



## ANNUALLY RENEWABLE TOP UP FLEET GAP

If your customer's vehicle is stolen or written off after an accident it is likely that the motor insurer will only pay the current market value for the vehicle. This amount could be less than what is still owed to the finance or lease company and will be less than what your customer originally paid for their vehicle.

### CLAIMS UPDATE

We believe it is important for us to feed back to our partner brokers details of claims settlements and customer experience. This not only demonstrates the value in the protection products we provide but also gives reassurance with regards to fair outcomes.

2018 has seen an interesting start to the year with adverse weather affecting most parts of the UK, initially with significant snow fall followed by ice and flood water, creating hazardous driving conditions and afterwards poor road surfaces. At the start of the year we had the Kings Dock Car Park fire in Liverpool destroying about 1300 vehicles and the impact of increased ingenuity from car thieves targeting the theft of prestige motor cars using "The Relay Technique".

A relay attack usually involves two people working together. One stands by the targeted vehicle, while the other stands near the house with a device that can pick up a signal from the key fob. What's more, some devices can pick up a signal from over 100 metres away.

The device then relays the key fob's signal directly to the car, allowing the thieves to get in and drive away immediately. Researchers have discovered no one manufacturer is immune to this kind of crime, the impact however is on the vehicle owner who must make a claim and remain without a vehicle whilst their claim is dealt with. We have seen several GAP claims on all our products over the past few months and thought we would share details of the impact to Fleets and the value our TOP UP FLEETGAP insurance offers brokers customers.

DESCRIPTION	CLAIM EXAMPLE 1
Vehicle DAF XF 480 – Contract Hire RTA Vehicle Declared a total loss.	
Motor Insurance settlement after write off:	£61,575
Early Termination Charge from Lease Company:	£74,865.50
Finance Shortfall of:	£13,290.50
Motor Insurance Excess (Maximum £250)	£250
<b>We paid</b>	<b>£13,540.50</b>



## Claims Examples

DESCRIPTION	EXAMPLE 2
<b>Ford Transit Contract Hire Vehicle Declared a Total Loss following RTA</b>	
Motor Insurance settlement after write off:	£46,000
Early Settlement amount from Finance Company:	£49,904.73
Finance Shortfall of:	£3,904.73
25% Top Up calculation	£11,500
Motor Insurance Excess to £250	£250
<b>We paid</b>	<b>£11,750</b> (the top up calculation was greater than the finance shortfall)

DESCRIPTION	EXAMPLE 3
<b>Citroen Berlingo Outright Purchase Declared a Total Loss following Theft</b>	
Motor Insurance settlement after write off:	£6,400
Early Settlement amount from Finance Company:	£0
Finance Shortfall of:	£0
25% Top Up calculation	£1,600
Motor Insurance Excess to £250	£250
<b>We paid</b>	<b>£1,850</b> (the top up calculation was greater than the finance shortfall)

DESCRIPTION	EXAMPLE 4
<b>Mercedes Benz Sprinter Purchase Declared a Total Loss following Fire</b>	
Motor Insurance settlement after write off:	£24,500
Early Settlement amount from Finance Company:	£25,764.41
Finance Shortfall of:	£1,264.41
25% Top Up calculation	£6,125
Motor Insurance Excess to £250	£0
<b>We paid</b>	<b>£6,125</b> (the top up calculation was greater than the finance shortfall)