



The definitive Gap Insurance Experts

# Return to Value 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 vehicle, 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).

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

## RETURN TO VALUE 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 an vehicle value of less than £50,000
- cars purchased privately or through a trade entity
- cars purchased within the last 7 years and owned more than 3 months
- 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

Section 1.	Definitions
Section 2.	Cover Provided By Your Return To Value Gap Insurance
Section 3.	What Is Not Covered
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Section 5.	Additional Cover Options
Section 6.	How To Make A Claim
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Section 17.	Customer Declaration





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## 1. DEFINITIONS

- Administrator*.....Direct Group Limited, Quay Point, Lakeside Boulevard, Doncaster, DN4 5PL telephone number 0844 412 4272, who administer this insurance on the insurers behalf. Direct Group Limited is authorised and regulated by the Financial Conduct Authority.
- Category A, B, C, D, F & X*.....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.
- Claim Limit*.....The maximum amount that can be claimed as shown on the schedule.
- Comprehensive Motor Insurance Policy*...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
- Date of Loss*.....The date of the theft, fire or accident which gives rise to your claim for the total loss of the vehicle
- Geographical Limits*.....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
- Grey Import*.....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 conform to European Wide Type Approval and therefore qualify for cover
- Inception Date*.....The date from which this policy is valid and noted on the schedule
- 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.
- Period of Cover*.....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.
- Policy*.....This document together with the application and schedule
- Schedule*.....Declaration and additional information submitted by you or on your behalf which shows the level of cover you have chosen
- 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
- Vehicle*.....The car as identified on the proposal, having a maximum vehicle 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 car is more than three years old a valid mot,
- Vehicle Value*.....The lesser of the current value declared by you on the schedule or Glass's Guide mid-book value for a car of the same make, model specification level, age, book mileage and overall condition on the inception date.
- We / Us / Our*.....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
- You / Your*.....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 *vehicle 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*, *vehicle 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

**Vehicle Value:** The lesser of the current value declared by you on the schedule or Glass's Guide mid-book value for a vehicle of the same make, model specification level, age, book mileage and overall condition on the inception date

**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 less 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
- 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.

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- 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 *vehicle 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. 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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### 7. 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.

#### 7.1 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. NOTIFICATION OF CHANGES

You must notify the administrator, as soon as possible, of the following;

- If you sell, dispose of or transfer ownership of your vehicle
- If your vehicle sustains Category A, B, C, D, F & X damage
- If you make any 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, sat-nav, hands-free kit, roof rails, and tow bar do not need to be advised..

If you do not inform the administrator of these changes, this policy may become invalid and may not provide the cover you require.

### 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.

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### 11. CANCELLATION

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 submitted a claim on this policy.

You may cancel your policy after 21 days from the inception date by writing to the administrator. You will receive a proportionate refund of any premiums paid (as per the table below) provided that you have not submitted a claim. An administration charge will apply to the cancellation.

<i>If your policy has been in force between:</i>	<i>You will receive a refund of:</i>
21 days 6 months	50% of premiums paid
6 months and 12 months	35% of premiums paid
12 months and 18 months	25% of premiums paid
18 months and 24 months	20% of premiums paid
24 months and the end of the policy	15% of premiums paid

\*Policy cancellation requests should be sent in writing to: *Customer Relations Team, PO Box 1193, Doncaster DN1 9PW*

The Insurer is not bound to accept your schedule and may at any time cancel your policy by 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:

Customer Relations Team, PO Box 1193, Doncaster DN1 9PW  
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  
Riverbridge House, Guildford Road, Leatherhead, Surrey KT22 9AD  
Tel: 0844 357 8300 E-mail: email@click4group.co.uk

If the administrator cannot give you a final decision within 8 weeks from the day your complaint is received, the administrator will explain why and tell you when they 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 the administrator's 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.

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### 17. CUSTOMER DECLARATION

This Statement of Fact forms part of your contract of insurance and should be kept with your insurance documents for the duration of your insurance contract. The information contained within this Statement of Fact is a record of the statements made and the information given by you in completing your application for insurance cover and will be held on our records. Such information is the basis upon which we have agreed to provide insurance cover.

You must answer all questions honestly and to the best of your knowledge and belief. If you don't, your policy may be cancelled, or treated as if it never existed, or your claim rejected or not fully paid.

If a third party (such as an insurance broker) has completed this document on your behalf then you are responsible for checking that all questions have been answered correctly. It is therefore very important that you read the information contained carefully to ensure that all details are correct.

- I declare that the answers given on this document are true to the best of *my* knowledge and belief.
- I agree to accept the policy subject to the terms, conditions and exceptions contained within.
- I also declare that if a third party (such as an insurance broker) has completed this form on my behalf that I have checked that all of the questions have been answered correctly.
- I understand that *you* will pass information I have provided to the Motor Insurance Database (MID), the Claims and Underwriting Exchange Register and the Motor Insurance AntiFraud and Theft register for the purposes described in the 'Data Protection, Fraud Prevention and Detection' section of the Statement of Fact document and consent to the data transfer.
- To the best of *my* knowledge the *vehicle* is mechanically sound and of roadworthy condition