

LEASE GAP INSURANCE For Driving Schools

Underwritten by Groupama Insurance Company Limited

SAMPLE POLICY WORDING

You have applied for Lease Gap Insurance with Groupama Insurance Company Limited. In return for the appropriate premium, this Insurance will insure **You** against the amount by which the **Lease Agreement Termination Charge** exceeds the **Insured Value** following the **Total Loss** of the **Insured Vehicle**.

Your insurance is made up of the following:

The **Schedule** which shows the **Insured Vehicle** that is covered by this Insurance and the premium **You** will pay. **You** should read the **Schedule** and Certificate wording together. **Your** Policy tells **You** exactly what is covered, how Groupama Insurance Company Limited settle claims and other important information.

We have listed words with special meanings below. The words with special meaning are printed in bold type whenever they appear in the Policy. There are some general exclusions which apply to **Your** Insurance and **We** have listed them below.

Definitions

Any word defined below will have the same meaning wherever it is shown in **Your** Policy in bold print.

Administrator

Means Virtual Insurance Products Limited, The Estate Office, Shadrack, Berry Pomeroy, Totnes, Devon, TQ9 6LR.

Contract

Means this contract of insurance between **You** and **Us** in accordance with the **Schedule** and Certificate of Insurance.

Early Termination Charge

The net balance payable to the **Lease Company** at the date of the **Total Loss** less any rebates but excluding arrears or any balloon payments which exceeds that noted in Glass's Guide to future residual values at the inception date. The **Early Termination Charge** will, where applicable, exclude all maintenance, dealer fitted accessories, insurance premiums, road tax, excess mileage charges and recoverable VAT.

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**.

Insured Vehicle

Means the **Insured Vehicle** shown in the **Schedule**.

Insured Value

The value of **Your** vehicle, excluding contents, at the date of the **Total Loss** as agreed by **You** and the Insurer providing **Your Motor Insurance** or the market value of **Your** vehicle as shown in Glass's Guide Trade Value, whichever is the greater.

Insurer

Groupama Insurance Company Limited.

Lease Company

The company with whom the insured has agreed a **Lease Agreement**.

Lease Agreement

The agreement between the insured and the **Lease Company** for the use of the **Insured Vehicle**. The monthly rental is not to exceed £1,000 per month excluding VAT.

Motor Insurance

Means a comprehensive Motor Insurance Policy issued by an authorised UK Insurer, which insures accidental loss of or damage to the **Insured Vehicle** and which is maintained in **Your** name or a nominated and authorised driver throughout the **Period of Insurance**.

Original Insured

Each individual or company who / which enters into a **Lease Agreement** with a **Lease Company** and who has applied for insurance hereunder.

Period of Insurance

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

- a) The completion of the term shown in **Your Schedule**.
- b) The scheduled expiry of the **Lease Agreement**.
- c) 60 months from the **Lease Agreement** start date.
- d) The date on which the insured shall have paid all sums due under the **Lease Agreement** or for any other reason ceases to be indebted.
- e) The date **Your Vehicle** is declared a **Total Loss**.

Schedule

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

Total Loss

You have claimed under **Your** Comprehensive **Motor Insurance** and the claim has been settled and the **Insured Vehicle** has been forfeited and a **Total Loss** payment made following accidental damage, fire or theft.

UK

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

We, Our, Us

Means Groupama Insurance Company Limited.

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 single premium including Insurance Premium Tax; and
- **Your** vehicle must be shown in Glass's Guide; and
- **Your** vehicle must be insured by a Comprehensive **Motor Insurance** policy issued by an authorised UK motor insurer.

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 to the **Lease Company** on behalf of the **Original Insured**, **Early Termination Charges** or unexpired months - whichever is the lesser.

Limit of Indemnity

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

Conditions

- a. The **Insured Vehicle** must be insured by a **Motor Insurance** Policy issued by an authorised UK motor insurer, which insures against accidental damage, fire and theft.
- b. **Your** Insurance cannot be transferred from the **Insured Vehicle** to any other vehicle.
- c. Unless **We** have agreed otherwise in writing, this Contract will be governed by English law.
- d. In the event of a **Total Loss** claim **You** must contact Groupama Insurance Company Limited within 60 days of the date of the loss or damage occurring.

- e. If **You** decline an offer of a replacement vehicle under the terms of **Your Motor Insurance** policy then the Insurer will settle **Your** claim under this Insurance based on the value of the replacement vehicle and not the settlement figure offered under **Your Motor Insurance** Policy.
- f. The insured shall not be entitled to any refund of premium.
- g. 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** Policy.
- b) In respect of any excess deducted under the **Motor Insurance** Policy.
- c) Where the **Total Loss** arises as a consequence of war, riot or civil commotion.
- d) Where the **Total Loss** is caused by an accident when the driver of the **Insured 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 the **Insured 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 the **Insured 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.

2. **Your** Insurance will not cover: -

- a) The **Insured Vehicle** where it is not shown in Glass's Guide.
- b) The **Insured Vehicle** where it is a commercial vehicle (Goods vehicles in excess of 3.5T GVW).
- c) The **Insured Vehicle** where it is manufactured by Aston Martin, Bentley, Ferrari, Lotus, Maserati, Rolls Royce, TVR or any American make of vehicle unless manufactured as a right hand drive and providing the **Insured Vehicle** has been purchased from an authorised UK distributor and not imported directly.
- d) The **Insured Vehicle** where it is an emergency vehicle, taxi, bus, truck, heavy goods vehicle, motorcycle, invalid carrier.
- e) The **Insured Vehicle** where 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 the **Insured Vehicle**.
- f) The **Insured Vehicle** where it has been modified other than in accordance with the manufacturer's specification.

General Conditions

- a) 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**.
- b) 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.
- c) The parties to this Contract may choose the law which shall govern it. In the absence of any agreement to the contrary this Contract is subject to English law.
- d) 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.
- e) 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.
- f) 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

1. 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).
2. **We** will send **You** a claim form.
3. **You** must complete the claim form in full and return it to **Us**.
4. **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 Our Customer Services Department, Virtual Insurance Products Limited, The Estate Office, Shadrack, Berry Pomeroy, Totnes, Devon, TQ9 6LR. When **You** do this quote **Your** certificate number, which is on **Your** 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.

If **You** still remain dissatisfied after following the above procedures in full, **You** can ask the Financial Ombudsman Service to review **Your** case. Further details will be provided at the appropriate stage.

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.

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