

## DEFINITIONS

The words or expressions detailed below have the following meaning wherever they appear in this policy.

**Insured** Registered owner of the vehicle forming the subject matter of this policy.

**Insured Vehicle** The vehicle as specified on the proposal form.

**Administrators** AutoProtect (MBI) Limited, whose address is Cambridge House, Cambridge Road, Harlow CM20 2EQ

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

**Geographical Limits** Means the area in which this policy is effective and are Great Britain, Northern Ireland and Channel Islands plus any additional area detailed under Extra Benefits.

**Proposal** 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.

## Contract of Insurance

Each policy is individually underwritten between you (the Insured) and Red Sands Insurance Company (Europe) Limited.

Red Sands Insurance Company (Europe) Limited is a company registered in Gibraltar No. 87598, registered office: Suite 913b Europort, Gibraltar and is licensed and regulated by the Commissioner of Insurance under the Insurance Companies Ordinance 1987 of Gibraltar, which implements the relevant European Union Insurance Directives.

Red Sands Insurance Company (Europe) Limited has entered into insurance arrangements with The Holland Insurance Company Limited, a member of The Holland Group which has group assets in excess of £600,000,000. For additional information on The Holland Group see [www.holland.co.za](http://www.holland.co.za)

## What should I do if my vehicle breaks down?

If your vehicle breaks down, contact AutoProtect's customer support line on 0870 766 2786 and AutoProtect will give you the address of the nearest approved repairer.

## What if I breakdown and want to use my local repairer?

It is preferred that you use the supplying dealer or one of AutoProtect's approved repairers whose workmanship and quality is closely monitored to ensure that they are providing the best customer service.

However, if you want to use your local repairer, you must make sure that they follow AutoProtect's claims procedures and send their invoice with any required supporting documentation, quoting the claims authority number, to: AutoProtect (MBI) Limited, Cambridge House, Cambridge Road, Harlow CM20 2EQ.

**N.B.** Please note that your repairer will only be paid up to the equivalent AutoProtect national labour rate.

## Where should I keep my Policy info?

For security reasons you should note the details of your Policy type and your Policy number and file in a safe place (not in the vehicle).

Always keep this Policy with the details completed in your vehicle as you never know when you might need it.

## When is my service due?

The vehicle must be serviced according to the schedule by a VAT-registered repairer.

## May I transfer my Policy if I sell my car?

Selling your car with the Policy may assist in its sale. To request a transfer of the Policy simply call AutoProtect on 0870 766 6667 and supply the details of the person to whom you will be selling your vehicle. 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 it will be cancelled automatically on such a sale.

## May I renew my Policy when it has expired?

If Red Sands Insurance Company (Europe) Limited agree, we will offer you the chance to renew this Policy. For more information please phone 0800 197 8774.

## PARTS COVERED

Please see your Proposal Form for details of the maximum amounts that may be paid for each and any claim. These may be subject to lower limits as stated on these pages. All limits include VAT. There is no restriction to the number of claims you can make. This policy covers all mechanical and electrical parts (including labour to fit them), of the insured vehicle against mechanical breakdown as defined below.

## Important

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

## Important Note

You are covered only for the parts described in this booklet. You are covered up to the limits shown on the Proposal Form. Your policy does not cover more than the manufacturers list price. AutoProtect (MBI) Limited may insist that your repairer uses exchanged or reconditioned parts to effect a repair.

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 specified amount towards the improvement. AutoProtect (MBI) Limited 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 AutoProtect (MBI) Limited about your claim and make sure the repairer includes this number on their invoice.

## Oil seals

Crankshaft front seal, camshaft oil seal, auxiliary shaft oil seal, gearbox rear seal, drive shaft(s) seals and differential pinion seal and where an engine or gearbox repair requires oil seals or gaskets.

## Casings

If any of the covered parts fail and this damages the casings, they will also be covered.

## 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.

## Excluding:

Cracked or porous cylinder heads or blocks and/or failure to valves as a result of carbon build-up. Body, paint, glass, interior/exterior trim, in-car entertainment/ communication systems and connected equipment including satellite navigation, catalytic converters, wheels, airbag and system, electrical wiring, wiring looms and cables.

Normal wear and tear/service items and other components subject to routine maintenance or periodic repair or replacement such as plugs, HT leads, brake frictional material, clutch facings, wiper blades/rubbers, V belts, hoses, pipes, light bulbs/units, tyres, batteries, exhaust systems [this is not a complete list].

The Proposal Form is part of the contract between you and Red Sands Insurance Company (Europe) Limited for the Mechanical Breakdown Insurance policy. Your policy covers the vehicle shown on the Proposal Form.

AutoProtect (MBI) Limited has been appointed by Red Sands Insurance Company (Europe) Limited as administrator to distribute this Policy of insurance. AutoProtect (MBI) Limited has been appointed to deal with all administrative matters relating to claims handling, including payment of claims, arising under this policy.

## Duration of policy and indemnity

The policy commences from the date of purchase or with new cars and LCV's the expiry of the manufacturer's warranty period. The Duration of this policy and the Indemnity Limit will be as stated on the proposal form. Subject to maximum period of 48 months and the maximum amount of the purchase price of the Insured Vehicle.

## Exceptions

- 1 No liability will be accepted for any claim which is reported to AutoProtect more than 14 days after the relevant fault is discovered.
- 2 No liability will be accepted for any breakdown where the repair has not been commenced within 14 days of the fault being reported to AutoProtect.
- 3 This 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 following therefrom; or
  - damage to parts we cover caused by parts not covered by the policy.
- 5 No liability will be accepted for:
  - fair wear and tear;
  - normal 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 This 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

- 1 Before selling you the Vehicle, the dealer must check the Vehicle to make sure that the parts covered under this policy are in good condition.
- 2 Red Sands Insurance Company (Europe) Limited may declare void any policy where the Proposal Form does not correctly show the exact vehicle type, model, age and mileage. If you give incorrect information on the Proposal Form, your policy may be void or, at AutoProtect option, allowed to continue subject to the payment and receipt of any additional premium that may be required to reflect the correct information.
- 3 The mileage quoted on the Proposal Form does not guarantee that this is the true distance the vehicle has covered.
- 4 If when making a claim you do not follow the correct procedure, we will not be able to pay your claim in this instance.
- 5 The vehicle must be serviced in accordance with the schedule described in the service standards section of this policy. You must retain all VAT service invoices.
- 6 Red Sands Insurance Company (Europe) Limited will not pay more than the limits shown on the Proposal Form or as otherwise restricted in this policy document.
- 7 Your policy will only be valid if your Proposal Form has been received by AutoProtect and the premium has been paid and received in accordance with these terms and conditions. AutoProtect has the right to refuse an application for cover.
- 8 The dealer who sold you the car acts as an AutoProtect agent only for the purpose of supplying this Mechanical Breakdown Insurance policy. The dealer is not an AutoProtect agent for the purpose of receiving premiums. AutoProtect is not responsible for any mistakes or incorrect information provided by the dealer about the nature or value of the policy.
- 9 Your rights as set out in this policy are in addition to your legal rights. This insurance is subject to the laws of England and Wales.
- 10 If you want to sell the Vehicle you will be able to transfer this policy to the new owner. You must apply to AutoProtect to transfer the policy before you sell the vehicle. There is a fee of £25 which you must enclose with your application. The fee will be returned if your application cannot be accepted.
- 11 If you sell the Vehicle to a dealer or trader, this policy will automatically be cancelled. No refund of your premium will be given if your policy is cancelled on the sale of your vehicle.

- 12 Cancellation - No fees are normally charged for arranging policies. However, if this policy is cancelled within 14 days AutoProtect MBI Ltd will charge an administration fee of £35. An additional administration fee of £15 may be charged by your Dealer. This policy has no surrender value and no refund of premium paid will be issued after 14 days.
- 13 You cannot change these terms and conditions unless you have the written agreement of Red Sands Insurance Company (Europe) Limited. Red Sands Insurance Company (Europe) Limited may appoint any person to handle claims, including payment thereof. Red Sands Insurance Company (Europe) Limited reserves the right to change at any time any of the parties providing administration or claims handling or related services under this policy.
- 14 At the time of cover the vehicle must be taxed and legal for use on the public highway.

#### CLAIMS CONDITIONS

- 1 All matters relating to claims handling, including payment of claims arising under this policy, will be dealt with by AutoProtect (MBI) Limited, Cambridge House, Cambridge Road, Harlow CM20 2EQ, Telephone: 0870 766 2786.
- 2 No repairs may be carried out under the policy until a claims authority number is provided by AutoProtect for those repairs. No liability shall exist in respect of parts supplied, repairs carried out or any other claim under this policy other than claims made in accordance with the procedures set out in this policy document and for which specific authorisation is given by AutoProtect. The Insurers reserve the right to provide replacement parts and to carry out repairs under this policy or to arrange for their provision by other persons.
- 3 The amount of time allowed for labour will be in line with the manufacturer's/glasses guide standard repair times. The cost of diagnosis or testing is not included.
- 4 Red Sands Insurance Company (Europe) Limited and AutoProtect reserve the right to examine the vehicle, to subject it to expert independent assessment and to name the repairer to be used. AutoProtect 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 your policy.
- 5 If you or a repairer (with your knowledge) makes a false or dishonest claim, your policy will be cancelled and legal action may be taken against you.

#### Important Note

You are covered only for the parts described in these pages. You are covered up to the limits shown on the Proposal Form or any lower limits that may be specified under "Parts Covered". Your policy does not cover more than the manufacturer's list price. AutoProtect may insist that your repairer uses exchanged or reconditioned parts to effect a repair.

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 specified amount towards the improvement. AutoProtect 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 AutoProtect about your claim and make sure the repairer includes this number on their invoice.

#### HOW TO MAKE A CLAIM

Please check your policy to make sure that it covers the parts which have caused the breakdown.

- 1 If you wish to make a claim: Telephone 0870 766 2786, or write to: AutoProtect (MBI) Limited, Cambridge House, Cambridge Road, Harlow CM20 2EQ. The correct claims procedure will be explained to you.
- 2 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.
- 3 You agree that you will pay the costs of dismantling and repairing the vehicle if the cause of the breakdown is not covered by this policy and, if it is covered, all costs which exceed the limits on your Proposal Form and any excesses that may apply. You are responsible for paying for any other work you ask the repairer to carry out.
- 4 The repairer must then telephone AutoProtect quoting your policy type and number and ask for authority to carry out the repair.
- 5 If your claim is accepted, your repairer will be informed how much will be paid under this 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.

- 6 When the repairs have been completed, the repairer must submit an invoice within the period of 90 days referred to in paragraph five. The invoice must be addressed to AutoProtect and clearly show the authority number given by AutoProtect for those repairs. The invoice must show whom AutoProtect should pay and give full details of the repair, including all parts used in the authorised repair, labour and VAT. AutoProtect 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 Proposal Form if any of the parts covered under the Mechanical Breakdown Insurance policy fails and you are stranded with your vehicle.

#### Vehicle replacement

AutoProtect 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 your vehicle is being repaired under this policy and prior authority has been given by AutoProtect's Claims Department.

#### Exclusions

1. You cannot have a replacement vehicle for the first 24 hours that you are without your 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

AutoProtect will pay up to £100 [including VAT] towards the cost of towing the vehicle to the nearest repairer if the vehicle breaks down. You should ensure that your repairer obtains an authority number that covers the recovery, and that the invoice of the person who recovered your vehicle or the repairer's invoice is addressed to AutoProtect (MBI) Limited.

The invoice should be sent to: AutoProtect (MBI) Limited, Cambridge House, Cambridge Road, Harlow CM20 2EQ.

#### Overnight accommodation and rail fares

AutoProtect will pay up to £60 towards hotel expenses or a return rail ticket if the vehicle breaks down and you are unable to return home. You will need to send AutoProtect a receipt. You cannot claim for the cost of meals and drinks.

You can only qualify for overnight accommodation and rail fares if your vehicle is being repaired under this policy and prior authority has been given by AutoProtect's Claims Department.

#### Driving abroad

The policy is valid for up to 60 days per annum [pro rata] for driving in the Republic of Ireland and mainland Europe. AutoProtect will not pay more than the equivalent UK cost for parts and labour.

**N.B.** These benefits will not be provided if the failure is not covered by this policy. Payments will be limited to those levels outlined in this policy.

#### SERVICE SCHEDULES

**The vehicle must be serviced by a VAT registered garage, six months or 6,000 miles [whichever is the sooner] from the date of or mileage at purchase, and thereafter at intervals of six months or 6,000 miles [whichever is the sooner], and must consist of:**

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

The interval from the 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 500 miles. This time allowance is to facilitate the vehicle owner to make sure services are completed at the correct intervals. If any circumstances prevent the service being carried out at the correct time AutoProtect must be

informed immediately by recorded delivery.

**As an option the vehicle may be serviced in accordance with the manufacturer's recommended service schedule by a VAT registered garage.**

If you have details of when the last service was carried out, such as a correctly completed entry in the service booklet or a previous service, you may service the vehicle at the recommended interval from that service. Please retain proof of the previous service for our inspection in the event of a claim. If no details are available to confirm that the vehicle is within the manufacturer's recommended service limits then the first service must be carried out at the latest within six months or 6,000 miles [whichever is the sooner] from the date/mileage at purchase but preferably at the first available opportunity. The intervals between services must not exceed the manufacturer's stipulated maximum excess time or mileage allowances.

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 Insurance 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.

**Any enquiry or complaint regarding this policy, should be addressed to:**

The Managing Director  
AutoProtect (MBI) Limited, Cambridge House, Cambridge Road, Harlow CM20 2EQ, Telephone: 0870 766 6667

Should you remain dissatisfied you should write to:

Red Sands Insurance Company  
(Europe) Limited  
Suite 913b  
Europort  
Gibraltar

If we cannot give you a final decision within four weeks from the day we receive your complaint we will explain why and tell you when we hope to reach a decision. Our decision is final and based on the evidence presented. If you feel that there is any new evidence or information that may change our decision you have the right to make an appeal.

Should the matter still not be resolved to your satisfaction you have the right to refer the matter to: The Financial Ombudsman Service (FOS), South Quay Plaza 11, 183 Marsh Wall, London E14 9SR.

This procedure will not prejudice your right to take legal proceedings. However please note that there are some instances where the FOS cannot consider a complaint.

Please quote your policy number in all correspondence.

**We** are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from the scheme if **We** cannot meet **Our** obligations. This depends on the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit. For further information visit [www.FSCS.org.uk](http://www.FSCS.org.uk)

