

FINANCE SHORTFALL PROTECTION GAP INSURANCE

Cars and Light Vans up to 3.5TGWW

Underwritten by Groupama Insurance Company Limited

SAMPLE POLICY WORDING

These Terms and Conditions ("Policy") set out the details of **Your** insurance cover. Please read this Policy carefully and keep it in a safe place. The Policy is underwritten by Groupama Insurance Company Limited ("**We**" "**Us**" "**Our**").

Your Insurance documentation is made up of the following:-

This Certificate and the **Schedule** that shows the vehicle that is covered by this Insurance and the premium **You** will pay.

You should read the **Schedule** and Certificate wording together.

Your Certificate tells **You** exactly what is covered, how claims are settled and other important information.

We have listed below words with special meanings. The words with special meanings are shown in bold type whenever they appear in the Certificate.

There are exclusions that apply to **Your** Insurance and they are listed below.

Definitions

Any word defined below will have the same meaning wherever it is used in your Certificate.

Administrator - means Virtual Insurance Products Ltd, The Estate Office, Shadrack, Berry Pomeroy, Totnes, TQ9 6LR.

Finance Value

Means the net invoice price of the **Insured Vehicle** after deduction from the **Gross Invoice Price** of any discount given, deposit paid and part exchange allowance. It shall exclude any warranty charges, dealer fitted accessories, insurance premiums, road fund licence fee or arrears.

Geographical Area

England, Wales, Northern Ireland, Scotland, Isle of Man, Channel Islands and member countries of the European Community and any other country for which an International Motor Insurance Card ("Green Card") in respect of the **Insured Vehicle** is effective at the date of **Total Loss**.

Gross Invoice Price

Means the invoice price of **Your Vehicle**, including factory fitted accessories or a maximum of 110% of the market value of **Your Vehicle** as shown in Glass's Guide Retail Value at the time of purchase, whichever the lesser.

Insured Value

The value of **Your Vehicle**, excluding contents, at the date of the **Total Loss** as assessed by your Comprehensive Insurers or the market value of **Your Vehicle** as shown in Glass's Guide Trade Value, whichever is the greater.

Insurer, We Us, Our

Groupama Insurance Company Limited.

Outstanding Balance

Means the amount owing to the finance company, at the time of loss strictly relating to the **Finance Value** of the **Insured Vehicle**.

Period of Insurance

The time between the purchase date of this Insurance and the earlier of the following dates: -

- a. The completion of the term shown in your **Schedule**.
- b. The date on which **Your Vehicle** is sold or transferred to a new owner.
- c. The date **Your Vehicle** is declared a Total Loss.

Schedule

The Schedule is part of this Insurance and contains details of **Your Vehicle** and **You**.

Total Loss

You have claimed under **Your** Comprehensive Insurance, your claim has been agreed, **Your Vehicle** has been forfeited and a payment made following accidental damage, fire or theft which has rendered **Your Vehicle** beyond economic repair.

UK

Means the United Kingdom, Channel Islands and Isle of Man.

Vehicle

The **Insured Vehicle** as shown in the **Schedule**.

You. Your

The person named in the **Schedule**.

Eligibility

You are covered under this Policy if on the start date:

- The **Insured Vehicle** is 8 years old or under; and
- Registered in the United Kingdom; and
- **We** have accepted **Your** application; and
- **You** have paid the premium including Insurance Premium Tax.
- **Your** vehicle must be shown in Glass's Guide.
- **Your** vehicle must be on finance.
- **Your** vehicle must be insured by a Comprehensive motor insurance policy issued by an authorised UK motor insurer.

You may not apply for cover under this Policy when the purchase price of the **Insured Vehicle** exceeds £100,000.

What is Covered

In the event of a **Total Loss** happening within the **Geographical Area** and occurring within the **Period of Insurance** the **Insurer** will pay an amount by which the **Outstanding Balance** strictly relating to the **Finance Value** of the **Insured Vehicle** at the date of loss, less any rebates or refund for creditor insurance, and excluding any arrears, exceeds the **Insured Value**

Limit of Indemnity

The liability in respect of any one claim is restricted to the amount shown on the **Schedule**.

Conditions

- a. **Your Vehicle** must be insured by a Comprehensive Motor Insurance Policy issued by an authorised UK motor insurer.
- b. **Your** Insurance cannot be transferred from **Your Vehicle** to any other vehicle.
- c. If **You** sell and/or transfer **Your Vehicle** to another person, motor dealer or trader during the **Period of Insurance** all cover will expire upon such sale/transfer.
- d. Unless **We** have agreed otherwise in writing, this Contract of Insurance will be governed by English law.
- e. In the event of a **Total Loss** claim, **You** must contact Groupama Insurance Company Limited within 60 days of the date on which the loss or damage occurred.
- f. No sums relative to re-financing, any debt attaching to vehicles accepted in part-exchange will be considered as part of the **Outstanding Balance**.
- g. The Insured shall not be entitled to any refund of premium.
- h. In the event of a **Total Loss**, **You** must not accept any offer from the Motor Insurer without **Our** approval. **We** reserve the right to subject **Your Vehicle** to independent inspection.

Exclusions

1. **Your** Insurance does not cover any claim: -
 - a. Where the **Total Loss** is not subject to an indemnity under the accidental damage, fire or theft sections of the motor insurance.
 - b. in respect of any excess deducted under the Motor Insurance Policy.
 - c. where the **Total Loss** arises as a consequence of war, riot, civil commotion and terrorism.
 - d. where the **Total Loss** is caused by an accident when the driver of **Your Vehicle** is under the influence of alcohol or drugs not prescribed by a registered medical practitioner or drugs prescribed by a registered medical practitioner in respect of which a warning against driving is given.
 - e. in respect of any loss of use of **Your Vehicle** or any consequential loss of any kind.
 - f. where the **Total Loss** occurs outside the **Geographical Area**.
 - g. which is the subject of fraud or dishonesty.
 - h. where the loss is covered by any other insurance or warranty.
 - i. for theft committed by any person who has access to keys of **Your Vehicle**.
 - j. 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 explosion, nuclear equipment or part of that equipment or acts of terrorism.
 - k. if **You** have the option to receive a replacement vehicle under the terms of **Your** Motor Insurance Policy in respect of the **Total Loss** of the **Insured Vehicle**. (The balance of any cover hereunder will be transferred to the replacement vehicle on request).

2. **Your Insurance** will not cover: -
- Your Vehicle** if it is not shown in Glass's Guide.
 - Your Vehicle** if it is a commercial vehicle (Goods vehicles in excess of 3.5TG VW).
 - Your Vehicle** if it is manufactured by Aston Martin, Bentley, Ferrari, Lotus, Maserati, Rolls Royce, TVR or any American make of vehicle unless it was manufactured as a right hand drive and providing **Your Vehicle** has been purchased from an authorised UK distributor and not imported directly;
 - Your Vehicle** if it is an emergency vehicle, bus, truck, heavy goods vehicle, motorcycle, invalid carrier.
 - Your Vehicle** if it is used for road-racing, rallying, pace-making, speed testing, or any other competitive event or is driven by any person not holding a valid, current licence to drive **Your Vehicle**.
 - Your Vehicle** if it has been modified other than in accordance with the manufacturer's specification.

General Conditions

- This contract and any endorsements of it together with the proposal and Certificate and any written statement of medical or other information made by **You** make up the contract between **Us** and **You**.
- No alterations, variations, or relaxation of any of the terms of this contract can be made except in writing by one or more of **Our** authorised officials.
- The parties to this contract may choose the law which shall govern it. In the absence of any agreement to the contrary this **Certificate** is subject to English law.
- If at any time any provision or part thereof of this contract become invalid, illegal, or enforceable the remaining parts and/or provisions shall continue in full force and effect.
- 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.
- Any omission, misrepresentation or false statement of a material fact in **Your** application for this insurance or any claim could affect the payment of benefits under this **Certificate**. A material fact is one which is likely to influence the acceptance of **Your** application or claim for insurance. If **You** are uncertain whether a fact is material **You** should declare it. If **You** make a claim which **We** consider to be fraudulent or exaggerated, all benefits under this contract will be lost and **We** will seek to recover any benefits paid under that claim.

Fraud

Any fraud mis-statement or concealment in relation to any matter affecting this contract or any claim under this contract may render it null and void and all rights to claim will be lost.

Data Protection Act

You should understand that any information **You** have provided will be processed by **Us**, in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to other parties.

How to Make a Claim

- If the **Insured Vehicle** is subject to a **Total Loss** please, within 60 days, call **Our** claimline on 0870 240 1895. You can do this at any time of the day. (Calls from a BT landline cost no more than 8p a minute. Charges from other suppliers maybe different).
- They will send **You** a claim form.
- You** must complete the claim form in full and return it to them.
- You** must supply all information and assistance which the **Insurer** may reasonably require in establishing the amount of any payment under **Your** Insurance.

Cancellation rights

You may cancel this contract within the 30 day cooling off period and receive a full refund of premium.

If **You** cancel the contract after this period no refunds of premium will be due.

No refunds of premium will be made where a claim has been made under the contract.

Complaints Procedure

We aim to provide a first-class service.

If **You** have any cause to complain, or **You** feel that **We** have not kept our promise, please follow the procedures below.

If **You** are not happy with the way the matter is dealt with, please write to Virtual Insurance Products Limited, The Estate Office, Shadrack, Berry Pomeroy, Totnes, TQ9 6LR. When **You** do this quote the Certificate number, which is on the **Schedule**.

After this action, if **You** are still not satisfied with the way a complaint has been dealt with, **You** may ask the Managing Director at Groupama Insurance Company Limited to review **Your** case (This would not affect **Your** rights to take legal action if necessary).

Our address is: Groupama Insurance Company Limited, Groupama House, 24-26 The Minories, London, EC3N 1DE.

Customer Compensation

Groupama Insurance Company Limited is a member of the Financial Services Compensation Scheme (FSCS). If **We** were unable to meet our obligations you may be entitled to compensation from the scheme, depending on the type of insurance and circumstances of the claim. The FSCS can be visited on the internet at www.fscs.org.uk or by contacting them on 020 7892 7300.

This policy is underwritten by: Groupama Insurance Company Limited, Groupama House, 24-26 The Minories, London, EC3N 1DE. Registered No. 00995253.

Authorised and regulated by the Financial Services Authority. Firm Reference No. 202124

You can check the above details on the Financial Services Authority Register by visiting the FSA website: www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

SPECIMEN

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