ALA Insurance

Your Contract of Insurance
Contract Hire GAP
LIGHT COMMERCIAL VEHICLE TO 3500KG-GVW

Introduction

Your Contract Hire GAP Insurance is arranged by ALAIB Limited trading as ALA Insurance Brokers and underwritten by Bastion Insurance Company Limited (ROC Company ID C 37545) of 4th Floor, Development House, St Anne Street, Floriana, FRN 9010, Malta

ALAIB Limited trading as ALA Insurance Brokers are authorised and regulated by the Financial Conduct Authority. Firm reference number 571109.

Bastion Insurance Company Ltd (C-37545) is authorised by the Malta Financial Services Authority to carry on General Business of Insurance under the Insurance Business Act, 1998. Bastion Insurance Company Limited, is authorised and regulated by the Malta Financial Services Authority in the jurisdiction of Malta. Bastion Insurance Company Limited is deemed authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website.

This can be checked on the Financial Services Register by visiting the FCA's website at www.fca.org or by calling them on 0800111 6768.

Please note that certain words and phrases in this policy will have the same meaning wherever they appear. To make them easier to recognise they will be shown in *italics.* They are all listed and explained at the end of the policy under the heading "Definitions".

Terms and Conditions

This insurance is designed to pay the *shortfall* between the amount *your* motor insurer pays on *your motor insurance policy* and the *outstanding balance* owed on your *finance agreement*, following a *total loss*. **Please note:** *we* will only pay the element of the *outstanding balance* that relates directly to the price of the *motor vehicle*. See the definition of *insurance settlement* on page 7. If there is any difference between the information in this certificate and what *you* understood to be the terms of the insurance when *you* applied for the insurance, *you* should contact ALAIB immediately. Contact details are on page 1.

It is important that *you* are aware of *your* duty of fair presentation (see 'Your Duty of Disclosure' on page 3).

N.B. THIS POLICY IS NOT A MOTOR VEHICLE INSURANCE FOR THE PURPOSE OF THE ROAD TRAFFIC ACT

Eligibility

It is a condition precedent to our liability under this insurance contract that the following matters are true and accurate:

1. *You* have a contract hire or lease agreement taken in the name of the insured to finance the hire of the vehicle; and
2. The *motor vehicle* has and will have a *motor insurance policy* at all times throughout the *cover period,* in *your* name as the policyholder or in the name of a nominated authorised driver; Please Note: **Motor trade insurance policies of any type are excluded.**
3. The *motor vehicle* has not previously been declared a total loss / write off
4. *You* purchased the *motor vehicle* less than 180 days before the *cover start date*
5. The *motor vehicle* is under 10 years old and valued at less than £50,000, and is listed in Glass's Guide;
6. The *motor vehicle* has been purchased from a registered *motor dealer* and
7. The *motor vehicle* is not one of the following excluded vehicles: Any Passenger Cars, Motorcycle, Motor Scooter/ Moped, any left hand drive vehicle and a vehicle which does not meet UK or EC approval or is not commercially available in the UK direct from a manufacturer or its authorised importer or dealer, any taxi, mini cab, driving tuition vehicle, courier or delivery vehicle of any type or any private or public rental vehicle or any rally, competition or off-road vehicle of any type, or is an emergency vehicle or invalid carrier.

We will not provide any cover if *you* do not meet these eligibility requirements of *your* policy.

Cost

The cost of the policy is shown in the *schedule*.

What *We* Will Cover

On receipt of satisfactory evidence that *your* motor insurer has settled a *total loss* claim for the *motor vehicle* under *your motor insurance policy*, during the *cover period, we* will pay the *shortfall* that relates directly to the price of the *motor vehicle*. Please see the definition of *insurance settlement* on page 7.

The Most *We* Will Pay

The most *we* will pay for a *total loss* is the *maximum benefit* shown in the *schedule*.

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What *We* Will Not Cover

This insurance does not cover, and *we* will not make any payment for, any of the following:

1. Any liability for death or bodily injury or damage to any person, damage to property or any other losses or expenses arising from the event that results in the *total loss* of the *motor vehicle*.
2. Any contribution that *you* more specifically insure elsewhere.
3. Any additional costs within the *insurance settlement* for anything other than the purchase of the *motor vehicle*. This includes, but is not limited to, administration charges, option to purchase charges, late payment charges and arrears, early settlement charges.
4. Any of *your finance agreement* instalments that are in arrears or any interest on arrears, or any deficit due to non-payment or erratic payment of any amounts that *you* should have paid under the terms of *your finance agreement* or any outstanding financed amount transferred from any previous finance agreement including "Cash Back" to *your* current *finance agreement*.
5. If the event causing the *total loss* is occasioned by *your* deliberate act or with *your* consent.
6. If the claim or loss is caused by *you* taking part (either directly or indirectly) in a crime.
7. Drink driving offence or *you* being under the influence of drugs.
8. The amount of any policy excess on *your motor insurance policy* exceeding £250.
9. *Your motor insurance policy* insurer replacing *your motor vehicle* or offering *you* a replacement vehicle in settlement which you decline.
10. *Your motor insurance policy* insurer offers to repair *your motor vehicle* but *you* have instead requested the claim to be dealt with on a *total loss* basis.
11. If the claim or loss is directly or indirectly caused by war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion, terrorist activity of any kind.
12. If the claim or loss is directly or indirectly caused by ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
13. Any VAT element of any claim where *you* are VAT registered.
14. Any deduction by *your* Motor Insurer for any unrepaired pre-accident damage.

Your Duty of Disclosure

Under the Insurance Act 2015, *you* have a duty to make a fair representation of the risk to *us* before this policy starts, at each renewal of the policy and when *you* make any amendment(s) to *your* cover. This means *you* must:

1. Disclose all material facts which *you* know or ought to know.
2. Make the disclosure in a reasonably clear and accessible way; and
3. Ensure that every material representation of fact is substantially correct and made in good faith.

A "material fact" is information that would influence *our* decision as to whether to insure *you* and if so, on what terms.

For the purposes of the duty of fair presentation, *you* are expected to know the following:

a) If *you* are an individual (such as a sole trader or an individual partner):
   - what is known to *you* and anybody who is responsible for arranging this insurance; or

   If *you* are not an individual (such as a limited company or a partnership):
   - what is known to anybody who is part of *your* organisation's senior management (this means those people who play significant roles in the making of decisions about how *your* activities are to be managed or organised), or anybody who is responsible for arranging this insurance;

b) What should reasonably be revealed by a reasonable search of information available to *you*. The information may be held within *your* organisation, or by any third party (including but not limited to subsidiaries, affiliates, the broker, or any other person who will be covered under the insurance). If the insurance is intended to insure subsidiaries, affiliates or other parties, *you* are expected to have included them in *your* enquiries and inform *us* if *you* have not done so. The reasonable search may be conducted by making enquiries or by any other means.

If *you* breach your duty to make fair representation of the risk to *us*, then:

- Where the breach was deliberate or reckless, *we* may avoid this policy and refuse all claims and keep all premiums paid;
- Where the breach was neither deliberate nor reckless and, but for the breach:
  - *we* would not have agreed to provide cover under this policy on any terms, *we* may avoid this policy and refuse all claims, but will return any premiums paid
  - *we* would have agreed to provide cover under this policy but on different terms (other than premium terms), *we* may require that this policy includes such different terms with effect from its commencement, and/or
    we would have agreed to provide cover under this policy but would have charged a higher premium, *our* liability for any loss amount payable shall be limited to the proportion that the premium we charged bears to the higher premium *we* would have charged. For example, if due to a breach of fair representation *we* charged a premium of £159.00 but *we* should have charged £224.00, for a claim submitted and agreed at a settlement value of £10,000 *you* will only be paid £7,000.

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Claims procedure

This insurance is administered by AMS Insurance Services Limited on behalf of the underwriters. AMS is authorised and regulated by the Financial Conduct Authority No. 310422. If you need to make a claim under *your* policy, please telephone AMS Insurance Services Ltd. on 01869 232563 Email: claims@ams-gap.com. Their address is: 52 Heyford Park House, Upper Heyford, Oxfordshire OX25 5HD.

You should make a claim and provide all necessary proof as soon as possible after the event leading to the *total loss* of the *motor vehicle*, but in any event within 120 days of the date of *total loss*. If *you* do not do this payment of *your* benefit may be delayed or reduced. *We* may provide an extension of that period if *you* make a request in writing giving a reasonable explanation for the delay.

Your claim must be accompanied by a copy of any *finance agreement*, settlement statement for your *finance agreement* incorporating a breakdown of any arrears or interest on the arrears and interest rebate, a copy of your motor insurance certificate, a copy of the statement by *your motor insurance policy* insurer disclosing in full the basis of the calculation used in arriving at the *insurance settlement* amount and evidence of payment of the *insurance settlement*, *your* fully detailed vehicle purchase order and invoice, plus this insurance certificate.

We may require other documents to validate *your* claim and it is *your* responsibility to provide these.
Documents must be certified as correct by an official of *your motor insurance policy* insurer and *your lender*. *We* will give *you* information on how to complete *your* claim form and tell *you* any other details that are required.

Claims conditions

If *you* have another similar insurance with *us* or with any other insurer, in respect of the same *motor vehicle* then *we* reserve the right to reduce any benefit *we* may pay on this policy.

Fraudulent claims or misleading information

We take a robust approach to fraud prevention in order to keep premium rates down so that *you* do not have to pay for other people's dishonesty. If any claim made by *you* or anyone acting on *your* behalf under this insurance is fraudulent, deliberately exaggerated or intended to mislead, *we* may:

- not pay *your* claim; and
- recover (from *you*) any payments *we* have already made in respect of that claim; and
- terminate *your* insurance from the time of the fraudulent act; and
- inform the police of the fraudulent act.

If *your* insurance is terminated from the time of the fraudulent act, *we* will not pay any claim for any incident which happens after that time and may not return any of the insurance premium(s) already paid.

General conditions

Improving *your* vehicle, renegotiating *your finance agreement*

If *you* add to or make any improvements to the *motor vehicle* or renegotiate any term(s) of the *finance agreement, you* must tell ALAIB immediately. Contact details are on page 1. If *you* do not, payment of *your* benefit may be delayed or reduced. When *you* tell ALAIB, an additional premium may be required.

Subrogation

We may, at our discretion, take any steps at *our* cost in *your* name against any person, including but not limited to, *your motor insurance policy* insurer, to recover any money paid in settlement of *your* claim. *You* must give *us* all the assistance that is necessary.

Policy Transfer

Your policy is only transferable under the following conditions:

- If, in the event of a total loss and your motor insurer replaces *your motor vehicle* with one of the same make, model and specification, *we* will provide a new GAP Policy for this *motor vehicle* for the term and cover of *your* original GAP Policy free of charge. There is no administration or transfer fee.
- In the event of *your death* within the term of this policy the remaining benefit of this insurance may be transferred to *your* spouse or partner.
- If *you* sell or change *your motor Vehicle*, provided that no claim has been made under this Insurance, *you* may transfer this policy to the eligible replacement vehicle, as long as the new vehicle purchase price is not greater than the original vehicle purchase price, subject to *our* agreement. There is no administration or transfer fee.

Policy Cancellation

Within The 30 Day Cooling Off Period

You may cancel this insurance, without giving reason by advising ALAIB within 30 days of it starting. *You* will receive a full refund of all premium paid from ALAIB provided that no claim has been made and *you* do not intend to make a claim.

After The 30 Day Cooling Off Period

To cancel your policy after the cooling off period, please contact ALAIB Limited
If *you* wish to cancel this insurance after the cooling off period then, provided no claim has been made, *you* will receive a straight pro-rata refund of premium proportionate to the unexpired days remaining of the term of the insurance less an administration fee of £35.

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Certification of cover

This certificate and *schedule* are issued to *you* by AMS Insurance Services Limited in its capacity as agent of the Insurer, Bastion Insurance Company Limited through AMS Insurance Services Limited under contract reference KLBAMS01 01/09/2019.In exchange for *you* paying the premium amount referenced in *your schedule*, *you* are insured in accordance with the terms & conditions contained in these documents (and any amendments made to them) for the duration of *your* policy.

Signed by:

Peter McKenna

Authorised Signatory of AMS Insurance Services Limited.

Customer Complaints

Our aim is to ensure that all aspects of your insurance are dealt with promptly, efficiently and fairly. At all times we are committed to providing you with the highest standard of service.

If you wish to make a complaint about any of the following:

- sale of this insurance policy,
- information or advice provided during the sales process,
- terms and conditions of the policy,
- general administration of your policy including claims,

Please email or write to us using the below contact details:

AMS Insurance Services Ltd
Heyford Park House
Heyford Park
Upper Heyford
Oxfordshire OX25 5HD.
Tel: 01869 232563
Email: info@ams-gap.com

Your complaint will be acknowledged no later than the end of the next working day and final written response will be provided within 15 working days. If a final response is not provided within fifteen working days, you will be informed about the cause of the delay and an indication when the investigation is likely to be complete.

Should your complaint be about the Company which has issued the policy, you may write to Mr Anthony Mowatt, Director (Email: anthony.mowatt@bastion-insurance.com) of Bastion Insurance Company Limited, 4th Floor, Development House, St Anne Street, Floriana, FRN 9010, Malta. When writing please include the following information: 1) name, address and postcode, telephone number and email address, 2) policy number and/or claim number, 3) the reason for your complaint, and 4) copies of any material you may wish to provide us.

If you remain dissatisfied, you may have the right to refer your complaint to the Financial Ombudsman Service (FOS).

The contact details for the FOS are: The Financial Ombudsman Service, Exchange Tower, London E14 9SR. Telephone 0800 023 4567 (calls to this number are free from “fixed lines” in the UK) or 0300 123 9123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK).
Email complaint.info@financial-ombudsman.org.uk.

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the FOS at www.financial-ombudsman.org.uk.

The European Union offers an Online Dispute Resolution platform, which may assist some customers with a complaint. You can access this platform at http://ec.europa.eu/odr

In the event that your complaint remains unresolved and in order to seek an independent review, you may also write to the Arbiter for Financial Services: -

Office of the Arbiter for Financial Services
First floor,
St Calcedonius Square
Floriana FRN1530 Malta

Premiums and Claims – *Your* Rights

When handling premium payments from *you* that are due to *us*, and when handling any premium refund due to *you*, ALAIB Limited and or AMS act as *our* authorised agents. This means that when *you* pay a premium to ALAIB or AMS it is deemed to have been received by *us*, and that any premium refund paid by ALAIB or AMS is not deemed to have been paid until *you* have received the payment.
Also, when AMS handle a claim *you* make under this policy they act as *our* authorised agents. This means that any valid claim *you* make with AMS which is to be settled by a payment, is not deemed to have been settled until *you* have received the payment

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Law & Jurisdiction

This policy shall be governed by the laws of England and Wales and subject to the non-exclusive jurisdiction of the courts of England.

Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme. *You* may be entitled to compensation from the scheme if *we* are unable to meet *our* obligation to *you* under this contract. Further information can be obtained from the Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St. Botolph Street, London, EC3A 7QU. Tel: 0800 678 1100 (Freephone) or 020 7741 4100. Website: www.fscs.org.uk

Data Protection Notice

AMS Insurance Services Limited are the data controllers (as defined by the Data Protection Act 2018 and all applicable laws which replace or amend it, including the General Data Protection Regulation) who may collect and process *your* personal information.

For full details of what data AMS collect about *you*, how AMS use it, who AMS share it with, how long AMS keep it and *your* rights relating to *your* personal data, please refer to the AMS Privacy Notice which will be available on the AMS website https://www.ams-gap.com/privacy-policy.

If *you* do not have access to the Internet, please write to the Group Data Protection Officer (address below) with *your* address, and a copy will be sent to *you* in the post.

In summary:
AMS Insurance Services Limited may, as part of our agreement with *you* under this contract, collect personal information about *you*, including:

- Name, address, contact details, date of birth and cover required
- Financial information such as bank details
- Details of any claim

AMS Insurance Services Limited may collect and process *your* sensitive personal information, such as information about any criminal convictions or offences, for the purpose of insurance and claims administration.

All phone calls may be monitored and recorded and the recordings used for fraud prevention and detection, training and quality control purposes.

Your personal information may be shared with third parties which supply services to us or which process information on *our* behalf (for example, premium collection and claims validation, or for communication purposes related to *your* cover). *We* will ensure that they keep *your* information secure and do not use it for purposes other than those that we have specified in our Privacy Notice.

Some third parties that process *your* data on our behalf may do so outside of the European Economic Area ("EEA"). This transfer and processing is protected by EU Model Contracts which aim to provide the equivalent level of data protection to that found in the EU.

AMS Insurance Services Limited will keep *your* personal information only for as long as we believe is necessary to fulfil the purposes for which the personal information was collected (including for the purpose of meeting any legal obligations).

AMS will share *your* information if we are required to by law. We may share *your* information with enforcement authorities if they ask us to, or with a third party in the context of actual or threatened legal proceedings, provided we can do so without breaching data protection laws.

If *you* have any concerns about how *your* personal data is being collected and processed, or wish to exercise any of *your* rights detailed in our Privacy Notice, please contact

Data Protection Officer
AMS Insurance Services Limited
Heyford Park House
Upper Heyford
Oxfordshire OX25 5HD
Telephone: 01869232563

Disclosure of Important Information

In accepting *your* application for this insurance, *we* have relied on the information *you* have given *us*. *You* must take reasonable care to provide complete and accurate answers to the questions asked when *you* take out or make changes to *your* policy. If the information provided by *you* is not complete and accurate the extent of cover may be affected and *we*:

- may cancel *your* policy and refuse to pay any claim;
- may not pay any claim in full.

If *you* become aware that any information *you* have given is incomplete or inaccurate, please contact AMS Insurance Services Limited (AMS) at Heyford Park House, Heyford Park, Upper Heyford, Oxfordshire, OX25 5HD as soon as possible.
We will write to *you* if *we*:

- intend to cancel *your* policy; or
- need to amend the terms of *your* policy; or require *you* to pay more for *your* insurance.

Sanctions

We shall not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

Rights of Third Parties

A person who is not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act.
For *your* information, the Contracts (Rights of Third Parties) Act 1999 allows a person who is not a party to a contract to be able to enforce that contract if the contract expressly allows him/her to or if the contract confers a benefit upon him/her. However the Act will not be applied if the parties make it clear in the contract that the third party does not have the right to enforce it. For further guidance please see www.legislation.gov.uk or contact the Citizens Advice Bureau.

Definitions

"Cover end date" means the earliest of:

1. the date *you* sell or transfer the *motor vehicle*;
2. the date benefit is paid under this insurance;
3. the date on which *you* cease to have a *motor insurance policy* in place covering the *motor vehicle;*
4. the date this certificate terminates as stated on the *schedule.*

"Cover period" means the period from the *cover start date* to the *cover end date*.

"Cover start date" means the date on which AMS or its authorised motor dealer/broker receives the premium payable for cover or the date given on *your schedule,* whichever is later.

"Finance Agreement" means the original hire purchase, lease, lease purchase, PCP, contract hire, conditional sale, loan or credit agreement between *you* and the *lender* for the purchase and/or use of the *motor vehicle*.

"Insurance settlement" means the payment amount *you* receive under *your motor insurance policy* following the *total loss* of the *motor vehicle*.

"Insured person" means the person named in the *schedule*.

"Lender" means the finance company that is named in any *finance agreement*.

"Motor insurance policy" means a standard form of comprehensive motor vehicle insurance policy with a motor insurer registered in the United Kingdom and issued to *you* and in force on the *motor vehicle*.

"Motor vehicle" means the commercial vehicle up to 3500KG as identified in the *schedule* that is made for private or business use on the public highway and has a value that does not exceed £50,000.

"Negative equity" means the situation where the *original purchase price* of the *motor vehicle* financed by the *finance agreement* is above the manufacture's published retail list price at time of purchase or its retail market value if a used vehicle.

"Original purchase price" means the price paid by *you* or the finance company under your finance agreement for the *motor vehicle* (including all factory fitted accessories) and after any discount given but does NOT include the cost of road fund licence, new vehicle registration fee, fuel, paintwork and/or upholstery protection kits, insurance premiums (including the premium for this policy), warranty premiums, dealer fitted accessories, any finance arrears and any such associated costs and any negative equity.

"Outstanding balance" means the amount the *lender* calculates *you* must pay to settle the *finance agreement* less any arrears and interest on arrears, and less the repayment of any amount other than the purchase price of the *motor vehicle*.

"Premium" means the monies *you* have paid to y*our Agent* for this Policy, which includes the Insurer's charge for the risk insured and their associated costs to which they are entitled and any sum due to *your* agent and retainable by them for facilitating the provision of cover to *you*.

"Schedule" means the schedule attaching to this certificate.

"Shortfall" means the difference between the *insurance settlement* and the *outstanding balance* at the date on which payment is made by *your* insurer under *your motor insurance policy*.

"Total loss" means the actual or constructive total loss (as a result of theft or material damage to the *motor vehicle*) resulting in a payment under *your motor insurance policy*.

"We", **"us"** or **"our"** means Bastion Insurance Company Limited (ROC Company ID C 37545).

"You" or ***"your"*** means the *insured person* named on the *schedule*, who is also the registered keeper of the *motor vehicle*, the policyholder named in the *motor insurance policy* and the borrower named in any *finance agreement*.

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