms and Conditions

Underwritten by

FORTEGRA

Experience More

Vehicle Replacement and Financial Shortfall GAP Insurance
Policy Terms and Conditions

1. POLICY DETAILS

These terms and conditions together with the **Policy Schedule** sets out **Your** insurance cover. Please note the following:

- This is a contract of insurance ("**Policy**") between **You**, the purchaser named on the **Policy Schedule**, and Fortegra Europe Insurance Company Limited. **Your Statement of Demands and Needs**, and the undertaking to pay the premium, forms the basis of the **Policy**.
- Please check that the information contained in the **Policy Schedule** is correct and that it meets **Your** requirements. If it doesn't, please contact the **Policy Retailer**.
- Please read these terms and conditions carefully, in conjunction with the **Policy Schedule** and make sure **You** understand and fully comply with them, as failure to do so may jeopardise the payment of any claim which might arise and could lead to the insurance becoming void.
- Please note that as in Section 12 - **MISINFORMATION**, **You** have an obligation to provide **Us** with any facts which may be relevant to this insurance.
- Words that have special meanings are in bold and the definitions can be found in Section 2 - **DEFINITIONS**.

2. DEFINITIONS

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Administrator: DEFEND INSURANCE s.r.o. Email; customerservice@defendinsurance.co.uk, Telephone No: 0161 451 4804; Address; Roztylska 1860/1 148 00 Prague, Czech Republic

Comprehensive Motor Insurance: A policy of road risks motor insurance which covers accidental loss or damage to the **Insured Vehicle** in addition to third party, fire and theft cover.

Date of Loss: The date of the incident occurring to the **Insured Vehicle** in respect of which a claim for **Total Loss** is paid under the **Comprehensive Motor Insurance**.

Date of Purchase: The date on which **You** purchased the **Insured Vehicle**.

Dealer Fitted Accessories: Accessories that were fitted by and purchased from the **Supplying Dealer** and that are shown separately on the purchase invoice.

Family Member: Your spouse or civil partner, or a parent, grandparent, child, grandchild, brother, or sister.

Finance Agreement: Your credit, hire purchase agreement, or conditional sale agreement (if any) with the **Finance Company** in respect of the **Insured Vehicle**, but not including finance lease or contract hire agreements.

Finance Company: The company, introduced by the **Supplying Dealer or broker**, with whom **You** have a **Finance Agreement** that is secured upon the **Insured Vehicle**.

Glass's Guide: An independent vehicle value guide published monthly by Glass's Information Services Limited, used by the insurance industry in assessing vehicle values.

Grey Import: A vehicle that does not comply with European Community Whole Vehicle Type Approval (ECWVTA) imported into any EU Member State from a non-EU country.

Insured Value: The amount **You** receive under the **Comprehensive Motor Insurance** in respect of the **Insured Vehicle**, as a result of a **Total Loss** at the **Date of Loss** .

Insured Vehicle: The vehicle purchased by **You** or the **Finance Company** (if appropriate) which meets the eligibility criteria set out in this **Policy** and is within the terms of **Your Finance Agreement** (if any).

Modified: An **Insured Vehicle** that has been altered after the **Date of Purchase**, outside of the manufacturer's standard specification, for example engine enhancements or lowering of the suspension.

Negative Equity: Any finance or outstanding debt and resulting interest due on or carried across to **Your Insured Vehicle** from previous finance agreements that were secured against the part exchanged vehicle.

Policy Retailer: The company that has arranged this insurance for **You**.

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Policy Schedule: The schedule provided to **You** when **You** purchased this **Policy**, which contains **Your** details, details of the **Insured Vehicle** and the **Policy** term.

Purchase Price: The amount paid to purchase the **Insured Vehicle** including any factory fitted options and **Dealer Fitted Accessories**, after any discount and/or contribution and excluding road fund licence, administration fees, fuel, paintwork and/or upholstery protection kits, cherished number plate transfers, insurance premiums (including for this policy), subscription charges or warranty charges, any finance arrears and associated costs, any **Negative Equity** and VAT, if **You** are VAT registered and able to reclaim the VAT element. VAT will be included if **You** cannot reclaim it.

Replacement Vehicle Cost: The cost of a new or used vehicle up to 12 months old of the same age, mileage, make, model and derivative as the **Insured Vehicle** (including all factory fitted options and Dealer fitted accessories) after any discount and/or contributions available at the original time of the purchase and excluding road fund licence, fuel, paintwork and/or upholstery protection kits, cherished number plate transfers, insurance premiums and warranty premiums. If that model or derivative is no longer available, then the cost of the nearest equivalent vehicle will be used.

Settlement Figure: Where **You** have a **Finance Agreement**, the amount relating to the **Purchase Price** of the **Insured Vehicle** at the **Date of Loss,** that is required by the **Finance Company** to discharge **Your** indebtedness under the **Finance Agreement.** This amount will exclude any:-

- **Negative Equity from a previous Finance Agreement; and**
- credit arrangement fees; and
- statutory rebate of interest as prescribed by existing consumer credit regulations; and
- arrears; and
- interest on late payments; and

- any other costs or associated fees.

Statement of Demands and Needs: Any statement of demands and needs and declaration accepted by **You** together with any additional information **You** may have supplied to **Us** in support of **Your** application for this **Policy**.

Supplying Dealer: The dealership that the **Insured Vehicle** was purchased from. A **Supplying Dealer** is a VAT registered, new and or used vehicle retailer trading from a motor trade premises.

Territorial Limits: The United Kingdom, Isle of Man, the Channel Islands, and the countries of the European Economic Area, subject to the **Comprehensive Motor Insurance** being extended whilst **You** are in the European Economic Area.

Total Loss: The actual or constructive total loss of the I**nsured Vehicle** as a result of accidental or malicious damage, fire, theft or flood damage, as deemed by the **Comprehensive Motor Insurance** provider on terms that the **Insured Vehicle** becomes the property of the **Comprehensive Motor Insurance** provider.

We/Us/Our: Fortegra Europe Insurance Company Limited, The Reed Centre, Blue Harbour, Ta' Xbiex Seafront, Ta' Xbiex, XBX 1027, Malta. Fortegra Europe Insurance Company Limited is authorised under the Insurance Business Act 1998 of the laws of Malta to carry out general business and is regulated by the Malta Financial Services Authority under company registration no. C 84703 and subject to limited regulation by the Financial Conduct Authority under reference number 805770. Details of the extent of our authorisation and regulation by the Malta Financial Services Authority are available from **Us** on request.

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You/Your: Any individual or company, partnership or sole trader who is detailed on the **Policy Schedule** and is named on the **Finance Agreement** (if any) and who has applied for this insurance and has agreed to pay the premium under this **Policy**.

3. ELIGIBILITY

You are eligible for cover from the start date of this Policy if:

- **You** are applying as an individual, **You** are eighteen (18) years of age or over and **You** are resident in the United Kingdom, Channel Islands or the Isle of Man; or
- **You** are applying as a company, that company is registered in the United Kingdom, Channel Islands or the Isle of Man; and
- **You** are the **Comprehensive Motor Insurance** policyholder or named on the **Comprehensive Motor Insurance** policy; and
- During the **Policy** term, **You** and anyone else driving the **Insured Vehicle** are at all times covered by and named on the **Comprehensive Motor Insurance;** and
- **You** have purchased and commenced this **Policy** from the **Policy Retailer** no later than ninety (90) days after purchasing the **Insured Vehicle**.

The vehicle is eligible for this cover if:

- It is less than twelve (12) months old and has covered less than 10,000 miles from date of first registration; and
- It is the sole vehicle listed in the **Finance Agreement** (if any); and
- It is a car or light commercial vehicle not exceeding a Gross Vehicle Weight of 3.5 tonnes; and
- It is covered by **Comprehensive Motor Insurance** throughout the entire policy term; and
- It is registered in the United Kingdom; and
- It has been purchased from the **Supplying Dealer** or broker.

Please Note: The following vehicles and vehicle uses are NOT eligible for cover:

- Any vehicle that is not a right hand drive vehicle; and
- **Grey Imports**, emergency vehicles, taxis, courier vehicles, buses, minibuses, coaches, trucks, motor homes, trailers, heavy goods vehicles, licensed private hire vehicles, daily rental vehicles, breakdown and recovery vehicles; and
- Vehicles used for hire and reward, driving school tuition, chauffeuring, road racing, track days (timed or untimed), rallying, pace-making, speed testing or any other competitive event; and
- Any vehicle that has been **Modified** after the purchase date.

4. POLICY TERM

Vehicle Replacement and financial shortfall benefit lasts for up to forty eight (48) months from the start date on **Your Policy Schedule**. The length of cover **You** have chosen is stated on **Your Policy Schedule**. **Your** cover will end at the earliest of any of the below:

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- **You** failing to pay **Your** premium when due; or
- **You** or the **Insured Vehicle** no longer meeting the eligibility criteria for **Your Policy**; or
- the **Insured Vehicle** being sold, repossessed, disposed of by **You** or the **Finance Company** or transferred to a new owner, other than under Section 9 - **TRANSFERRING YOUR POLICY**; or
- a claim being settled by **Us**; or
- the **Policy** being cancelled by either **You** or **Us**, or
- The expiry date of the **Policy** as detailed on the **Policy Schedule**.

5. WHAT IS COVERED

Cover	Benefit
This **Policy** provides cover up to the Claims Limit on the **Policy Schedule** where the **Insured Vehicle** is the subject of a **Total Loss** from the **Comprehensive Motor Insurance** within the **Territorial Limits**	In the event of a **Total Loss**, the **Policy** will pay the greater of: <u>Vehicle Replacement</u>: The amount by which the **Replacement Vehicle Cost** exceeds the amount You receive under the **Comprehensive Motor Insurance** (the **Insured Value)**. If the cost of a **Replacement Vehicle** at the point of a **Total Loss** is less than the original vehicle Purchase Price, this insurance will pay the difference between the **Insured Value** and the **Purchase Price**

	OR Financial Shortfall: The amount by which the **Finance Agreement Settlement Figure (if any)** exceeds the **Insured Value.** **IMPORTANT:** • The **Finance Agreement Settlement Figure** is subject to the **Purchase Price** of the **Insured Vehicle** which excludes certain costs as defined in Section 2 - **DEFINITIONS.** • Any payment of benefit under this **Policy** is conditional upon the **Insured Vehicle** having been deemed a **Total Loss** under the **Comprehensive Motor Insurance**. • If **You** are entitled to or are offered a replacement vehicle under the terms of the **Comprehensive Motor Insurance**, no benefit is payable under this **Policy**, however **You** will be entitled to transfer the remaining cover under this **Policy** to **Your** replacement vehicle.
Excess cover	**We** will cover any excess up to £250 that is applicable under the **Comprehensive Motor Insurance** where it cannot be recovered from any liable third party.
Transferrable cover	**You** may transfer **Your** cover subject to the conditions in Section 9 - **TRANSFERRING YOUR POLICY** where: ▪ A **Family Member** takes ownership of the **Insured Vehicle**; or ▪ The **Insured Vehicle** is replaced under the **Comprehensive Motor Insurance** and a claim has not been settled by **Us**. ▪ Bereavement

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PLEASE NOTE
If there is any sum still owing on **Your Finance Agreement** after the **Administrator** has settled **Your** claim, it is **Your** responsibility to ensure that settlement of this amount is made.

6. WHAT IS NOT COVERED:

Exclusion	What You are not covered for
i)	If at the **Date of Loss**, **You**, or anyone insured to drive the **Insured Vehicle** under the **Comprehensive Motor Insurance** is deemed to have been driving: • without a valid licence; or • under the influence of alcohol illegally, recreational drugs, or any medication that impairs your influence to drive; or • whilst disqualified.
ii)	Where the **Insured Vehicle** is not covered by **Comprehensive Motor Insurance** at the time of the **Total Loss** or where the driver of the **Insured Vehicle** at the **Date of Loss** is not covered by **Comprehensive Motor Insurance**.
iii)	Where the **Insured Vehicle** is covered under any type of **Comprehensive Motor Insurance**

	policy that is connected with the motor trade.
iv)	**Negative equity** carried forward **from a previous Finance Agreement.**
v)	Where the **Comprehensive Motor Insurance** provider has offered to repair the **Insured Vehicle** and **You** have requested the claim to be dealt with on a **Total Loss** basis.
vi)	If the **Insured Vehicle** is used for any of the excluded uses that appear in Section 3 - **ELIGIBILITY**.
vii)	Any deductions made by the **Comprehensive Motor Insurance** provider for any damage not associated with the **Total Loss** claim.
viii)	Any salvage value of the **Insured Vehicle** where **You** are not required to transfer the ownership of the **Insured Vehicle** to the **Comprehensive Motor Insurance** provider.
ix)	Any loss directly or indirectly caused as a result of the theft of the **Insured Vehicle** left unattended unless all security devices or immobilisers are activated, doors locked and windows closed and all keys removed from the vehicle.
x)	Any motor insurance excess above £250 or where it is recoverable from a liable third party.
xi)	Any amount relating to insurance premiums, warranty costs, fuel, service packages, maintenance costs and any interest payable thereon.

7. HOW TO MAKE A CLAIM

IMPORTANT

You should not accept any offer made by the Comprehensive Motor Insurance provider until the Administrator has given You authority to do so. The **Administrator** may try to negotiate a higher motor insurance settlement on **Your** behalf.

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Stage	Explanation
Step 1	Contact the **Administrator** as soon as **You** become aware of a potential **Total Loss** and BEFORE **You** accept any settlement from the **Comprehensive Motor Insurance: -** • by telephone on 0161 451 4803; or • by emailing claims@defendinsurance.co.uk
Step 2	Return all required information to the Administrator: - • by email to by email to claims@defendinsurance.co.uk Please note that information the **Administrator** may reasonably require must be received within ninety (90) days of the **Date of Loss** of the **Insured Vehicle.** If it isn't, the **Administrator** will attempt to assess **Your** claim however it may be difficult for them to investigate and settle **Your** claim adequately.

Points to note about the claims process

- **We** reserve the right to subject the **Insured Vehicle** to an independent assessment.
- At the time of claim the **Administrator** must receive evidence of the purchase of the **Insured Vehicle**. Such evidence must include the original or a clear bona fide copy of the original printed

purchase invoice of the **Insured Vehicle**. The invoice must detail the **Supplying Dealer**'s name, address and VAT registration number and must show the full basic cost of the **Insured Vehicle** and the breakdown of all items, ancillary to the **Insured Vehicle**.

- **We** and the **Administrator** may obtain and share information concerning any claim **You** may make against this **P**olicy or any corresponding road risks insurance claim **You** have made with the **Comprehensive Motor Insurance** provider(s), the **Supplying Dealer** of the **Insured Vehicle** or **Your Finance Company**, for the purposes of administering **Your Policy** and claim.
- Claims benefits will be paid to the policyholder except where we are required to settle a **Finance Agreement** in which case any surplus will be paid to the policyholder

8. POLICY CONDITIONS

- The maximum benefit payable by **Us** in respect of the **Insured Vehicle** is the Claims Limit on the **Policy Schedule**.
- If **You** are covered by any other insurance or warranty for the same or similar benefit(s) provided under this **Policy**, then **We** will only be responsible for paying a fair proportion of any benefit which **We** would otherwise be due to pay.
- It shall not be possible for **You** to assign or change the benefits of the policy in any way whatsoever, other than as specified in Section 9 - **TRANSFERRING YOUR POLICY**.
- **We** have the right to take proceedings against other parties in **Your** name, in order to recover for **Our** benefit, the amount of any payment made under this **Policy**.
- **You** must notify the **Policy Retailer** as soon as possible if any of **Your** details change during the term of the **Policy**.

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9. TRANSFERRING YOUR POLICY

This **Policy** cannot be transferred to another **Insured Vehicle** or to any subsequent owner of the **Insured Vehicle** except in the following circumstances:

a. Where ownership of the **Insured Vehicle** is transferred to a **Family Member** then cover may be transferred to that **Family Member**, by contacting the **Policy Retailer**, so long as that **Family Member** meets the eligibility criteria in Section 3 - **ELIGIBILITY**.

b. Where **You** are entitled to or are offered a replacement vehicle under the terms of the **Comprehensive Motor Insurance.** In this event **You** will be entitled to transfer the remaining cover under this **Policy** to **Your** replacement vehicle so long as a claim has not been settled by **Us** and the **Insured Vehicle** meets the eligibility criteria in Section 3 - **ELIGIBILITY**.

c. In the event of bereavement, the remaining benefits of this insurance may be transferred to a Family Member.

You must make a written request to the **Policy Retailer** for the **Policy** to be transferred within thirty (30) days of taking delivery of the replacement vehicle from the **Comprehensive Motor Insurance** or transferring the **Insured Vehicle** to a **Family Member.**

Your replacement vehicle will be subject to the same terms and conditions as the original **Insured Vehicle**. In the event of a claim on **Your** replacement vehicle **We** will not be liable for any amount which exceeds **Our** liability under the original terms of this **Policy**.

10. CANCELLING YOUR POLICY

You have the right to cancel **Your Policy** at any time. Please see the below table for **Your** refund rights.

Where **You** wish to cancel **Your Policy** within the thirty (30) day period specified below, please notify the **Policy Retailer**.

If **You** wish to cancel after the thirty (30) day period, please contact the **Policy Retailer**.

Time period	Refund Rights
Cancellation before policy commencement date	If **You** cancel before the policy commencement date, you will be entitled to a full refund of premium paid and no administration fee will be charged.
Cancellation within thirty (30) days of the start date on the **Policy Schedule** or receipt of the **Policy** terms (whichever is later)	If **You** cancel within thirty (30) days and have not made a successful claim on **Your Policy**, **You** will be entitled to a full refund of premium paid, less £15 to cover costs incurred in relation to **Your** cancelled policy.
Cancellation after thirty (30) days from the start date on the **Policy Schedule** or receipt of the **Policy** terms (whichever is later)	If **You** cancel after thirty (30) days and have not made a successful claim on **Your Policy**, **You** will be entitled to a pro rata refund, based on the number of fully unexpired months remaining on **Your Policy** minus a fixed amount of £35 to cover **Our** costs incurred in relation to **Your** cancelled **Policy**. A pro rata refund example is as follows: - • 36-month **Policy** term. • £360 total premium paid for **Policy**. • Cancellation in month 18 leaves 18 full months remaining. • Pro rata refund of £180 less £35 administration fee. • Amount of refund due to **You** is £145.

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11. COMPLAINTS PROCEDURE

If **You** wish to make a complaint about the conduct of the sale or cancellation of this **Policy**, including any information provided as part of the sale, please contact the **Policy Retailer**.

The **Administrator** handles all other complaints relating to this Policy on **Our** behalf. If **You** wish to make a complaint, please do so by:

- calling 0161 451 4804; or
- emailing customerservice@defendinsurance.co.uk

The **Administrator** will aim to resolve **Your** complaint within fifteen (15) working days from first notification of **Your** complaint.

If the **Administrator** cannot resolve **Your** complaint within this period, they will notify **You** in writing to confirm the reasons why and will aim to resolve **Your** complaint within a further fifteen (15) working days from this point.

If **You** are still dissatisfied with the resolution or **Your** complaint has not been resolved within the timescales detailed above, **You** have the right to refer **Your** complaint to either the Financial Services Arbiter in Malta or the Financial Ombudsman Service in the UK, depending on the nature of **Your** complaint and whether it should be directed to **Us** or the **Administrator**.
The **Administrator** will advise **You** accordingly.

For complaints directed to **Us**, please contact the Financial Services Arbiter in Malta (Office of the Arbiter for Financial Services, 1st Floor, St Calcedonius Square, Floriana FRN 1530, Malta, telephone +356 8007 2366 or +356 21 249 245 or via email at complaint.info@financialarbiter.org.mt.

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The Office of the Arbiter will expect **You** to have followed the above procedure before they accept **Your** case.

For complaints directed to the **Administrator**, please contact The Financial Ombudsman Service, Exchange Tower, Harbour Exchange, London, E14 9SR, telephone 0207 964 1000 (switchboard) or via email at **complaint.info@financial-ombudsman.org.uk**.
For more information please see online at **financial-ombudsman.org.uk**.

12. MISINFORMATION

When applying for insurance, varying **Your** cover, or submitting a claim, **You** or anyone acting on **Your** behalf must take reasonable care to answer all questions honestly and to the best of **Your** knowledge. Failure to do so may affect the validity of **Your Policy** or the payment of **Your** claim.

13. APPLICABLE LAW

This **Policy** shall be subject to the law of England and Wales, unless **We** and **You** agree otherwise.

14. COMPENSATION SCHEME

You may be entitled to compensation from the Financial Services Compensation Scheme (FSCS) in the UK if, in the unlikely event, Fortegra Europe Insurance Company Limited cannot meet its liabilities under this **Policy**. The level and extent of compensation provided will depend on the location of the risk, the type of insurance and on the circumstances of the claim.

Further information about the Financial Services Compensation Scheme is available from the FSCS website www.fscs.org.uk or write to:-
Financial Services Compensation Scheme,
10th Floor, Beaufort House,
15 St Botolph Street,
London, EC3A 7QU.
Telephone: +44 (0)207 892 7300.

15. PRIVACY AND DATA PROTECTION NOTICE

Data Protection
Fortegra Europe Insurance Company Limited (the Data Controller) is 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 **We** process **Your** personal data.

How **We** Use **Your** Personal Data
We may use the personal data **We** hold about **You** for the purposes of performing **Your** contract of insurance, this includes providing insurance that **You** request of **Us** and administering the same; including handling claims and any other related purposes, underwriting (which may include underwriting decisions made via automated means), offering renewal terms, pricing or statistical purposes. **We** may also use **Your** data to safeguard against fraud and money laundering and to meet **Our** general legal and regulatory obligations.

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Disclosure of **Your** Personal Data
We may disclose **Your** personal data to third parties involved in providing products or services to **Us**, or to service providers who perform services on **Our** behalf. These include **Our** group companies, affinity partners, brokers, agents, third party administrators, other insurers, reinsurers, other insurance intermediaries, insurance reference bureaus, credit agencies, fraud detection agencies, loss adjusters, external law firms, external accountants and auditors, regulatory authorities, and as may be required by law.

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

Your Rights
You have the right to ask **Us** not to process **Your** data for marketing purposes, to see a copy of the personal information **We** hold about **You**, to have **Your** data deleted (subject to certain exemptions), to have any inaccurate or misleading data corrected or deleted, to restrict the processing of **Your** data, to ask **Us** to provide a copy of **Your** data to any controller and to lodge a complaint with the local data protection authority.

Retention
Your data will not be retained for longer than is necessary and will be managed in accordance with **Our** data retention policy. In most cases the retention period will be for a period of seven (7) years following the expiration of the **Policy**, or **Our** business relationship with **You**, unless **We** are required to retain the data for a longer period due to business, legal or regulatory requirements.

If **You** require more information or have any questions concerning **Our** use of **Your** personal data, **Our** full Privacy Policy can be found at https://www.fortegra.eu/privacy-policy. Alternatively, please contact The Data Protection Officer, Fortegra Europe Insurance Company Limited, The Reed Centre, Blue Harbour, Ta' Xbiex Seafront, Ta' Xbiex, XBX 1027, Malta or via email at dpofficer@fortegramalta.com.

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email : mail@car2cover.co.uk

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