

This document should be read in conjunction with the schedule attached and, if incorrect, returned immediately to your broker/agent for amendment. Any other alterations required to the insurance should also be notified to your broker/agent.

If you are

- Involved in an accident,
- Your car is stolen,
- Or you wish to make a claim under this insurance, please refer to the claims procedure leaflet enclosed with this document or contact your broker/agent for assistance.

## COMMERCIAL VEHICLE DOCUMENT

You have taken out insurance with us (KGM Motor Insurance) and this document is a legally binding contract of insurance.

We have used the information provided to us on the statement of fact in entering into this insurance.

We have agreed to insure you subject to the terms, conditions and exclusions contained within this document and/or in any endorsements attached for the period for which you have paid our premium.

This insurance contract is written in English and is subject to English Law. All communications about it will be conducted in English.

This document has been issued by KGM Motor Insurance under the authority granted by Underwriting Byelaw (No. 2 of 2003)

**C Hart – Director**  
**KGM Underwriting Agencies Ltd**

Authorised and regulated by the Financial Services Authority.

## COMMERCIAL VEHICLE DOCUMENT

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## DEFINITIONS

### **KGM Motor Insurance**

The Underwriters who will only pay their share of a claim and who are part of Lloyd's Syndicate No. 260. If you want to know all their names and what percentage they will pay write to us quoting the document number shown on the schedule and the year you started the insurance.

### **KGM Underwriting Agencies Limited**

KGM Underwriting Agencies Limited is a registered managing agent at Lloyd's which is authorised and regulated by the Financial Services Authority.

### **The Schedule**

The document which shows details of you, your vehicle and the insurance cover you have which is attached to this document.

### **Your Vehicle**

The motor vehicle shown on the current Road Traffic Act Certificate of Insurance.

### **The Cover provided**

Please note the table below which indicates the sections of this policy booklet which apply to you dependant on the level of insurance cover in force:-

<b>Cover</b>	<b>Sections applicable</b>
Comprehensive	All sections apply
Third Party, Fire and Theft	1,3,5,6,7
Third Party Only	1,5,6,7
Fire and Theft Only	3
Damage, Fire and Theft	2,3

- **Accessories** – Any spare part or equipment not fitted to your vehicle by the manufacturer or professional converter at the time of manufacture or conversion.
- **Certificate of Insurance**- Provides legal evidence that the minimum insurance cover is in force, confirms who may drive the insured vehicle, how they may use it and the period of time over which this insurance applies.
- **Communications Equipment** –Any device that could be used for communication purposes, e.g a mobile phone.
- **Endorsements** – To be read in conjunction with your insurance certificate, schedule and policy wording, which may replace or extend wording contained within these documents.
- **Excess** – The contribution made by you towards a claim under this insurance.
- **Fire** – Damage to the insured vehicle caused by fire, self-ignition, explosion or lighting.

## DEFINITIONS

- **Garage** – a permanent structure, comprising of three brick-built sides, a roof and a securable door entrance.
- **Green Card** – Extends the minimum cover which applies under this policy to certain countries that are **not** signatories to the Multilateral Agreement, which provides the equivalent minimum Road Traffic Acts cover in that country.
- **Market Value** – the cost of replacing your vehicle at the time of loss or damage with one of a similar make, model, age, mileage and condition.
- **Minimum cover** – The minimum level of cover provided to satisfy the Road Traffic Acts, in terms of third party property damage and third part injury liability.
- **Policy schedule** – The document which details the vehicle covered under your policy and the cover which applies.
- **Pro Rata** – where a calculation is made proportionately.
- **Renewal premium** – The premium due by us upon expiry of the policy purchased (usually twelve months in duration)
- **Road Traffic Acts** – any acts, laws or regulations which govern the driving or use of any motor vehicle within the United Kingdom.
- **Territorial Limits** – England, Northern Ireland, Scotland, Wales, the Isle of Man and the Channel Islands.
- **Theft** – Where your vehicle is taken without permission
- **United Kingdom** - England, Northern Ireland, Scotland, Wales, the Isle of Man and the Channel Islands.

## SECTION 1. Liability to others

### **What Is Covered**

- Legal liability for the death of or bodily injury to any person and damage to property as a result of the following:-
  - You using or driving your vehicle
  - Provided they are permitted to drive as shown on your Certificate of Insurance and they have your permission, anyone using or driving your vehicle.
  - Any passenger travelling in or getting in or out of your vehicle
  - The towing of a trailer, caravan or broken down vehicle attached to your vehicle or accidentally detached during the course of a journey.

### **We will also cover**

- The legal personal representatives of any person who has died and was covered by this insurance.
- Legal costs of Third Parties.
- Any other legal costs and expenses incurred with the Underwriter's prior consent.

### **What is not covered**

- Damage to property in excess of £5,000,000 in respect of any one claim or a number of claims arising out of one cause.
- Death of or injury to the person driving your vehicle or in charge of for the purpose of driving.
- Loss or damage to any vehicle or property owned by you or by the person driving your vehicle.
- Loss or damage to any trailer, caravan or broken down vehicle being towed or attached to your vehicle or to any property carried in or on them.
- Liability for death of or injury to an employee occurring during the course of their work except for the minimum cover required under the current Road Traffic Acts.
- Liability for death, injury, loss or damage arising beyond the limits of the carriageway in respect of the bringing to or taking away the load from your vehicle by any person other than your driver or attendant.
- Liability for death, injury, loss or damage arising out of the use of any tools, goods or personal effects carried in or on your vehicle.

## SECTION 2. Accidental Damage

### **What is covered**

- Damage to your vehicle caused in an accident or malicious damage. (See Special Conditions on page 12)

### **What is not covered**

- Wear, tear or depreciation.
- Mechanical, electrical, electronic or computer failure breakdown or breakage.
- Damage to tyres caused by braking, punctures, cuts or bursts.
- Compensation or expenses as a result of you not being able to use your vehicle or the cost of hiring alternate transport.
- Any reductions in the value of your vehicle following damage or repair.
- Damage to any portable audio device, telephone, television, video, DVD, traffic information system or CB radio equipment fitted or carried in the vehicle.
- The cost of repair, replacement or improvement of any parts of your vehicle not actually damaged.
- The cost of repair or replacement of any non standard parts or equipment fitted to your vehicle which have not been previously disclosed.
- Damage by frost unless the engine has been completely drained of all water or anti freeze has been added as recommended by the vehicle manufacturer.
- Damage to the vehicle due to the impounding or destruction by an authorised authority.
- Loss or damage to your vehicle if it is taken or driven without your permission by any member of your family or partner, anyone living in your home, or anyone known to you.
- Damage to your vehicle unless you take all reasonable precautions to safeguard it.
- Damage if your vehicle is not securely locked and the keys removed when it is left unoccupied.
- Damage to any Satellite Navigation equipment permanently fitted by the vehicle manufacturer in excess of £500.
- Damage or loss arising from the vehicle being filled with the incorrect fuel.

## SECTION 2. Accidental Damage

### **What is not covered (continued)**

- More than 10% of the vehicle's declared value, up to a maximum of £200 in respect of any radio/cassette/CD or other audio equipment permanently fitted to your vehicle.
- Damage to any tools, goods or personal effects carried in or on your vehicle.
- Damage to your vehicle if it is being used or driven outside the United Kingdom unless the use of the vehicle complies with Section 5. Foreign Travel & Geographical limits.

### **What you pay**

- The amount shown as the excess on your policy schedule. If no amount is shown, you will have to pay the first £200.
- If your vehicle is damaged whilst it is being driven by or is in the charge of a young or inexperienced driver who is permitted to drive by your certificate of insurance the amount of the excess you have to pay will be increased by the following amounts:-
  - If the driver is under 22 years of age - £1000
  - If the driver is aged 23-24 - £250
  - If the driver is 25 or over and either holds a provisional licence or has not held a full UK licence for 12 months - £250.

### SECTION 3. Fire and Theft

#### **What is covered**

- Loss of or damage to your vehicle caused by:-
  - A) Fire
  - B) Theft or any attempted theft provided you notify the police at once.

(See Special Conditions on page 12)

#### **What is not covered**

- Wear, tear or depreciation.
- Mechanical, electrical, electronic or computer failure breakdown or breakage.
- Loss of or Damage to your vehicle or any spare parts or accessories as a result of trickery or deception.
- Loss of the proceeds of the sale of your vehicle.
- Compensation or expenses as a result of you not being able to use your vehicle or the cost of hiring alternate transport.
- Any reduction in the value of your vehicle following damage or repair.
- Loss or damage to any portable audio device, telephone, television, video, DVD, traffic information system or CB radio equipment fitted or carried in the vehicle.
- The cost of repair, replacement or improvement of any parts of your vehicle not actually damaged.
- The cost of repair or replacement of any non standard parts or equipment fitted to your vehicle which have not been previously disclosed.
- Loss of the vehicle due to the impounding or destruction by an authorised authority.
- Loss or damage to your vehicle if it is taken or driven without your permission by any member of your family or partner, anyone living in your home, or anyone known to you.

### SECTION 3. Fire and Theft

#### **What is not covered (continued)**

- More than 10% of the vehicle's declared value, up to a maximum of £200 in respect of any radio/cassette/CD or other audio equipment permanently fitted to your vehicle.
- Loss of any satellite Navigation equipment permanently fitted by the vehicle manufacturer in excess of £500.
- Loss or damage caused by theft or attempted theft whilst your vehicle is unoccupied unless;
  - The doors and boot are locked
  - Any windows or sunroof are closed
  - The keys are removed from the ignition
- Loss of accessories or spare parts from your vehicle.
- Loss or damage to your vehicle unless you take all responsible precautions to safeguard it.
- Loss or damage to any tools, goods or personal effects carried in or on your vehicle.
- Damage to your vehicle if it is being used or driven outside the United Kingdom unless the use of the vehicle complies with Section 5. Foreign Travel & Geographical Limits.

#### **What you pay**

- The amount shown as the excess on your policy schedule. If no amount is shown you will have to pay the first £200

SPECIAL CONDITIONS  
APPLYING TO SECTIONS 2 AND 3

**Recovery**

- If the vehicle cannot be driven because of damage caused by this insurance we will pay the reasonable cost of transporting it to the nearest competent repairer. We will not be responsible for any further damage caused by driving or attempting to drive the vehicle in a damaged or unroadworthy condition.

**Repairs**

- We will choose whether to repair or replace your vehicle or pay you an amount for the loss or damage.
- Underwriters reserve the right to use Thatcham approved or similar matched parts where appropriate.
- In the event of the total loss or destruction of the vehicle where the value on your policy schedule is:-
  - Market Value – we will pay you the market value of the vehicle at the time of the accident up to but not more than the value shown on the schedule.
- We will not pay you more than the declared value of the vehicle.
- If we know you are still paying for your vehicle under a Hire Purchase or Leasing agreement and we choose to make a payment for the total loss or destruction of your vehicle we will make a payment to the finance company representing the amount outstanding.

**Salvage**

- In the event of a total loss of the vehicle all salvage will be retained by us to ensure correct disposal in accordance with current regulations.

## SECTION 4. Windscreen

### **What is covered**

- Damage to any Windscreen or Window Glass caused by accidental means or theft or attempted theft.
- Cover is unlimited provided that you use out approved supplier "Glassline", who can be contacted on freephone 0800 716 333.

### **What is not covered**

- Damage to or replacement of any sunroof or glass roof panels.
- Anything other than clear glass excepting the vehicle manufacturers tinted front Windscreen.
- If you do not use our approved supplier "Glassline" (as outlined above), the Underwriters will only pay £100 over your policy's Windscreen excess.

(Any claim made in accordance with this section for repairing or replacing glass will not affect your No Claim Discount)

### **What you pay**

- The first £60 if the glass is replaced by our approved supplier "Glassline".
- The first £120 if you do not use our approved supplier "Glassline" (as outlined above).
- You will not have to pay the above amounts if the glass is repaired.

## SECTION 5. Foreign Travel and Geographical Limits

### **What is covered**

- Loss, damage or liability as shown in the schedule whilst your vehicle is being used within the United Kingdom or being transported by sea or rail including loading and unloading within the territorial limits of the United Kingdom.
- The minimum cover required to comply with the law in any country where the United Kingdom have signed the Multilateral Agreement with those countries to provide the equivalent minimum Road Traffic Acts cover. At the time of publication, those countries where this is in place are: Austria, Andorra, Belgium, Bulgaria\*, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania\*, Slovakia, Slovenia, Spain, Sweden and Switzerland.

\*A Green Card may still be required for Bulgaria and Romania. Please contact your insurance intermediary/broker for further assistance.

### **What is not covered**

- Any Loss or Damage to your vehicle whilst outside the United Kingdom.
- Any amount which we would have to pay may vary from country to country and therefore, should this exceed that which would be paid within the UK we would seek to recover this from you.

## SECTION 6. Legal Defence

### What is covered

- Legal representation for you ( or anyone driving your vehicle with your permission) at any inquest, injury or any Magistrates/Crown hearing in the United Kingdom resulting from any accident likely to give rise to a claim under this policy.

### What is not covered

- Any costs incurred without prior notification and consent
- Any representation for defending a charge of Causing Death by Dangerous Driving or Manslaughter if the person driving your vehicle is under 21 years of age or was driving under the influence of drink or drugs.

## SECTION 7. No Claim Discount

- If you have not made a claim during the period of insurance immediately before an annual renewal you will be rewarded with a discount on your renewal premium.
- Should you make a claim during the period of insurance immediately before a renewal and you have earned a no claims discount previously, this will be reduced as outlined below:

No claim discount level prior to claim	No claim discount level following a claim
0	0
1	0
2	0
3	1
4+	2

- A claim made under Section 4, Windscreen, solely for repairing or replacing glass within the limits set under this section, will not affect your No Claim Discount.

## GENERAL EXCLUSIONS

### **Use and Drivers**

- We will not pay for any loss, damage or liability caused in the following circumstances:-
  - While your vehicle is being used for a purpose not permitted on your Certificate of Insurance.
  - While your vehicle is being used in any race, rally, competition, trial or similar motoring event.
  - While your vehicle is being driven or used on any race rally, test circuit or on any off road course or ground.
  - While your vehicle is being driven by you or is in the charge of any person, for the purpose of driving, who is not permitted to drive as shown on your Certificate of Insurance.
  - While your vehicle is being driven by you or is in the charge of any person, for the purpose of driving, who is disqualified from driving or does not hold a valid driving licence.
  - While your vehicle is being driven by you or is in the charge of any person for the purpose of driving, who holds a provisional or restricted driving licence and is not complying with the terms of the licence.
  - While your vehicle is being driven by, or is in the charge for the purpose of driving, of any person without your permission.

(However we do cover use for overhaul, upkeep or repair by any member of the motor trade as long as they are permitted to drive as shown on the Certificate of Insurance).

## GENERAL EXCLUSIONS

### **Safety and Security**

- We will not pay for any loss, damage or liability if:-
  - Your car is in an unsafe, damaged or unroadworthy condition.
  - You do not have a valid MOT test certificate when the law says you must have one.
  - Your car is being driven with a load or a number of passengers which is unsafe.
  - Your car is carrying an insecure load.
- We will not pay for any loss or damage to your car unless you take all reasonable precautions to safeguard it.
- We will not pay for any loss or damage if your car is not securely locked and the keys removed when it is unoccupied.

### **Other Contracts**

- We will not pay for any liability you have under an agreement or contract unless you would be liable if the agreement or contract did not exist.

## GENERAL EXCLUSIONS

### **War, Earthquakes, Riots, Terrorism**

- We will not pay for any loss, damage or liability that is directly or indirectly caused by war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil unrest, rebellion, revolution, insurrection or requisition, act of terrorism, riot or similar event, confiscation or nationalisation by any government or other authority.
- We will not pay for any loss, damage, or liability directly or indirectly caused by earthquake.
- We will not pay for any loss, damage or liability directly or indirectly caused by terrorism. "Terrorism" is as defined in the Terrorism Act 2000 or the equivalent legislation in any country.

### **Nuclear/Radioactive Contamination**

- We will not pay for loss, damage or liability directly or indirectly caused by:-
  - Ionising radiations or contamination by radioactivity from nuclear fuel or nuclear waste.
  - The radioactive, toxic, explosive or other dangerous properties of any explosive nuclear equipment.

### **Pollution**

- We will not pay for any loss, damage or liability caused directly or indirectly by pollution or contamination.

## GENERAL EXCLUSIONS

### **Airport Use**

- We will not pay for any loss, damage or liability arising while your or any other car covered by this insurance is in any place where aircraft take off, land or park including any associated service roads, refuelling areas, ground equipment areas or the Customs examination areas of international airports unless liable under the Road Traffic Act.

### **Sonic Bangs**

- We will not pay for loss, damage or liability caused directly or indirectly by pressure waves from aircraft or other aerial devices travelling at sonic or supersonic speeds.

### **Criminal Acts**

- We will not pay for any loss damage or liability caused while your car is being used by you or any insured person for any criminal activity.

## GENERAL CONDITIONS

### **Other Insurance**

- If any other insurance covers you for the same loss, damage or liability we will only pay a share of the claim.

### **Disclosure of Information**

- The policy has been issued to you on the understanding that all the answers given on the proposal form completed by you have not been misrepresented, either intentionally or unintentionally.
- Renewal of the insurance is invited on the same basis and if there has been any alteration in your circumstances you must tell us about any changed immediately.
- If the information provided to us is incorrect or not truthful we will not be liable to pay any claim and cover may be voided from inception/last renewal.

### **Your responsibility**

- You will only have the cover provided by this insurance if you and any other person insured has kept to all the terms and conditions in this document and any attached endorsements.
- It is a condition of the policy that you supply such details of the vehicle whose use is covered by the policy as are required by the relevant law applicable in Great Britain and Northern Ireland, for entry on the Motor Insurance Database.

## GENERAL CONDITIONS

### **Cancellation**

- We or our authorised agents may cancel this insurance by sending you 7 days notice by recorded delivery to your last known address. You must return the current Certificate of Insurance to us and upon receipt of this we will refund the unexpired portion of the annual premium to you. Not to return the current Certificate of Insurance when requested is an offence. We will not make a refund if a claim has been made.
- You or your authorised agents may cancel this insurance at any time by returning the Certificate of Insurance to us. If there has not been any claim in the current period of insurance a refund will be made based on the annual premium in accordance with the following scale:-

### PERIOD IN FORCE – REFUND

Up to

1 Month	80%
2 Months	70%
3 Months	60%
4 Months	50%
5 Months	40%
6 Months	30%
7 Months	20%
8 Months	10%
Over 8 Months	No refund

Short period insurance cancellations:-

6 months policies will be charged at double the above rates

### **• YOUR RIGHT OF CANCELLATION**

Once you have entered into this insurance contract with us, you are entitled to 14 days to decide whether you wish to proceed and this commences from either: The day of conclusion of the contract or the day on which you receive the full terms of the insurance contract detailing the full contractual terms, conditions and information on the contract, whichever is the later. A pro rate charge will be made for this period of cover. The Certificate of Insurance must be returned.

## GENERAL CONDITIONS

### Claims

- You must tell us without delay about any event that could lead to a claim by telephoning our claims assist line on 0844 412 6412.
- You must immediately send us unanswered any letter, claim, writ or summons you receive together with a completed accident report form. You must give us all the information and assistance we require to deal with the claim and you or the driver must not accept responsibility for any claim against you or make any offer or promise to pay a claim.
- We are entitled to take over, defend or settle any claim in the name of you or any person covered by this insurance and we are entitled to take legal action in your name or in the name of any person covered by this insurance to recover any payments we make.
- Should we refuse indemnity in respect of an accident due to any omission, misstatement or non disclosure, but have a liability under the Road Traffic Act, then we reserve the right to settle such claims or judgements, without prejudice to our position under the policy, and thereafter seek reimbursement of all payments made.
- We will not pay for any loss, damage or liability if you or any person makes a claim that is fraudulent or exaggerated or makes a false statement or provides false documents to support a claim.
- All claims in respect of Damage to any Windscreen or Window Glass should be notified to our approved glass replacement service.

### • FINANCIAL SERVICES COMPENSATION SCHEME

In the event that the KGM Motor Insurance is unable to meet its liabilities and pay a claim you may be entitled to compensation from the Financial Services Compensation Scheme.

Further information about the scheme is available on the FSCS website.

[www.fscs.org.uk](http://www.fscs.org.uk)

## **DISPUTES**

If you wish to make a complaint about any aspect of your insurance please contact:

**The Risk & Compliance Director  
KGM Motor Insurance  
KGM House  
George Lane  
London  
E18 1RZ**

KGM Motor Insurance has internal complaint guidance for customers that are available upon request.

In the event that you remain dissatisfied you can refer the matter to the Complaints Department at Lloyd's. The contact details are:

**Complaints Department  
Lloyd's  
One Lime Street  
London  
EC3M 7HA**

**Tel: 020 7327 5693  
Fax: 020 7327 5225  
E-mail: [complaints@lloyds.com](mailto:complaints@lloyds.com)**

Complaints that cannot be resolved by the Complaints Department may be referred to:

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

**Tel: 0845 080 1800**

Further details will be provided at the appropriate stage of the complaint process.

The complaints procedure is without prejudice to your rights to take legal proceedings.

KGM Motor Insurance is a brand name of KGM Underwriting Agencies Limited which is authorised and regulated by the Financial Services Authority.