

Feb 2019

# Motor Trade Road Risks

Policy



All information in this Policy Booklet is correct at the time of printing (February 2019), for full up to date information please visit our website

[coveinsurance.co.uk](http://coveinsurance.co.uk)



# 24 Hour Claims Assistance

Please keep the card below in a safe place in case you need to contact the helpline.

Please contact our Motor Trade team as soon as possible after any incident involving a vehicle covered by this policy

Motor Trade Care Line  
**0330 024 2244**



Give your **Covéa Insurance Motor Trade Care Line** adviser the following:

- Policy Number, your name/driver's name
- Vehicle make, model and registration number
- Details of incident including name and address of the other driver, their insurance company, policy number and car registration number

**Motor Trade Care Line**  
**0330 024 2244**



Thank you for choosing Covéa Insurance.

This is **Your** Motor Trade Road Risks policy. It sets out the details of **Your** insurance contract with Covéa Insurance.

**Your** premium has been calculated upon the information shown in the policy **Schedule** and recorded in **Your** Statement of Fact.

Please read the policy and **Schedule** carefully to ensure that the cover meets **Your** requirements.

Please contact **Your** insurance broker if **You** have any questions or if **You** wish to make any adjustments.

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# Claims Information

## CLAIMS NUMBER

**Motor Trade Care Line**  
**0330 024 2244**

In the event of any incident involving a vehicle covered by this policy, contact **Our** Motor Trade team as soon as possible on the above number.

### How to make a claim

If **You** need to tell **Us** about an incident involving a vehicle covered by this policy, telephone the [Covéa Insurance Motor Trade Care Line](#). **Our** Motor Trade team will record the details of the incident and advise **You** of the next steps in the process.

Please provide **Us** with the following information:

- Policy Number, **Your** name, driver's name
- Vehicle make, model and registration number
- Nature of incident
- Name and address of the other driver, their insurance company, policy number and car registration number
- Police incident number if applicable (this is a requirement for theft claims)
- Accident police reference number (if police attended the scene)

### How we deal with your claim

After **You** have reported the incident, **Our** Motor Trade Team will register **Your** claim and send **You** a statement of facts containing a record of the information provided by **You**. If any of the information in the statement of facts is incorrect **You** must advise **Us** within seven days of receipt of the document. If **We** do not hear from **You** **We** will assume the information **You** have provided is accurate.

**You** will be required to provide a copy of the current driving licence, or photocard and DVLA verified motoring conviction record, for **You** and the driver of the vehicle (if not the **Policyholder**) together with any other information needed to deal with **Your** claim.

# What should I do in the event of an accident?

## Do

- Get as much information as **You** can as soon as possible.
- Ask the other drivers involved for their names, addresses and telephone numbers.
- Ask for the name of their insurers and if possible their policy or certificate number.
- Send to **Us** any letters or documents **You** receive in connection with the accident before **You** reply to them.
- Make a note of the vehicle registration numbers, along with the make, model and colours of the other vehicle/s involved. Also note all relevant details such as weather conditions.
- Make a note of any injuries or damage to other property.
- Make a note of the number of passengers in the other driver's vehicle.
- Ask for the names and addresses of any witnesses before they lose interest and leave the scene.
- If the police attend the scene, obtain the address of the police station and if possible their reference number.
- Contact the [Covéa Insurance Motor Trade Care Line on 0330 024 2244](#) as soon as possible to report the matter, **even if you don't intend to make a claim.**

## Don't

- Discuss at the scene whose fault the accident seems to have been.
- Apologise or admit any fault or liability.
- Forget to record the details of damage caused to any property or injury to anyone involved.

## What the Law Says

- If **You** are involved in any accident involving an injury to any person or damage to any other vehicle or property **You** must stop.
- Give **Your** name, address and insurance details to anyone who has a good reason for asking.
- If there is an injury or **You** do not give **Your** details to anyone at the scene, **You** must report the matter to the police within 24 hours.

# What should I do if my Vehicle is stolen?

- Call the police immediately and obtain a crime reference number
- Contact the [Covéa Insurance Motor Trade Care Line on 0330 024 2244](#) to report the matter to **Us**
- **We** will need the following documents/items so please make sure **You** have these to hand:
  - Vehicle Registration Document (V5 or Log book)
  - Current MOT Certificate
  - Purchase Receipt
  - All sets of keys for the vehicle
  - Copy of **Your** Driving Licence

When **We** have received all necessary information **We** will make **You** an offer for **Your** vehicle subject to the terms and conditions of **Your** policy.

If **Your** vehicle is recovered at any stage, either before or after **We** have sent the settlement cheque to **You**, please contact **Us** immediately with the vehicle location. This will enable **Us** to move the vehicle to one of **Our** agents. Failure to do this may result in **You** becoming liable for any towing and storage charges.



## Business

The motor trade occupation declared in the **Schedule**.

## Business Premises

The **Business** address (or addresses) shown in the **Schedule** and any house, building, structure or land used by, owned by or occupied by **You** or any partner, fellow Director, employee or named driver for:

1. maintaining, including cleaning or valeting;
2. repairing;
3. selling;
4. displaying; or
5. keeping;

any motor vehicle.

Keeping, is defined as leaving any **Insured Vehicle** on land used by **You** or any partner, fellow Director, employee or named driver on a regular basis for the parking or storing of any motor vehicle. Any private residence **You** or any named driver occupies is not a business premises for the purpose of this insurance.

**We** will not pay for loss of or damage to any **Insured Vehicle** whilst:

- (i) in or on the business premises;
- or
- (ii) on a road at or within 400 metres of the business premises, unless in the course of a journey.

## Certificate of Motor Insurance

**Your** current valid Certificate of Motor Insurance has the same number as this policy. The Certificate also sets out who may drive the **Insured Vehicle** and the purpose for which the **Insured Vehicle** may be used.

## Endorsements

Special terms or restrictions which affect the policy cover. The endorsement numbers which apply are shown on the **Schedule**.

## Excess

The amount **You** must pay following loss of or damage to the **Insured Vehicle**. The actual amount is shown on the **Schedule**.

## Insured Vehicle

Any motor vehicle, which is:

1. **Your** property;
2. the property of **Your Spouse**, if he or she is declared as a driver on this policy;
3. held in trust by **You** or in **Your** custody or control for **Your** motor trade **Business**;
4. a vehicle leased to the **Policyholder** on a lease agreement with a minimum initial duration of 12 months.

It must not be:

- (a) a vehicle being driven by or in the custody or control of any company, partnership or person not declared in the **Certificate of Motor Insurance**;

# Definitions

*continued*

- (b) a vehicle used for hire, reward or teaching someone to drive (using the vehicle only for breakdown purposes or under a trade plate to transport goods for demonstrating purposes in line with the regulations that apply to trade licences is not classed as hire or reward);
  - (c) a vehicle transporter, with or without a trailer, that can carry more than two vehicles;
  - (d) a vehicle being carried on a vehicle transporter or vehicle transporter and trailer, capable of carrying more than two vehicles at any one time; or
  - (e) a borrowed, lent or loaned vehicle, a courtesy vehicle, a vehicle owned by a family member (vehicles owned by **Your Spouse** are covered if they are declared as a driver on this policy) or a vehicle hired or leased to the **Policyholder** on a short-term agreement of less than 12 months;
  - (f) a vehicle that has been seized by any government or public authority unless at the time of seizure the vehicle was:
    - (i) **Your** property; or
    - (ii) the property of **Your Spouse** if he or she is declared as a driver on this policy; or
    - (iii) held in trust by **You** or was in **Your** custody or control for motor trade purposes.
- We** shall not be liable for any accident, injury, loss, damage or liability whilst the following vehicles are used other than for motor trade purposes:
- (a) a commercial vehicle over 3.5 ton;
  - (b) a caravanette, motorhome, motorcycle, quad bike, threewheeled vehicle or kit vehicle;
  - (c) a vehicle manufactured in the USA or Canada unless specifically manufactured for sale in the United Kingdom;
  - (d) a vehicle having more than seven passenger seats;
  - (e) a vehicle manufactured before 1 January 1980;
  - (f) a vehicle modified from the manufacturers original specification to improve performance; or
  - (g) a vehicle with a fibreglass bodyshell.

## Market Value

Applicable only to vehicles not the property of **You, Your Spouse** or any person named on the **Certificate of Motor Insurance** and which are in **Your** custody or control for the purpose of upkeep, service or repair.

The cost to replace the **Insured Vehicle** which is the price a member of the public would pay at the time to buy one replacement vehicle. The vehicle must be of a similar make, model, year, mileage and condition. **We** use such

# Definitions

*continued*

Motor Trade Care Line  
0330 024 2244

publications as Glass's Guide to set the market value of the vehicle. Contents of customer's vehicles are not covered.

## Period of Insurance

The length of time covered by this insurance as shown in the **Schedule**.

## Policyholder/Insured/You/Your

The person or persons, company or companies declared in the **Schedule** under the heading "Insured".

## Schedule

**Your** details and details of the sections of this insurance document which apply to **You**.

## Territorial Limits

Great Britain, Northern Ireland, Channel Islands, the Isle of Man and during sea transit between ports in these areas.

## Terrorism

An act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

## Trade Market Value

Applicable to vehicles which are **Your** property or the property of **Your Spouse** if he or she is a named driver on the policy.

The cost to replace the **Insured Vehicle** which is the price **You** would pay at that time to buy one replacement vehicle with the intention of selling it, for a profit, at a later date. The vehicle must be of a similar make, model, year, mileage and condition. **We** use such publications as Glass's Guide to set the trade market value of the vehicle.

## We/Us/Our/The Company

Covea Insurance plc.

## Your Spouse

The legally married husband or wife, or common law partner living and registered at the same address as **You**.

# Customer Information

## Registration and Regulatory Information

Insurance cover is provided by Covea Insurance plc. Registered in England and Wales No. 613259. Registered office: Norman Place, Reading, Berkshire RG1 8DA.

Covea Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. **Our** Firm Reference Number is 202277. **You** can check this on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/register](http://www.fca.org.uk/register) or by contacting the FCA on 0800 111 6768.

## Financial Services Compensation Scheme (FSCS)

**We** are covered by the Financial Services Compensation Scheme. **You** may be entitled to receive compensation from the scheme if **We** cannot meet **Our** obligations.

Further information is available from the Financial Services Compensation Scheme, 10th Floor Beaufort House, 15 St Botolph Street, London EC3A 7QU  
Telephone: 020 7741 4100  
Email: [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)  
Website: [www.fscs.org.uk](http://www.fscs.org.uk)

## How We Use Your Information

Please visit [www.coveainsurance.co.uk/dataprotection](http://www.coveainsurance.co.uk/dataprotection) for further information about how and when **We**

process **Your** personal information under **Our** full Privacy Policy.

The personal information, provided by **You**, is collected by or on behalf of Covea Insurance plc ('we, us, our') and may be used by **Us, Our** employees, agents and service providers acting under **Our** instruction for the purposes of insurance administration, underwriting, claims handling, for research or for statistical purposes.

**We** may process Your information for a number of different purposes. For each purpose **We** must have a legal ground for such processing. When the information that **We** process is classed as "sensitive personal information", **We** must have a specific additional legal ground for such processing.

Generally, **We** will rely on the following legal grounds:

- It is necessary for **Us** to process **Your** personal information to provide **Your** insurance policy and services. **We** will rely on this for activities such as assessing **Your** application, managing **Your** insurance policy, handling claims and providing other services to **You**.
- **We** have an appropriate business need to process **Your** personal information and such business need does not cause harm to **You**. **We** will rely on this for activities such as maintaining **Our** business records and developing, improving **Our** products and services.

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- **We** have a legal or regulatory obligation to use such personal information.
- **We** need to use such personal information to establish, exercise or defend **Our** legal rights.
- **You** have provided **Your** consent to **Our** use of **Your** personal information, including sensitive personal information.

## How We Share Your Information

In order to sell, manage and provide **Our** products and services, prevent fraud and comply with legal and regulatory requirements, **We** may need to share **Your** information with the following third parties, including:

- Reinsurers, Regulators and Authorised/Statutory Bodies
- Credit reference agencies
- Fraud prevention agencies
- Crime prevention agencies, including the police
- Suppliers carrying out a service on **Our**, or **Your** behalf
- Product providers where you've opted to buy additional cover
- Other insurers, business partners and agents
- Other companies within the Covea Insurance Group

## Marketing

**We** will not use **Your** information or pass it on to any other person for the purposes of marketing further products or services to **You** unless **You** have consented to this.

## Fraud Prevention and Detection

In order to prevent or detect fraud and money laundering **We** will check **Your** details with various fraud prevention agencies, who may record a search. Searches may also be made against other insurers' databases. If fraud is suspected, information will be shared with those insurers. Other users of the fraud prevention agencies may use this information in their own decision making processes.

**We** may also conduct credit reference checks in certain circumstances. **You** can find further details in **Our** full Privacy Policy explaining how the information held by fraud prevention agencies may be used or in which circumstances **We** conduct credit reference checks and how these checks might affect **Your** credit rating.

## Automated Decisions

**We** may use automated tools with decision making to assess **Your** application for insurance and for claims handling processes, such as price rating tools, flood, theft and subsidence area checks and credit checks.

These automated decisions will produce a result on whether **We** are able to offer insurance, the appropriate price for **Your** policy or whether **We** can accept **Your** claim. If **You** object to an automated decision, **We** may not be able to offer **You** an insurance quotation or renewal.

# Customer Information

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## How to Contact Us

Please contact **Us** if **You** have any questions about **Our** Privacy Policy or the information **We** hold about **You**: The Data Protection Officer, Covea Insurance plc, 50 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JX or email: [dataprotection@coveainsurance.co.uk](mailto:dataprotection@coveainsurance.co.uk).

## Complaints procedure

It is always **Our** intention to provide a first class standard of service. However **We** do appreciate that occasionally things go wrong. In some cases **Your** broker who arranged the insurance will be able to resolve any concerns, and **You** should contact them directly.

Alternatively, please contact **Us** using the following details, quoting **Your** Policy or claim number:

Customer Relations, Covéa Insurance,  
Norman Place, Reading, Berkshire RG1 8DA.  
Telephone: 0330 221 0444  
Website: [www.coveainsurance.co.uk](http://www.coveainsurance.co.uk)  
Email: [customer.relations-rdg@coveainsurance.co.uk](mailto:customer.relations-rdg@coveainsurance.co.uk)

Full details of the Covéa Insurance Internal Complaints Procedure are detailed in **Our** leaflet 'Complaints Procedure' which is available on request or may be downloaded from **Our** website at [www.coveainsurance.co.uk/complaints](http://www.coveainsurance.co.uk/complaints).

**You** may be eligible to refer **Your** complaint to the Financial Ombudsman Service. There are a few instances where they will not be able to

assist and they will confirm if **Your** complaint is eligible when **You** contact them. Their contact details are:

Financial Ombudsman Service  
Exchange Tower,  
Harbour Exchange Square,  
London E14 9SR  
[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)  
email:  
[complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

## How to Cancel Your Policy

If **You** do not want to accept the policy **You** have the right to cancel it within 14 days from the date of purchase of **Your** policy or the day **You** receive **Your** policy documentation, whichever is later. To do this **You** must give an instruction to cancel to **Your** broker.

If cover has not yet started a full refund will be given. If cover has started **We** will refund the premium for the exact number of days left on the policy, less an additional charge of **£25** plus the prevailing rate of Insurance Premium Tax as stated on **Your** policy **Schedule**. No refund will be given if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**. **We** will also do this if **You** want to cancel the policy within 14 days after the renewal date.

**You** may cancel the policy at any other time by giving an instruction to cancel to **Your** broker.

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If **You** cancel **Your** policy after 14 days and a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**, **We** will not refund any part of the premium. If **You** have a Loan Agreement with Covéa Insurance, all outstanding monies must be paid to **Us** as described in **Your** Loan Agreement.

If no claims have been submitted and there have been no incidents that are likely to give rise to a claim during the current **Period of Insurance**, **We** will refund the premium for the exact number of days left on the policy less an additional charge of **£25** plus the prevailing rate of Insurance Premium Tax as stated on **Your** policy **Schedule**.

For **Our** rights to cancel **Your** policy please see the Cancellation Condition on page 17 of this policy booklet.

## Choice of Law

The parties to an insurance contract are free to choose the law that will apply. Unless **We** agree in writing with **You** otherwise, this insurance shall be subject to the law applying in that part of the United Kingdom, Channel Islands or Isle of Man where **You** have **Your** principal place of business. If there is any dispute, the law of England and Wales shall apply.

# Introduction

Each Section of this policy, the **Schedule**, the **Certificate of Motor Insurance** and any **Endorsements**, together with this Introduction, Customer Information and the Definitions, Conditions applicable to all Sections and Exceptions applicable to all Sections shall be read as one document.

Any word or expression given a specific meaning in:

1. the **Schedule**, the **Certificate of Motor Insurance** and policy **Endorsements**, or this Introduction, the Customer Information and the Definitions, Conditions and Exceptions shall have the same meaning throughout the policy unless **We** state otherwise
2. an individual Section or any Section **Endorsements** shall only have the same meaning throughout such Section or **Endorsements** unless **We** state otherwise.

Any such word or expression given a specific meaning shall be highlighted with a leading capital letter and in bold text within the policy booklet.

In return for **You** having paid or agreed to pay the premium for the **Period of Insurance**, **We** will indemnify **You**, subject to the terms contained in or endorsed on the policy, in respect of loss damage or liability or pay other benefits which fall within the operative Sections of this policy, provided that the loss, damage or injury which gives rise to the claim occurs during the **Period of Insurance** and in connection with the **Business**.

The **Schedule** shows the Sections of the policy that are operative.

## IMPORTANT

This policy is a legal contract.

**You** have a duty to make a fair presentation of the risk which is covered by this policy. Therefore **You** should ensure that any information **You** have provided to **Us** and the content of any application form, declaration and / or statement of fact is accurate and complete. Where **You** have provided **Us** with information which relates to matters of **Your** expectation or belief, it does not matter if such information turns out to be inaccurate provided that **You** acted in good faith when **You** provided **Us** with such information. If **You** do not comply with **Your** duty to make a fair presentation of the risk, **Your** policy may not be valid or the policy may not cover **You** fully or at all.

**You** must also tell **Us** about any facts or changes which affect **Your** insurance and which have occurred either since the policy started or since the last renewal date.

If **You** are not sure whether certain facts are relevant please ask **Your** insurance broker. If **You** do not tell **Us** about relevant changes, **Your** policy may not be valid or the policy may not cover **You** fully or at all.

**You** should keep a written record (including copies of letters) of any information **You** give **Us** or **Your** insurance broker.



# Conditions applicable to all Sections

## Claims procedure and requirements

1. It is a condition precedent to **Our** liability that in the event of any accident, injury, loss or damage, **You** or **Your** legal representative must at **Your** own expense:
  - (a) give **Us** full details as soon as possible after any incident involving a vehicle covered by this policy by phoning the [Motor Trade Care Line on 0330 024 2244](#) which is available 24 hours a day, 365 days a year;  
After **You** have reported the incident, **Our** claims team will send **You** a statement of facts containing the details **You** have provided and request any further information required to proceed with **Your** claim;
  - (b) send to **Us** any letters or documents **You** receive in connection with the event before **You** reply to them;
  - (c) take all reasonable precautions to prevent further injury, loss or damage;
  - (d) immediately inform the police of the theft of or attempted theft of or malicious damage to the **Insured Vehicle** and obtain a crime reference number;
  - (e) send to **Us** upon receipt any writ summons or other legal process issued or commenced against **You**;
  - (f) notify **Us** of any impending prosecution, coroners inquest or fatal

accident enquiry or the intended issue of any writ summons or other legal process by **You** or on **Your** behalf;

- (g) supply all estimates, information and assistance as may be required by **Us** and **Our** appointed agents.
2. **We** shall be entitled to:
    - (a) take and keep possession of the **Insured Vehicle** and to deal with the salvage in a reasonable manner;
    - (b) negotiate, defend or settle in **Your** name or on **Your** behalf, any claim made against **You**;
    - (c) prosecute in **Your** name, for **Our** benefit, any claim against any other person in respect of any amount paid or payable.
  3. It is a condition precedent to **Our** liability that **You** must not:
    - (i) abandon any property to **Us**;
    - (ii) negotiate or repudiate any claim without **Our** written consent.

## Reasonable precautions

**You** must take all reasonable precautions to avoid injury, loss or damage and maintain the **Insured Vehicle** in a safe and roadworthy condition.

## Alteration in risk

**You** or **Your** broker must tell **Us** immediately if during the **Period of Insurance** there is any

# Conditions applicable to all Sections

*continued*

alteration in risk or to the facts which **You** disclosed when **You** took out this policy, which materially affects the risk of injury, loss, damage or liability which would fall within the policy cover. This includes but is not limited to alterations to the **Business**, the **Business Premises**, any vehicle change, deletion or acquisition whether permanent or temporary and any change in the way the vehicle is used.

When **You** tell **Us** about an alteration in risk, **We** may apply additional terms and conditions to this policy (including but not limited to premium) or, if the risk is unacceptable to **Us**, **We** may cancel the policy in accordance with Conditions applicable to all Sections – Our Rights to Cancel the Policy.

If an alteration creates an additional premium, this will be subject to a minimum premium of **£10** plus insurance premium tax. If as a result of an alteration **You** are due a refund of premium, amounts of under **£10** plus the prevailing rate of Insurance Premium Tax as stated on **Your** policy **Schedule** will not be refunded, to cover administration costs.

If **You** fail to tell **Us** about an alteration in risk, **We** may:

- (a) terminate the policy back to the date when the alteration occurred, if **We** would have cancelled the policy had **You** told **Us** of the alteration in risk;
- (b) proportionately reduce the amount payable in respect of a claim; and/or
- (c) treat the policy as if it contained such different terms (other than relating to the premium) that **We** would have applied to the policy had **You** told **Us** of the alteration in risk.

Any reduction in claims payments or application of different terms will take effect from the date on which the alteration in risk occurred.

Where **We** elect to proportionately reduce the amount payable in respect of a claim, **We** will pay a percentage of the claim, the percentage being calculated by comparing the premium which **You** actually paid with the premium which **We** would have charged had **You** told us about the alteration in risk. For example, if the premium which **You** actually paid is **70%** of the premium **We** would have charged, **We** will only pay **70%** of any claim.

## Change of Risk or Interest

This policy shall be avoided if:

- (a) **Your** interest ceases other than by death
- (b) the **Business** be wound up or carried on by a liquidator or receiver or permanently discontinued at any time after the commencement of this insurance unless **We** have accepted the change.

Nothing contained in this policy shall give any right against **Us** to any person other than **You** except to a transferee approved by **Us**.

# Conditions applicable to all Sections

Motor Trade Care Line  
0330 024 2244

*continued*

## Our Rights to Cancel the Policy

**We** or any agent appointed by **Us** and acting with **Our** authority have the right to cancel **Your** policy, where there is a valid reason for doing so. **We** will give **You** seven days notice of cancellation in writing, by recorded delivery, to the latest address **We** have for **You** and will set out **Our** reason for cancellation in **Our** letter.

Valid reasons may include but are not limited to:

- (a) not
  - (i) paying a premium when it is due;
  - (ii) cooperating with **Us**, or sending **Us** information or documentation that materially affects **Our** ability to process the policy or **Our** ability to defend **Our** interests; or
  - (iii) exercising **Your** duty of care as required under clause "Reasonable Precautions" in the Conditions Applicable To All Sections of this policy bookletand failing to put this right when **We** ask **You** to by sending **You** seven days written notice to **Your** latest address.
- (b) use of threatening or abusive behaviour or language, or intimidation or bullying of **Our** staff or suppliers.

If **We** cancel **Your** policy, **We** will refund the premium for the exact number of days left on the policy less an additional charge of **£25** plus the prevailing rate of Insurance Premium Tax as stated on **Your** policy **Schedule**.

If a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance We** will not refund any part of the premium. If **You** have a Loan Agreement with Covéa Insurance to pay for **Your** insurance, outstanding monies may be owed when **Your** policy is cancelled. They must be paid to Covéa Insurance as described in **Your** Loan Agreement.

For **Your** rights to cancel the policy please see "How to Cancel Your Policy" on page 12 of this policy booklet.

## Right of Recovery

If the law of any country in which **Your** policy operates requires **Us** to settle a claim which **We** would not otherwise have paid, **We** have the right to recover this amount from **You** or from the person who incurred the liability.

## Sharing of Claims

If **You** are insured by any other policy for loss or damage which results in a valid claim under this policy, **We** shall not be liable to pay more than **Our** rateable proportion. Nothing in this condition will impose on **Us** any liability from which **We** would have been relieved by the Exception to Section 2, item 1(d).

## The Motor Insurance Database

It is a condition of the policy that **You** supply such details of the vehicles whose use is covered by the policy as required by the

# Conditions applicable to all Sections

*continued*

relevant law applicable in Great Britain and Northern Ireland for entry to the Motor Insurance Database. **You** are also required to advise **Us** when **You** have sold or disposed of a vehicle previously included on the Motor Insurance Database.

Failure to declare vehicles owned by **You** will prejudice **Your** claim. **We** may at **Our** option reduce cover to Third Party Only, which means damage to the **Insured Vehicle** will not be covered.

Information relating to **Your** insurance policy will be added to the Motor Insurance Database ("MID") managed by the Motor Insurers' Bureau ("MIB"). MID and the data stored on it may be used by certain statutory and/or authorised bodies including the Police, the DVLA, the DVLANI, the Insurance Fraud Bureau and other bodies permitted by law for purposes not limited to but including:

- (i) electronic licensing;
- (ii) continuous insurance enforcement;
- (iii) law enforcement (prevention, detection, apprehension and or prosecution of offenders);
- (iv) the provision of government services and/or other services aimed at reducing the level and incidence of uninsured driving.

If **You** are involved in a road traffic accident (either in the UK, the EEA or certain other

territories), insurers and or the MIB may search the MID to obtain relevant information.

Persons (including his or her appointed representatives) pursuing a claim in respect of a road traffic accident (including citizens of other countries) may also obtain relevant information which is held on the MID.

It is vital that the MID holds **Your** correct registration number. If it is incorrectly shown on the MID **You** are at risk of having **Your** vehicle seized by the Police. **You** can check that **Your** correct registration number details are shown on the MID at [www.askmid.com](http://www.askmid.com).

## Fraudulent Claims

For the purposes of this Condition the definition of '**You / Your**' will also include any person who is entitled to benefit from the policy to the extent that a claim is made by or on their behalf.

If **You** or anyone acting on **Your** behalf makes a claim which is in any way fraudulent **We**:

- (a) will not pay the claim;
- (b) may recover from **You** any sums already paid by **Us** in respect of the claim; and
- (c) may notify **You** that **We** are treating this policy as having terminated with effect from the time of the fraudulent act.

If **We** do treat this policy as having terminated, **You** will have no cover under this policy from the date of termination and will not be entitled to any refund of premium.

# Conditions applicable to all Sections

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*continued*

Where a fraudulent claim is made by or on behalf of a person who is not the **Insured**, this condition applies only to that person's claim and references to 'this policy' should be read as if they were references to the cover for that person alone and not to the policy as a whole.

Fraudulent claims include but are not limited to:

- (a) making a claim which is fraudulent, fictitious or known to be false
- (b) intentionally exaggerating or inflating a claim
- (c) supporting a claim with false or forged documents, information or statements
- (d) wilfully causing loss, damage or injury

## Driving Licences

It is a condition of the policy that **You** and any named driver must have held a full UK Driving Licence for a minimum of 2 years and that the licence must not have been revoked, have expired or been withdrawn by the DVLA.

## Proof of Trading

It is a condition of the policy that the **Policyholder** is able to supply formal business records demonstrating the operation of the motor trade **Business** if requested by **Us** or one of **Our** agents.

## Fair Presentation of the Risk

**You** must make a fair presentation of the risk when **You** first take out this policy and also

whenever **You** renew it or ask **Us** to change **Your** cover.

If **You** fail to make a fair presentation of the risk including failing to disclose or misrepresenting a material fact, or disclosing material facts to **Us** in a way which is not clear and accessible:

**We** may avoid this policy and refuse all claims where:

- (a) such failure was deliberate or reckless; or
- (b) **We** would not have entered into this policy on any terms had **You** made a fair presentation of the risk.

Should **We** avoid this policy **We**:

- (a) Shall treat the policy as if it had not existed from the start date, the renewal date, or the date when **You** asked **Us** to change **Your** cover, depending on when the failure to make a fair presentation of the risk occurred
- (b) shall return the premium paid for the period for which the policy is treated as not having existed unless the failure to make a fair presentation of the risk was deliberate or reckless
- (c) may deduct from any return of premium due to **You** any monies already paid in respect of claims falling within the period for which the policy is treated as not having existed or require **You** to repay such claims.

# Conditions applicable to all Sections

*continued*

Provided that any failure to make a fair presentation of the risk is not deliberate or reckless, if **We** would have entered into or renewed this policy, or agreed to make changes to **Your** cover on different terms had **You** made a fair presentation of the risk, **We** may:

- (a) proportionately reduce the amount payable in respect of a claim; and/or
- (b) treat the policy as if it contained such different terms (other than relating to the premium) that **We** would have applied to the policy had **You** made a fair presentation of the risk.

Any reduction in claims payments or application of different terms will take effect from the date on which the policy started, was renewed or when changes were made to **Your** cover, depending on when **You** failed to make a fair presentation of the risk.

Where **We** elect to proportionately reduce the amount payable in respect of a claim, **We** will pay a percentage of the claim, the percentage being calculated by comparing the premium which **You** actually paid with the premium which **We** would have charged had **You** made a fair presentation of the risk. For example, if the premium which **You** actually paid is **70%** of the premium **We** would have charged, **We** will only pay **70%** of any claim.

Where this policy provides benefits to individuals who would, if they had taken out similar insurance in their own name, have done so for purposes wholly or mainly unconnected with their trade, business or profession, **We** will not rely on this condition if the failure to make a fair presentation of the risk concerns only facts or information which relate to that particular individual, unless the individual (or **You** on their behalf) makes a careless misrepresentation, in which case **We** may rely on this condition as against that particular individual as if a separate insurance contract had been issued to them leaving the remainder of the policy unaffected.

## Terms Not Relevant to Actual Loss

If payment of a claim is conditional upon compliance with any term of this policy **We** will not pay for any claim where the term has not been complied with except where the term concerned:

- (a) is operative only in connection with particular premises or locations;
- (b) is operative only at particular times; or
- (c) is intended to reduce the risk of particular types of injury, loss, damage or liability

where **We** will pay for claims in respect of which **You** can prove that non-compliance with the term could not have increased the risk of the injury, loss, damage or liability which occurred.

# Exceptions applicable to all Sections

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We shall not be liable in respect of:

## Exception 1 – Use and driving

Any accident, injury, loss, damage or liability while the **Insured Vehicle** is:

- (a) being used to **Your** knowledge for any purpose not permitted by the **Certificate of Motor Insurance**;
- (b) being driven by or is in the charge of any person who to **Your** knowledge is not named in the **Certificate of Motor Insurance**;
- (c) being driven by **You** unless **You** hold a licence to drive such vehicle or have held and are not disqualified from holding or obtaining such a licence;
- (d) being driven with **Your** consent by any person who to **Your** knowledge does not hold a licence to drive such a vehicle, unless such person has held, and is not disqualified from holding or obtaining, such a licence;
- (e) being driven by any person who holds a provisional licence;
- (f) being used for racing, pacemaking, speed-testing, rallying, reliability trials, competition or whilst driven on a motor sport circuit;
- (g) being driven in an unsafe, unroadworthy or damaged condition or does not have a valid MOT certificate when needed;
- (h) being driven with a load or number of passengers which is unsafe;
- (i) carrying an insecure load;
- (j) towing a trailer which is unsafe or has an insecure load;
- (k) towing more trailers than the law allows; or
- (l) being let out on hire.
- (m) being driven by, or is in the custody or control of, any person convicted of driving while the under the influence of drink or drugs, or it is proven to **Our** satisfaction that they were under the influence of drink or drugs at the time of the accident or loss
- (n) being deliberately used to:
  - (i) cause damage to other vehicles or property;
  - (ii) cause injury to any person or;
  - (iii) put any persons in fear of injury.

## Exception 2 – Agreements

Any liability **You** accept by agreement or contract unless liability would have applied in any event. It is agreed that this policy is to be construed as if the Contracts (Rights of Third Parties) Act 1999 had not been enacted.

## Exception 3 – War Risks

Any consequence of war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution,

# Exceptions applicable to all Sections

*continued*

insurrection or military or usurped power other than is necessary to meet the requirements of the Road Traffic Acts.

## Exception 4 – Earthquake or Riot

Any loss, damage, accident or liability caused by:

- (a) earthquake; or
- (b) riot or civil commotion happening in Northern Ireland or outside the United Kingdom.

## Exception 5 – Nuclear Risks

Any loss, damage, accident or liability caused directly or indirectly by:

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel; or
- (b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of such assembly.

## Exception 6 – Sonic Booms

Any loss, damage, accident or liability caused directly or indirectly by pressure waves caused by aircraft or aerial devices travelling at sonic or supersonic speeds.

## Exception 7 – Pollution

Any loss, damage, accident or liability resulting or arising from or directly or indirectly caused by or contributed to or arising from pollution or contamination unless this pollution or contamination is directly caused by an incident which occurs in its entirety at a specific time and place during the **Period of Insurance** and is sudden and identifiable and unintended and unexpected other than is necessary to meet the requirements of the Road Traffic Acts. All pollution that arises out of one incident shall be considered to have occurred at the time the incident took place.

## Exception 8 – Hazardous Goods

Any loss, damage, accident or liability resulting or arising from or directly or indirectly caused by or contributed to or arising from:

- (a) hazardous, dangerous or explosive goods or substances; or
- (b) explosion, sparks or ashes from **Your** vehicle, or from any trailer or machinery attached to, or detached from it.

## Exception 9 – Airport Risks

Any loss, damage, injury or liability while the **Insured Vehicle** is in, or on, any part of an aerodrome, airport or airfield used:

- (a) for the take-off or landing of aircraft or for the movement of aircraft on the surface; or



# Exceptions applicable to all Sections

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*continued*

- (b) as aircraft parking aprons including the associated service roads and ground equipment parking areas.

## **Exception 10 – Indirect Losses**

Any loss to **You**, arising directly or indirectly as a consequence of any accident, damage or injury, unless specifically covered by a Section of this policy.

# Policy Cover

## Section 1 – Loss of or Damage to Your Vehicle

### Accidental Damage

**We** will pay for loss of or damage, other than by fire, theft or attempted theft, to the **Insured Vehicle** and its accessories and spare parts in or on the **Insured Vehicle**, occurring during the **Period of Insurance** within the **Territorial Limits**.

### Fire and Theft

**We** will pay for loss of or damage to the **Insured Vehicle** and its accessories and spare parts while in or on the **Insured Vehicle**, caused by fire, theft or attempted theft occurring during the **Period of Insurance** within the **Territorial Limits**.

### The Most We will pay

1. For damage or loss to an **Insured Vehicle**:

**We** may choose to repair or replace the **Insured Vehicle**, accessory or spare part or pay an amount up to the **Trade Market Value** of the **Insured Vehicle** (including spare parts or accessories) or the Own Vehicle Indemnity Limit for Section 1, shown in the **Schedule**, whichever is less.

**We** will not pay more than the Own Vehicle Indemnity Limit for Section 1, shown in the **Schedule**, for loss of or damage to any one **Insured Vehicle**.

2. For damage or loss to vehicles not owned by **You, Your Spouse** or any person named on the **Certificate of Motor Insurance** and which are in **Your** custody or control for the purpose of service, upkeep or repair:

**We** may choose to repair or replace the **Insured Vehicle**, accessory or spare part or pay an amount up to the **Market Value** of the **Insured Vehicle** (including spare parts or accessories) or the Customer Vehicle Indemnity Limit for Section 1, shown in the **Schedule**, whichever is less.

**We** will not pay more than the Customer Vehicle Indemnity Limit for Section 1, shown in the **Schedule**, for loss or damage to any one **Insured Vehicle**.

If to **Our** knowledge the **Insured Vehicle** belongs to someone else or is part of a hire purchase or leasing agreement, any payment for loss of or damage to the **Insured Vehicle** that is not made good by repair, reinstatement or replacement may, at **Our** discretion, be made to the legal owner whose receipt shall be a full discharge of **Our** liability. **We** will not enter into negotiation with any third party with regard to valuation of **Your** vehicle.

3. Should the **Insured Vehicle** be uneconomical to repair or be stolen and not recovered and **You** have a Loan Agreement with Covéa Insurance to pay for **Your** insurance, **We** will deduct any outstanding balance of this Loan from **Your** claims settlement.

## Section 1 – Loss of or Damage to Your Vehicle

*continued*

### We will also pay

For the reasonable costs of protection and removal to the nearest repairers and delivery to **You**, at the address shown on the **Schedule**, following a claim covered by this policy.

### Exceptions that apply to Loss of or Damage to Your Vehicle

We will not pay for:

1. any vehicle:
  - (i) in or on the **Business Premises**;  
or
  - (ii) on a road at or within 400 metres of the **Business Premises**, unless in the course of a journey;
2. depreciation of the **Insured Vehicle**;
3. any decrease in the value of the **Insured Vehicle** following repair;
4. any cost or part of any cost of repair which improves the **Insured Vehicle** beyond its condition before the loss or damage;
5. wear and tear of the **Insured Vehicle**;
6. mechanical, electrical, electronic, computer or computer software breakdowns, failures, faults or breakages;
7. damage to tyres caused by braking, punctures, cuts or bursts;
8. confiscation, requisition or destruction by or under order of any government or local authority;
9. the **Excess** shown on the **Schedule** for each and every occurrence to any one **Insured Vehicle**. Any event leading to a claim for an **Insured Vehicle** will be treated as a separate incident for the purposes of the policy and each **Insured Vehicle** will be subject to the appropriate **Excess**. If the **Insured Vehicle** is damaged while a young or inexperienced person is driving, or in charge of the **Insured Vehicle**, **You** will have to pay the first part of the cost as shown below. This is on top of any other excesses **You** may have to pay;
  - drivers under 25 £500;
  - inexperienced drivers over 25 £200;
10. any claim under this Section of the policy resulting from theft or attempted theft whilst the ignition keys have been left in or on the **Insured Vehicle** or if all the doors, windows and other openings have not been closed and locked;
11. any loss or damage caused by overloading or improperly loading the **Insured Vehicle** in a way that the **Insured Vehicle** was not designed for;
12. loss or damage to the **Insured Vehicle** arising directly or indirectly from work on the **Insured Vehicle** by **You** or any person working for **You** or on **Your** behalf;

# Policy Cover

## Section 1 – Loss of or Damage to Your Vehicle

*continued*

13. loss or damage to the **Insured Vehicle** resulting from fraud or deception or by use of a counterfeit or other form of payment which a bank or building society will not authorise or by theft or attempted theft by a purported purchaser or his agent;
14. loss or damage to the **Insured Vehicle** arising from the malicious act of any employee or partner or member of **Your** family;
15. any loss or damage greater than £250 to any permanently fitted radios, cassette players, compact disc players, CB radios, telecommunication equipment, satellite navigation, gaming consoles, DVD or video equipment;
16. loss of use of the **Insured Vehicle**;
17. loss or damage caused by an inappropriate type or grade of fuel being used;
18. loss of or damage to any motorcycle, quad bike or trike (three wheeled motorcycle);
19. if the **Insured Vehicle** is damaged and a part or accessory cannot be repaired or replaced, **We** will only pay **You** the amount shown in the manufacturers last United Kingdom list price. If the **Insured Vehicle** is an imported vehicle and the part or accessory has never been available in the United Kingdom, **We** will only pay the manufacturers list price in the country the **Insured Vehicle** came from. **We** will not pay for the cost of importing any part or accessory needed to repair the **Insured Vehicle**.

## Section 2 – Third Party Liability

### Your Liability

**We** will insure **You** against all sums **You** are legally liable to pay arising from:

- (a) death of or bodily injury to any person for an unlimited amount; or
- (b) damage to property up to £1,000,000.

The above limits apply in respect of any one claim or a number of claims arising from one incident caused by or arising out of the use of the **Insured Vehicle** or a trailer attached to the **Insured Vehicle**.

### Liability of other persons driving or using the Insured Vehicle

On the same basis and limits that **We** insure **You** under this Section **We** will also insure the following persons:

- (a) any person allowed by the **Certificate of Motor Insurance** to drive the **Insured Vehicle**;
- (b) any person who is using, but not driving, the **Insured Vehicle** with **Your** permission; or
- (c) any person, at **Your** request, who is travelling in, or getting into or out of, the **Insured Vehicle**.

### Legal Personal Representatives

In the event of death of any person insured by this Section, **We** will insure the legal personal representatives of the deceased person against any liability covered by this Section.

### Emergency Treatment Fees

**We** will pay for emergency treatment fees as required by the Road Traffic Acts.

### Legal Costs

In connection with any liability which is insured by this Section, **We** will pay:

- (a) the fees of any solicitor appointed by **Us** to represent anyone insured under this Section during proceedings in any court of summary jurisdiction or at any coroner's inquest or fatal accident inquiry;
- (b) the cost of legal services arranged by **Us** to defend a charge of manslaughter or causing death by dangerous driving; or
- (c) other costs and expenses incurred with **Our** written consent.

### Exceptions to Third Party Liability

1. The insurance provided under this Section will not apply:
  - (a) to the driver unless that person holds a licence to drive the **Insured Vehicle**, or has held, and is not disqualified from holding or obtaining, such a licence;
  - (b) to any person who is not driving the **Insured Vehicle**, if to the knowledge of that person, the driver does not hold a licence to drive the **Insured Vehicle** unless the driver has held and is not disqualified from holding or obtaining such a licence;

# Policy Cover

## Section 2 – Third Party Liability

*continued*

- (c) to death, bodily injury or damage arising off the road as a result of the loading or unloading of the **Insured Vehicle** by anyone;
  - (d) to any person where the liability is insured under another policy; or
  - (e) to death of or bodily injury to any person arising out of, or in the course of, the employment of such person by any person **We** insure under this Section, except as required by the Road Traffic Acts;
  - (f) to death injury or damage arising directly or indirectly from work on the **Insured Vehicle** by **You** or any person in **Your** service or acting on **Your** behalf, except as required by the Road Traffic Acts.
2. We shall not be liable for loss of or damage to:
- (a) property belonging to, or in the custody or control of, any person insured under this Section;
  - (b) any vehicle, which is insured under this Section; or
  - (c) any luggage trailer attached to the **Insured Vehicle** or attached to any vehicle covered by this policy, which **Your Certificate of Motor Insurance** permits **You** to drive, or any property carried in or on such luggage trailer.
3. **We** shall not be liable for any liability, loss or damage arising directly or indirectly from any vehicle in or on the **Business Premises**, or within 400 metres of the **Business Premises**, apart from the cover **We** must provide under the Road Traffic Acts or any laws, which apply to Motor Insurance.
4. **We** shall not be liable for death, injury, loss or damage directly or indirectly caused by, resulting from or in connection with any act of **Terrorism** regardless of any other cause or event contributing at the same time or in any other sequence to the loss arising from an act of **Terrorism**.
5. **We** shall not be liable for any claim for loss of use of the **Insured Vehicle**.

## Section 3 – Foreign Use

### Compulsory insurance cover outside the Territorial Limits

**Your** policy provides the minimum cover **You** or **Your Spouse** if he or she is declared as a driver on this policy, need by law to use the **Insured Vehicle** in:

- (a) any country which is a member of the European Union; or
- (b) any other country which the Commission of the European Union approves as meeting the requirements of Article 7(2) of the European Community Directive on Insurance of Civil Liabilities arising from the use of motor vehicles (no. 72/166 CEE).

### Full Policy cover outside the Territorial Limits

If **We** agree beforehand and **You** pay any extra premium **We** need, **We** will extend this Insurance, for a specified vehicle, which is owned and registered to **You**, or **Your Spouse** if he or she is declared as a driver on this policy, to provide the cover shown in **Your Schedule** while being temporarily used in other countries that are not included within the **Territorial Limits**.

**We** will only agree to extend cover to countries which are covered by points (a) and (b). **We** will also insure **You** while the specified vehicle is in transit (including loading and unloading) between any countries to which this policy applies, but any sea transit must be by a scheduled sea route.

**We** will also pay the foreign customs duty that **You** must pay as a result of loss or damage to the **Insured Vehicle** which is preventing its return to the UK.

### We will not cover:

- (a) if it is being used by any person not included as a user in Paragraph Seven of the International Motor Insurance Certificate (Green Card);
- or
- (b) if it is being used for any purpose other than Social Domestic and Pleasure use.

### Other charges

**We** will insure **You** against general average contribution, salvage and sue and labour charges arising from the transportation of the **Insured Vehicle** between any countries to which this insurance applies.

# Policy Cover

## Section 4 – No Claims Discount

If a claim is made under **Your** policy, **We** will reduce **Your** No Claims Discount in line with **Our** scale. If two or more claims are made in any one **Period of Insurance**, **You** will lose all of **Your** No Claims Discount.

If no claims are made under **Your** policy, **We** will increase **Your** No Claims Discount when **You** renew **Your** policy in line with the scale **We** apply at that time.

The No Claims Discount is not transferable to any other person.



# Endorsements

Endorsements are only applicable if specified in the **Schedule**.

## 1. Demonstration cover

This policy shall apply while the **Insured Vehicle** is being driven for the purpose of demonstration for sale with **Your** permission by any person provided that such person:

- (a) holds a full UK licence;
- (b) is not a family member of the **Insured** or any of the named drivers;
- (c) is not in the employment of the **Insured**;
- (d) does not reside at the same address as any declared driver on the **Certificate of Motor Insurance**;
- (e) observes, fulfils and is subject to the terms and conditions of this Insurance policy;  
and
- (f) is accompanied at all times by **You** or a person named on the **Certificate of Motor Insurance**.

## 2. Protected No Claims Bonus

If **You** pay the appropriate additional premium **Your** No Claims Discount shall apply to each subsequent renewal unless more than 2 claims arise in any three year **Period of Insurance**.

If 3 or more claims arise in three consecutive years the No Claims Discount Protection will be withdrawn and the discount reduced in line with **Our** scale.

## **Covéa Insurance**

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