

Return to Invoice Gap Policy Document

POLICY DOCUMENT

This document explains exactly what cover is provided and contains the terms and conditions of this policy. This document, together with the application and schedule forms the policy and should be read as one document. The schedule contains information about you, the car, the period of cover and the premium.

It is up to you to ensure that the cover you have selected is appropriate for your needs. If you have any questions regarding this policy or you would like to make any changes or additions to the cover, please contact the administrator, Direct Group Limited on telephone number 0844 412 4272 (all calls are recorded for training, compliance and claims purposes).

You must notify us as soon as possible of any changes which may affect the cover provided and which have occurred since the cover started. If you do not inform us of any changes, this policy may become invalid and may not provide the cover you require.

Please make sure that the cover meets your requirements and that the information detailed in the schedule is correct.

RETURN TO INVOICE GAP INSURANCE IS SUITABLE FOR

- new and used cars
- cars less than 7 years old at the inception date
- cars that have covered less than 80,000 miles at the inception date
- cars with a purchase value of less than £50,000
- cars purchased privately or through a trade entity
- cars purchased any time in the last 90 days
- cars used for private or business purposes
- cars purchased using cash or a personal bank loan
- cars purchased by means of finance including but not limited to 'motor loan' and 'personal contract purchase', 'contract hire' or any style of leasing agreement

ADDITIONAL BENEFITS AVAILABLE

Subject to the payment of the required additional premium, cover can be extended to include the following additional benefits:

- Motor Insurance Excess Buster

GUIDE TO YOUR POLICY

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1. DEFINITIONS

<i>Administrator</i>	Direct Group Limited, Direct House, White Rose Way, Doncaster, South Yorkshire DN4 5NU telephone number 0844 412 4272, who administer this insurance on the insurers behalf. Direct Group Limited is authorised and regulated by the Financial Services Authority.
<i>Category A, B, C, D, F & X</i>	As per the UK Insurance Write-Off categories – Category A.....vehicle must be crushed, including all spare parts, Category B.....vehicle from which spare parts may be salvaged, however the bodysell should be crushed and the car should never return to the road, Category C.....an extensively damaged vehicle which an insurer has decided not to repair, however it could be repaired and returned to the road, Category D.....the damaged vehicle which an Insurer has decided not to repair, however it could be repaired and returned to the road, Category F.....vehicle damaged by fire, which the Insurer has decided not to repair Category X.....vehicle has been the subject of a claim but minor or very lightly damaged and required minimal repair work. Theft.....vehicle has not been recovered and ownership rests with the Insurer who made the loss payment.
<i>Claim Limit</i>	The maximum amount that can be claimed as shown on the schedule.
<i>Comprehensive Motor Insurance Policy</i>	A valid and in force comprehensive motor insurance policy covering the vehicle against theft, fire or accident as at the date of loss and which was entered into between you and a registered motor insurer or a valid and in force comprehensive motor insurance policy, issued by a U.K. registered motor insurer, in which you are a named driver
<i>Date of Loss</i>	The date of the theft, fire or accident which gives rise to your claim for the total loss of the vehicle
<i>Geographical Limits</i>	The area in which this policy is effective i.e. Great Britain, Northern Ireland, the Isle of Man, the Channel Islands, member countries of the European Community and any other country for which an international motor insurance card ('Green Card') in respect of the vehicle is effective at the date of loss
<i>Grey Import</i>	A vehicle that does not comply with European Union vehicle type specification and which is imported from outside the UK. Note: parallel imports have been produced for a European Member State and will confirm to European Wide Type Approval and therefore qualify for cover
<i>Inception Date</i>	The date from which this policy is valid and noted on the schedule
<i>Invoice</i>	The Invoice supplied to You or the named driver on the Comprehensive Motor Insurance Policy for the vehicle provided by an entity registered for VAT for the purpose of providing motor vehicles.
<i>Loss Value</i>	The motor insurers settlement or, if greater, the Glass's Guide retail value for purchasing or replacing the vehicle with one of the same make, model, trim level, book mileage, service history and overall condition. We reserve the right to have an independent valuation undertaken should the specification not be available in Glass's Guide or it is suspected that the condition of the vehicle is such that this would affect the Glass's Guide valuation.
<i>Period of Cover</i>	The period as shown on your schedule from the start date to the end date, or the date on which the insured vehicle is sold or transferred to a new owner (whether or not you inform us), whichever occurs sooner. The maximum period of cover shall not be greater than 48 months.
<i>Purchase Value</i>	The lesser of the cost of the Vehicle (as shown on the Invoice including factory fitted accessories and VAT where applicable, less any discount, warranty charges, insurance premiums, vehicle excise license (vehicle tax disc), and dealer fitted extras); or the Glass's Guide retail value at the time of purchase of the vehicle. N.B.: If the vehicle was not supplied to you by an entity registered for VAT for the purpose of providing motor vehicles, the lesser of the purchase price declared by you on the schedule or Glass's Guide trade value plus 5% at the time of purchase of the policy.
<i>Policy</i>	This document together with the application and schedule
<i>Schedule</i>	Declaration and additional information submitted by you or on your behalf which shows the level of cover you have chosen
<i>Total Loss</i>	Where it is unsafe to repair the vehicle, the cost of repair is greater than the pre-accident Loss Value, or the vehicle has been stolen and not recovered, and a total loss payment has been made by the motor insurer.
<i>Vehicle</i>	The vehicle as identified on the proposal, having a maximum purchase value of £50,000 and which is less than 7 years old and has covered less than 80,000 miles at the Inception Date, is for use on the public highway, is to be principally used in the U.K., has a valid vehicle excise license (vehicle tax disc) and if your vehicle is more than three years old a valid mot,
<i>We / Us / Our</i>	Red Sands Insurance Company (Europe) Limited whose registered office is at Level 3, Ocean Village Business Centre, 23 Ocean Village Promenade, Gibraltar under company registration number 87598
<i>You / Your</i>	The person or entity noted on the schedule

From this point on, all defined terms appear in italics throughout this document

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2. COVER PROVIDED

If within the *period of cover* the *vehicle* is classed as a *total loss* we will pay the difference, up to the *claim limit*, between the *purchase value* and *loss value*. Please note this is subject to the terms and condition of this policy. For ease of reference, the definition for *total loss*, *purchase value* and *loss value* is as follows:

Total Loss: Where it is unsafe to repair the vehicle, the cost of repair is greater than the pre-accident Loss Value, or the vehicle has been stolen and not recovered, and a total loss payment has been made by the motor insurer.

Purchase Value: The lesser of the cost of the Vehicle (as shown on the Invoice including factory fitted accessories and VAT where applicable, less any discount, warranty charges, insurance premiums, vehicle excise license (vehicle tax disc), and dealer fitted extras); or the Glass's Guide retail value at the time of purchase of the vehicle. N.B.: If the vehicle was not supplied to you by an entity registered for VAT for the purpose of providing motor vehicles, the lesser of the purchase price declared by you on the schedule or Glass's Guide trade value plus 5% at the time of purchase of the policy

Loss Value: The motor insurers settlement or, if greater, the Glass's Guide retail value for purchasing or replacing the vehicle with one of the same make, model, trim level, book mileage, service history and overall condition. We reserve the right to have an independent valuation undertaken should the specification not be available in Glass's Guide or it is suspected that the condition of the vehicle is such that this would affect the Glass's Guide valuation.

3. WHAT IS NOT COVERED

3.1 Vehicles:

- 3.1.1 Vehicles not shown in Glass's Guide, vehicles over 3500kg gross weight, all commercial vehicles, emergency service vehicles, vans or car derived vans, designed to carry more than eight people including the driver motor cycles, invalid carriers, kit cars, *grey import(s)*, Aston Martin, Bentley, Bristol, Cosworth, De Tomaso, Dorchester, Ferrari, Ginetta, Lamborghini, Lancia, Maserati, Rolls-Royce and any American make of vehicle unless manufactured as right hand drive for the UK market.
- 3.1.2 Fitted with non manufacturer specified modifications including but not limited to engine modifications; up-rated brakes, roll cages; steering column extension. Modifications such as alloy wheels, in-car entertainment, in-car security, sat-nav, hands-free kit, roof rails, tow bar do not preclude the vehicle from being covered.
- 3.1.3 Used for hire or reward, delivery courier, driving school, haulage, competition, racing, pace making, reliability trials or off road, speed testing or used by an entity formed for the purposes of selling or servicing motor vehicles.
- 3.1.4 Purchased more than 90 days before *the inception date* of the *policy*.
- 3.1.5 Vehicles classified as *category A, B, C, D, F or X total loss* prior to *the inception date*.
- 3.1.6 Without a valid vehicle excise license (vehicle tax disc)
- 3.1.7 More than three years old without a valid MOT
- 3.1.8 Portable equipment such as satellite navigation equipment, entertainment equipment, mobile phones etc.

3.2 Any total loss:

- 3.2.1 Where the *schedule* or premium is not received by *us*.
- 3.2.2 Where *you* have the option to replace the vehicle under the *comprehensive motor insurance policy*
- 3.2.3 Additional costs including but not limited to vehicle excise license (vehicle tax disc), warranty, motor insurance.
- 3.2.4 VAT where *you* are VAT registered.
- 3.2.5 That occurred outside the *geographical limits*.
- 3.2.6 That occurred before the date the *policy* was purchased or *the inception date* of this *policy*.
- 3.2.7 That occurred due to theft while the *vehicle* ignition keys were left with *your vehicle*.
- 3.2.8 If the *total loss* was not covered, or full and final settlement was not paid, under a *comprehensive motor insurance policy*.
- 3.2.9 When the *vehicle* was being driven by a person not covered under a *comprehensive motor insurance policy*; or who does not hold a valid license to drive the *vehicle*; or are intoxicated by alcohol (as defined by legal limits); or under the influence of drugs not prescribed by a registered medical practitioner; or being driven illegally. (Does not apply if the person driving is reported to the police for taking the *vehicle* without *your* permission)
- 3.2.10 That occurred due to any intentional act or wilful neglect on *your* or the driver of the *vehicle's* part.
- 3.2.11 That occurred as a result of war, riot, civil commotion, terrorism, pollution or contamination

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- 3.2.12 That occurred as a result of Radioactive contamination from ionising radiation or contamination from any nuclear fuel or from any nuclear waste arising from burning nuclear fuel, or the radioactive, toxic, explosive or other dangerous effect of any explosive nuclear equipment or part of that equipment.
- 3.2.13 That is the subject of fraud or dishonesty. Then *we* may declare the *policy* void in its entirety and no cover will apply, *we* shall be entitled to recover from *you* the amount of any claim already paid under the *policy* and *we* shall not make any return of premium.
- 3.2.14 Where this risk is covered by any other insurance or warranty.
- 3.2.15 Business mileage
- 3.2.16 Classified as category X total loss where it is economical repair the *vehicle* to a safe and roadworthy condition
- 3.2.17 Motor insurance excess.

4. INSURER'S RIGHTS

- 4.1 *We* may at *our* discretion take any steps in *your* name against any person including but not limited to the *comprehensive motor insurance* insurer 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 the *comprehensive motor insurance* insurer with respect to *your total loss* claim.
- 4.2 If *you* accept an offer of settlement in respect of a *total loss* from the *comprehensive motor insurance* insurer without *our* express agreement *we* may at *our* option refuse to deal with *your* claim, grant no payment under this *policy*, or calculate *your* claim using the *loss value*
- 4.3 If this *policy* is purchased more than 21 days after the *vehicle* is purchased *we* have the right to adjust the claim by the pre-existing depreciation between the time of purchase of the *vehicle* and the *inception date*.
- 4.4 If the *vehicle* is classified as *Category C, D, F or X total loss* after the *inception date*, any claim will be adjusted to reflect a reduction of the *purchase value* as determined by *us*.
- 4.5 If *you* do not notify *us* within 30 days of the *date of loss* then *we* may at *our* option refuse to deal with *your* claim and grant no payment under this *policy*.
- 4.6 *We* accept no liability for the responsible disposal of *your vehicle* or its salvage in any event.
- 4.7 If *you* decline the offer of a replacement vehicle under the *comprehensive motor insurance policy* then *we* will settle the claim based on the value of the replacement vehicle and not the settlement amount offered under the *comprehensive motor insurance policy*.

5. ADDITIONAL COVER OPTIONS

- 5.1 Motor Insurance Excess Buster
We will pay the additional amount, up to a maximum of £500, equal to the excess deducted in terms of the *comprehensive motor insurance policy* if the *vehicle* is classed as a *total loss* and exclusion 3.2.17 will not be applied. This benefit applies from 90 days after the *inception date*, provided it is noted on the *schedule* and the additional premium has been paid by *you*. This payment will only be made if you have had a valid claim under Section 2 of this *policy*.

6. YOUR CANCELLATION RIGHTS

If after having examined this *policy* *you* decide not to proceed, *you* have 21 days to cancel from the *inception date* by writing to the *administrator*. On receipt of *your* notice *we* will refund any premium *you* have already paid, unless *you* have already made a claim on this *policy*. After this period if *you* wish to cancel *your policy* *you* will not be entitled to any refund of premium

7. HOW TO MAKE A CLAIM

If the *vehicle* is subject to a *total loss* please contact the *administrator* within 30 days of the *date of loss*.

T 0844 412 4272 (all calls are recorded for training, compliance and claims purposes).

We will discuss *your* claim with *you* and *you* will be asked to provide copies of the V5, UK Motor dealer invoice where applicable, copies of *finance agreement* or *contract hire / lease agreement* details and settlements (if benefits selected), details of the *comprehensive motor insurance policy*, *your* driving licence, a valid crime reference number, facts on which the claim is based together with any information and assistance which *we* may require to establish the amount of the claim

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8 DATA PROTECTION ACT 1998

We may store *your* information on a computer and use it for administration, risk assessment, research and statistical purposes, marketing purposes and for crime prevention. We will only disclose *your* personal details to third parties if it is necessary for the performance of *your* contract with us.

8.1 Sensitive Data.

In order to assess the terms of this insurance or administer claims which arise, we may need to collect data which the Data Protection Act defines as sensitive. By accepting this insurance you signify your consent to such information being processed by us or the administrator.

We will keep your information secure at all times. In certain circumstances, for example for system administration purposes, we may have to transfer your information to another country, which may be a country outside the European Economic Area (EEA). Should you wish to receive a copy of the information we hold on you please contact; The Compliance Officer, Red Sands Insurance Company (Europe) Limited Level 3, Ocean Village Business Centre, 23 Ocean Village Promenade Gibraltar.

8.2 Providing Information. The information you have provided to us forms the basis of your insurance contract. It is important that you advise us of all material information and immediately notify us of any change in the information. Please note, if you are in any doubt whether or not any information is material, you should disclose it. Under English law it is an offence to make any false statements or withhold any material information in order to obtain insurance cover. We reserve the right to decline any insurance risk or to change the premium and terms quoted

9. COMPENSATION SCHEME

If the Insurer cannot meet their obligations your policy is covered by the Financial Services Compensation Scheme (FSCS). you can get more information about the compensation scheme arrangements from the Initial Disclosure Document.

10. TERMINATION

The policy will automatically terminate when a claim is settled, or on the date you sell or otherwise dispose of the vehicle. Please note, should you sell your car in the first 90 days of ownership, on your instructions this policy may be transferred to a replacement vehicle of the same value or less.

11. CANCELLATION

The Insurer is not bound to accept your schedule and may at any time cancel your policy sending 14 days notice to you at your last known address. Provided the premium has been paid in full you are entitled to a proportionate rebate of premium in respect of the unexpired period of cover.

12. THE LAW APPLICABLE TO THIS POLICY

You are free to choose the law applicable to this policy. Your policy will be governed by the law of England and Wales unless you and we have agreed otherwise.

13. IDENTIFICATION

The policy and schedule 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.

14. DISABILITY DISCRIMINATION ACT 1995

In accordance with the Disability Discrimination Act 1995, we are able, upon request, to provide a text phone facility, audio tapes and large print documentation. Please advise us if you require any of these services to be provided so that we can communicate with you in an appropriate manner.

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15. OUR PROMISE OF GOOD SERVICE

Please quote *your policy* number in all correspondence as it will help *us* to deal with *your* enquiry or complaint promptly. We aim to provide a high level of service and to pay claims fairly and promptly.

We have appointed Direct Group Limited to deal with all administrative matters relating to this *policy*. It is *our* intention to give *you* the best possible service but if *you* do have questions or concerns about *your policy* or the handling of a claim please contact:

Direct Group Limited, Direct House, White Rose Way, Doncaster, DN4 5NU
Tel: 0844 412 4272

If *you* have an enquiry or complaint regarding the sale of the *policy*, please address it to:
Future 45 Ltd T/a Click4Gap, 64-74 Kingston Road, Wimbledon, London SW19 1LA
Tel: 0844 357 8300 E-mail: email@click4group.co.uk

If *you* remain dissatisfied, *you* should then contact:

The Complaints Manager, Red Sands Insurance Company (Europe) Limited
Level 3, Ocean Village Business Centre, 23 Ocean Village Promenade, Gibraltar
Tel. +350 216 50000 e-mail: underwriter@redsands.gi

If *we* cannot give *you* a final decision within 4 weeks from the day *we* receive *your* complaint, *we* will explain why and tell *you* when *we* hope to reach a decision. *Our* decision is final and based on the information presented. If *you* feel that there is any new evidence or information that may change *our* decision, *you* have the right to make an appeal.

Should the matter still not be resolved to *your* satisfaction, *you* have the right to refer the matter to the Financial Ombudsman Services ('FOS'), 11 South Quay Plaza, 183 Marsh Wall, London E14 9SR. This procedure will not prejudice *your* right to institute legal proceedings. However, please note that there are some instances where the FOS cannot consider a complaint.

16. ANTI-FRAUD AND THEFT REGISTERS

We may pass information to various anti-fraud and theft registers. The aim is to help insurers check the information provided and to prevent fraudulent claims. When *your* request for insurance is considered, these registers may be searched. When *you* tell *us* or *our administrator* about an event, the information relating to the event will be passed on to the registers.

16.1 Fraud

You must not act in a fraudulent way. If *you* or anyone acting for *you*:

- makes a claim under the *policy* knowing the claim to be false or exaggerated in any way; or
- makes a statement in support of a claim knowing the statement to be false in any way; or
- sends *us* or *our administrators* any documentation in support of a claim knowing the documentation to be forged or false in any way; or
- makes a claim for any loss caused by *your* deliberate act or with *your* agreement

Then *we* or *our administrators*:

- will not pay the claim;
- will not pay any other claim which has been or will be made under the *policy*;
- may declare the *policy* void;
- will be entitled to recover from *you* the amount of any claim already paid under the *policy*;
- will not return any of *your* premiums;
- may let the police know about the circumstances.

17. CUSTOMER DECLARATION

The information I have supplied is true and accurate
I understand and accept the *policy* terms and conditions