

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, 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 has been arranged by Car Care Plan Ltd and cover is provided by Motors Insurance Company Limited.

Car Care Plan Ltd is authorised and regulated by the Financial Conduct Authority. Motors Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. This can be checked on the Financial Services Register by visiting the FCA's website at www.fca.org.uk or by contacting the FCA on 0800 111 6768.

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, us, our" 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, Wales, the Isle of Man or the Channel Islands 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**.
- (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, Wales, the Isle of Man or the Channel Islands 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**. 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:
 - (a) 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
 - (b) the value of the **insured vehicle** at the date of **total loss** which will be the greater of:
 - (i) the **motor insurance settlement**; or
 - (ii) 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:

- (a) Any **motor insurance excess** deducted under your **motor insurance** policy above £250;
- (b) the salvage value of the **insured vehicle** where you are not required to transfer ownership of the **insured vehicle** to the **motor insurer**;
- (c) any premium owing to the **motor insurer** for the **motor insurance**;
- (d) 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**;
- (e) any **premium**, or a part of any **premium** that has not been paid to us; and
- (f) 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:
 - (a) it is used as an emergency or military vehicle, courier or delivery vehicle, invalid carrier or driving instruction vehicle;
 - (b) it is subject to a lease agreement, contract hire agreement or is used for hire or reward of whatsoever nature, or as a taxi;
 - (c) 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;
 - (d) it is used for road racing, rallying, pace-making, speed testing or any other competitive event;
 - (e) it has been modified other than in accordance with the manufacturer's specifications; or
 - (f) 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**:
 - (a) 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;
 - (b) 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;
 - (c) 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**;
 - (d) 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
 - (e) 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:
 - (a) you do not have **motor insurance** in place from the **start date** until the date of **total loss**;
 - (b) your **motor insurance** claim is declined and you have not received the **motor insurance settlement**;
 - (c) the loss is covered by any other insurance or warranty; or
 - (d) 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 **you** have 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, **you** will not receive a cash refund. 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

- If **you** wish to make a claim under this insurance cover, please:
 - contact **our** administrator, Car Care Plan GAP Customer Services, on **0344 573 8178**;
 - 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.*

- 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**.
- We** will be unable to process **your** claim if **we** do not receive:
 - a copy of **your** motor insurance schedule;
 - 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;
 - the original sales invoice relating to the **insured vehicle**; and
 - where the **insured vehicle** is subject to a **finance agreement**:
 - a copy of the **finance agreement**; and
 - written confirmation from the **finance company** of the **early settlement amount** and the terms on which it has been calculated.
- 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

- 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.
- You** cannot assign or change the policy in any manner whatsoever.
- When **your** cover under this policy ends it will not have a cash or surrender value.
- 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.
- To improve the quality of **our** service, **we** will be monitoring and recording all telephone calls made to **our** administrator, Car Care Plan.
- 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 claim made by you or anyone acting on your behalf to obtain any benefit is fraudulent or intentionally exaggerated; or
 - 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:

- Loss or damage caused by or arising from the intentional act or wilful neglect of the insured.
- 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.
- 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:
 - earthquake,
 - war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or riot or usurped power confiscation, or nationalisation,
 - riot or civil commotion outside England, Scotland, Wales, the Isle of Man and the Channel Islands.
- 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.
- 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.
- Damage caused by pressure waves of an aircraft or other aerial device travelling at sonic or supersonic speed.

- Liability where the terms of the policy have been amended or altered without our written consent to the insured.

13 COMPLAINTS PROCEDURE

We always aim to provide a first class standard of service, however, if you have any cause for complaint, you should in the first instance address your enquiry to the administrator: 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 us at complaints@carcareplan.co.uk.

In the event you remain dissatisfied with the manner in which your complaint has been dealt with then you should write to us making sure that you quote your policy number and vehicle registration number at: The Insurance Manager, Motors Insurance Company Limited, Jubilee House, 5 Mid Point Business Park, Thornbury, West Yorkshire BD3 7AG.

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. Mobile: 0300 123 9123.

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) please refer to the FSCS website www.FSCS.org.uk or call 0800 678 1100 or 0207 741 4100.

15 DATA PROTECTION AUTHORISATION STATEMENT

In processing and managing this policy, the Administrator will collect and store the information you have provided in their secure servers based in the United Kingdom.

In compliance with the Data Protection Act 1998, you are entitled to ask the Administrator to amend their records about you if they are not correct, and you may request a copy of the information the Administrator holds about you by applying to them in writing addressed to: Compliance Officer, Car Care Plan Ltd, Jubilee House, 5 Mid Point Business Park, Thornbury, West Yorkshire BD3 7AG.

Or by emailing CCPH_DPA@carcareplan.co.uk. The Administrator may charge you a fee of £10 for this service.