

Complete Mechanical Breakdown Insurance

UNDERSTANDING YOUR POLICY

Please read this document carefully and make sure You understand and fully comply with its terms and conditions. Failure to do so may jeopardise the payment of any claim which might arise and could lead to the Policy becoming void. Please ensure You keep it in a safe place so You can read it again if You need to.

The Policy

We will provide the insurance as stated in the Policy. The Policy Schedule, which includes the declaration and the undertaking to pay the premium, is the basis of the contract and forms part of the Policy. The Policy contains details of the insurance cover You have bought, what is excluded from the cover and the conditions of this insurance.

Contract of Insurance

The Policy is evidence of a Contract of Insurance. The Policy will only become effective when We have received the deposit or payment in full.

The Proposal / Policy Schedule

The proposal form and any other information provided by the Insured or on his/her behalf. In consideration of the Insured having completed a proposal form and the required premium paid to the Administrator (please note this Policy is not valid until such premiums have been received), the Insurers agree to indemnify the Insured up to the maximum liability detailed herein, subject always to the definitions, conditions, exclusions and periods contained herein.

Legal Rights

This insurance is in addition to Your legal rights and is not to be substituted for the supplier's liability if the Vehicle is found to be unfit for the purpose for which it was intended, or is not as described or is not of satisfactory quality.

DEFINITIONS

The words below have a specific meaning and will appear throughout this document with a capital letter. For ease of reference these definitions have been placed in alphabetical order.

Administrator means AutoProtect (MBI) Limited, Warwick House, Roydon Road, Harlow, Essex CM19 5DY. Telephone 01279 456 500.

Contract of Insurance / Policy means the Mechanical Breakdown Insurance Policy underwritten between You (the Insured) and Red Sands Insurance Company (Europe) Limited (the Insurer).

Geographical Limits means the areas in which the Policy is effective and are Great Britain, Northern Ireland and Channel Islands plus any additional area detailed under Extra Benefits.

Indemnity Limit means the amount shown in the Policy Schedule inclusive of VAT, up to the purchase price of the Vehicle.

Insured / You / Your means the registered owner of the Vehicle forming the subject matter of the Policy.

Insurer / We / Us / Our means Red Sands Insurance Company (Europe) Limited. Red Sands Insurance Company (Europe) Limited is registered in Gibraltar No. 87598, registered office: Level 3, Ocean Village Business Centre, 23 Ocean Village Promenade, Gibraltar.

Mechanical Breakdown means the failure of a mechanical or electrical component, causing a sudden stoppage of its function, for a reason other than wear and tear, deterioration or negligence. Damage caused by the effect of overheating or abuse is not regarded as a Mechanical Breakdown under the terms of the Policy.

Period of Insurance means the dates shown on the Policy Schedule.

Proposal/Policy Schedule means any proposal and declaration together with any additional information You

may have supplied to Us in support of Your application for insurance.

Vehicle means the vehicle as specified on the Policy Schedule.

WHAT IS COVERED?

Please see your Policy Schedule for details of the maximum amounts that may be paid for each and any claim. All limits include VAT. There is no restriction on the number of claims you can make up to an aggregate of the purchase price of the Vehicle. This policy covers the following parts against Mechanical Breakdown as defined:

Engine

The rocker assembly, including hydraulic followers, inlet and exhaust valves [not burnt valves], springs and guides, cylinder head [not cracks and de-coking], cylinder head gasket [except skim], push rods, camshaft and followers, timing gears and chains [excluding tensioner], oil pump, pistons and rings, cylinder bores (excluding porous bores), con rods, gudgeon pins and bearings, crankshaft and bearings, inlet manifold, flywheel and ring gear. Timing belts are covered provided that the last due change of belt has taken place as specified by the manufacturer's schedule [proof required].

Manual gearbox

Internal shafts, gears, synchromesh hubs, selectors, bearings and bushes and transfer gears.

Automatic gearbox

Internal shafts, gears, clutches, brake bands, valve block, governor, oil pump, bearings and bushes, servo, drive plate and transfer gears.

Torque converter

Failure of any internal mechanical parts.

Differential

Internal crown wheel and pinion, gears, shafts, bearings and bushes.

Clutch

Centre plate, pressure plate, release bearing, oil contamination [centre plate only] and master and slave cylinders.

Wheel bearings

Front and rear wheel bearings.

Propshaft

Universal joints and couplings.

Engine cooling system

Radiator, oil cooler, heater matrix, water pump, viscous fan coupling, thermostat and thermostat housing.

Steering [including power assisted steering]

Steering rack and pinion [not gaiters], steering box, power steering rack and pump and idler box.

Turbo charger [factory fitted]

The turbo charger unit is covered.

Brakes

Brake master cylinder, wheel cylinders, restrictor valve, brake calliper seals.

Anti locking brake system (ABS) [factory fitted]

The ABS modulator and sensors will be covered.

Electrical system

Starter motor and solenoid, including pre-engagement mechanism and bendix drive, alternator/diode pack, indicator flasher relay, front and rear windscreen wiper and washer motors, horn.

Working materials

Oils, oil filter and anti-freeze are covered only if it is essential to replace them because of the failure of a part which is covered under this policy.

Casings

If any of the covered parts fail and this damages the casing, it will also be covered.

WHAT IS NOT COVERED?

- 1) No liability will be accepted for any claim which is reported to GO Car Warranty more than 14 days after the relevant fault is discovered.
- 2) No liability will be accepted for any claim where the repair has not commenced within 14 days of the relevant fault being reported to GO Car Warranty.
- 3) The Policy does not apply to:
 - vehicles used for hire or reward [for example, taxis, self-drive hire or driving schools];
 - vehicles used for any kind of timed competition or race; or
 - non-standard, customised or modified vehicles.
- 4) No liability will be accepted for damage caused by:
 - neglect;
 - corrosion;
 - any foreign matter getting into or onto a part;
 - lack of servicing;
 - the effects of over-heating, whether caused by an insured part or not;
 - freezing;
 - abuse;
 - damage to parts not covered by this Policy or consequential damage; or
 - damage to parts We cover caused by parts not covered by the Policy.
- 5) No liability will be accepted for:
 - wear and tear;
 - deterioration;
 - the effects of poor repairs, faults or defects at the time of the sale;
 - parts which have been fitted incorrectly;
 - parts which are of faulty manufacture or design; or
 - parts not fitted as standard or optional extra by the manufacturer, unless cover for such items is agreed beforehand.
- 6) The Policy excludes any damage caused by fire, accident or any road hazard whether or not insured under any motor insurance or accidental damage policy. It does not provide cover for other people or physical injury.
- 7) No liability will be accepted for damage caused by war risks, sonic booms or nuclear radiation.

GENERAL CONDITIONS

You must comply with the following conditions to have the full protection of the Policy. If You do not comply with them We may at Our option cancel the Policy or refuse to deal with Your claim or reduce the amount of any claim payment.

1) Duty of Care

You must not continue to drive the Vehicle after any damage or incident if this could cause further damage to the Vehicle.

2) Fraud

You must not act in a fraudulent manner. If You, or anyone acting for You, make a claim under the Policy knowing the claim to be false, or fraudulently exaggerated in any respect; or make a statement in support of a claim, knowing the statement to be false in any respect; or submit a document in support of a claim, knowing the document to be forged or false in any respect; or make a claim in respect of any loss or damage caused by Your wilful act, or with Your connivance, then:

- We shall not pay the claim;
- We shall not pay any other claim which has been made or will be made under the Policy;
- We may at Our option declare the Policy void;
- We shall be entitled to recover from You the amount of any claim already paid under the Policy;
- We shall not make any return of premium; and
- We may inform the police of the circumstances.

3) Servicing

4) If the Vehicle has full service history or You have details of when the last service was carried out, then You must continue to service the Vehicle in accordance with the manufacturer's stipulated service schedule.

If the Vehicle has no or part service history then the Vehicle must be serviced by a VAT registered garage, six months or 6,000 miles [whichever is the sooner] from the date of purchase of the Vehicle and thereafter either at the manufacturer's service schedule or at intervals of six months or 6,000 miles [whichever is the sooner], and must consist of:

- Change engine oil and filter;
- Check oil levels in the gearbox and differential and top up where necessary;
- Check coolant level and antifreeze/inhibitor strength. Top up where necessary;
- Check timing belt [if fitted], renew if necessary; and
- Brake fluid must be replaced in accordance with the manufacturer's recommendation.

The interval from the Vehicle purchase date to the first service and the intervals between services must not exceed the stipulated time or mileage by more than 21 days or 750 miles. If any circumstances prevent the service being carried out at the correct time, We must be informed immediately, in writing, by recorded delivery.

Please retain proof of the previous service for Our inspection in the event of a claim.

The only acceptable proof of servicing will be the fully detailed VAT service invoice[s] indicating servicing dates and mileages. You must keep these invoices for Our inspection in the event of a claim.

Failure to maintain and provide proof that the above service schedule has been completed will invalidate the Mechanical Breakdown Policy.

Warning

Timing belts [otherwise known as camshaft drive belts].

If Your Vehicle has a timing belt, please make sure that it is in good condition and that it is checked and changed in line with the manufacturer's recommendations. If the timing belt breaks it can cause serious and unnecessary engine damage and inconvenience. No responsibility will be accepted for damage caused by the failure of a worn out timing belt.

5) Duty of Disclosure

The Policy has been issued based upon information which You have given to Us about Yourself, and the Vehicle. You have a duty to tell Us immediately of any changes to this information in particular any of the following: change of address, or use of the Vehicle e.g. being used for private hire, failure to do so may invalidate Your cover under the Policy. We will then advise You of any changes in terms.

6) The Law Applicable to the Policy

The Policy will be governed by the laws of England and Wales.

7) Payments by instalments

If you are paying your premium by instalments (direct debits) you must pay each instalment on the agreed due date. If you do not make your Direct Debit payments your policy will be cancelled and you may incur a cancellation fee. NB Failure to make the first Direct Debit payment will result in a charge equal to the amount of your premium deposit (ie 20%) up to a maximum of £35.

8) Transfer of Ownership

Selling your vehicle with the Policy may assist in its sale. Providing you have paid for this policy in full you may request a transfer by calling GO Car Warranty on 0800 612 1302 and supply the details of the person to whom you will be selling your vehicle. The Policy may only be transferred by you and no refund or rebate will be made to you or the Transferee under any circumstances.

There will be a fee of £25 as a contribution towards the costs of transferring the policy. This policy may not be transferred if the Vehicle is sold to a motor dealer or trader and will be cancelled automatically on such a sale.

9) We may declare void any Policy where the Policy Schedule does not correctly show the exact Vehicle type, model, age and mileage. If You give incorrect information on Policy Schedule, the Policy may be void or, at GO Car Warranty's option, allowed to continue subject to the payment and receipt of any additional premium that may be required to reflect the correct information.

10) The mileage quoted on the Policy Schedule does not guarantee that this is the true distance the Vehicle has covered.

11) We will not pay more than the limits shown on the Policy Schedule or as otherwise restricted in these terms and conditions.

12) The Policy will only be valid if the deposit or premium has been paid and received in accordance with these terms and conditions. GO Car Warranty has the right to refuse an application for cover.

13) Your rights as set out in the Policy are in addition to Your legal rights.

14) You cannot change these terms and conditions unless You have Our written agreement. We may appoint any person to handle claims, including payment thereof. We reserve the right to change at any time any of the parties providing

administration or claims handling or related services under the Policy.

15) At the time of cover the Vehicle must be taxed and legal for use on the public highway with a minimum of 3 months remaining on a valid MOT certificate.

CLAIMS CONDITIONS

1) GO Car Warranty cannot agree to any claim without providing a claims authority number. The repairer must not start any repairs without this number. Please quote Your claims authority number each time You contact GO Car Warranty about Your claim and make sure the repairer includes this number on their invoice.

2) If when making a claim You do not follow the correct procedure, We will not be able to pay Your claim in this instance.

3) No liability shall exist in respect of parts supplied, repairs carried out or any other claim under the Policy other than claims made in accordance with the procedures set out in these terms and conditions and for which specific authorisation is given by GO Car Warranty.

4) We reserve the right to provide replacement parts and to carry out repairs under the Policy or to arrange for their provision by other persons.

5) GO Car Warranty may insist that Your repairer uses exchanged or reconditioned parts to affect a repair.

6) If the part to be replaced has some wear or the part improves the general condition or value of the Vehicle, You may be required to pay a specific amount towards the improvement.

7) The amount of time allowed for labour will be in line with the manufacturer's / Glass's Guide standard repair times. The cost of diagnosis or testing is not included.

8) The Insurer and the Administrator reserve the right to examine the Vehicle, to subject it to expert independent assessment and to name the repairer to be used. GO Car Warranty will use the results of any expert independent assessment to determine the amount to be paid in respect of a claim. This will be subject to the claimable limits and the terms and conditions of the Policy.

MAKING A CLAIM

1) If You wish to make a claim telephone 01279 456 501, or write to:

GO Car Warranty
Warwick House
Roydon Road
Harlow
Essex CM19 5DY.

2) The claims procedure will be explained to You.

3) Book the Vehicle in with the selling dealer or recommended repairer and give Your permission to carry out any fault finding/diagnosis or dismantling necessary.

4) If You want to use Your local repairer, You must make sure that they follow GO Car Warranty's claims procedures. **N.B.** Please note that Your repairer will only be paid up to the equivalent GO Car Warranty national labour rate which is £100 per hour.

5) You agree that You will pay the costs of dismantling and repairing the Vehicle if the cause of the breakdown is not covered by the Policy and, if it is covered, all costs which exceed the limits on the Policy. You are responsible for paying for any other work You ask the repairer to carry out.

6) The repairer must then telephone GO Car Warranty quoting the Policy type and number and ask for authority to carry out the repair.

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- 7) If Your claim is accepted, Your repairer will be informed how much will be paid under the Policy and an authority number for this value will be issued. The authority number will be effective for 90 days only from the date issued. No payments will be made under the terms of the authority number after the expiry of the period of 90 days. You are responsible for paying any amount the repairer charges over and above the amount authorised.
- 8) When the repairs have been completed, the repairer must submit an invoice within the period of 90 days referred to in paragraph six. The invoice must be addressed to GO Car Warranty and clearly show the authority number given by GO Car Warranty for those repairs. The invoice must show whom GO Car Warranty should pay and all parts used in the authorised repair, labour and VAT.
- 9) GO Car Warranty may also need to see Your original service invoices.

If there is a disagreement please refer to Our Complaints Procedure.

EXTRA BENEFITS

The extra benefits listed below will be provided subject to the limits specified in the Policy Schedule if any of the parts covered under the Policy fail and You are stranded with the Vehicle.

Vehicle replacement

GO Car Warranty will pay up to £30 a day [including VAT], for up to seven days, towards the cost of a replacement vehicle. You can only have a replacement vehicle if the Vehicle is being repaired under the Policy and prior authority has been given by GO Car Warranty's claims department.

Exclusions

1. You cannot have a replacement vehicle for the first 24 hours that You are without the Vehicle or during any delay the repairer may have waiting for parts or commencing repairs.
2. You will have to pay for fuel and insurance for the replacement vehicle.
3. You will have to pay for any motoring fines and congestion charges.

Recovery

GO Car Warranty will pay up to £100 [including VAT] towards the cost of towing the Vehicle to the nearest repairer if the Vehicle suffers a Mechanical Breakdown. You should ensure that Your repairer obtains an authority number that covers the recovery, and that the invoice of the person who recovered the Vehicle or the repairer's invoice is sent to:

GO Car Warranty
Warwick House
Roydon Road
Harlow
Essex CM19 5DY

CANCELLATION

If this policy is cancelled within 30 days of purchase/inception (whichever the sooner), and no claim has been registered AutoProtect will refund the premium paid in full. If a claim has been made on the policy NO refund will be issued. This policy has no surrender value and in all other circumstances, cancellation is without refund.

IMPORTANT NOTE - If you have selected to pay your premium in instalments – you must ensure the full premium is paid prior to cancellation.

We are committed to providing you with an exceptional level of service and customer care. If there is an occasion where You feel that We have not delivered this level of service we would like to hear about it.

If you would like to make a complaint please contact the Administrator:

The Managing Director
AutoProtect (MBI) Limited
Warwick House
Roydon Road
Harlow
Essex CM19 5DY
Tel: 01279 456 500
Fax: 01279 456 510

In the unlikely event that the matter is still not resolved, Your complaint can be referred to the Financial Ombudsman Service:

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR

Please note You have six months from the date of Our final response in which to refer Your complaint to the Ombudsman. Referral to the Ombudsman will not affect Your right to take legal action against Us. The complaints procedure above does not affect any legal right You may have to take action against Us.

COMPENSATION SCHEME

If we are unable to meet our liabilities you may be entitled to compensation under the Financial Services Compensation Scheme (FSCS). Further information about compensation scheme arrangements is available at www.fscs.org.uk, by emailing enquiries@fscs.org.uk or by phoning the FSCS on 0207 741 4100.

DATA PROTECTION

For the purposes of the Data Protection Act 1998 the Data Controller in relation to any personal data You supply is GO Car Warranty. GO Car Warranty may use Your data to keep You informed by post, telephone or other means, of any products or services which may be of interest to You. If You do not wish to receive information from GO Car Warranty please write to:

The Data Protection Officer
GO Car Warranty
Warwick House
Roydon Road
Harlow
Essex CM19 5DY

With limited exceptions and on payment of an administration fee, You have the right to access and if necessary rectify information held about You. If You wish to make such an inspection, please write to GO Car Warranty. GO Car Warranty will use Your data to set up and administer the Policy, including underwriting and the handling of any claim that may arise, and send Your data in confidence for processing to other companies and repairers, including those located outside the European Union. It may also be disclosed to regulatory bodies for the purposes of ensuring compliance and crime prevention.