

GAP INSURANCE

FUNNY THING, CAR INSURANCE.

Even with a clean driving record your premiums never seem to go down, yet what some insurance companies are prepared to pay out certainly does.



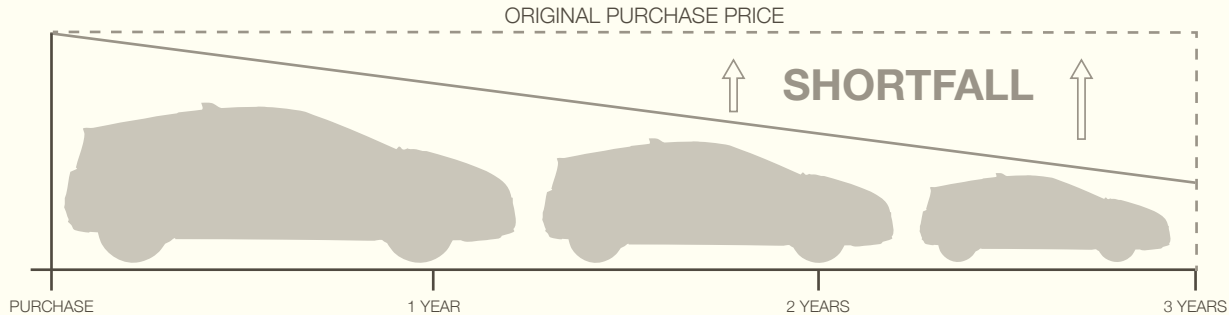


SO, HOW DOES IT WORK?

If your Honda is written off or stolen, you may not get the purchase price for it: you'll get its current value in the open market from your insurance company. However, Honda Gap Insurance will cover you for the difference between what you originally paid for the car and its current value.

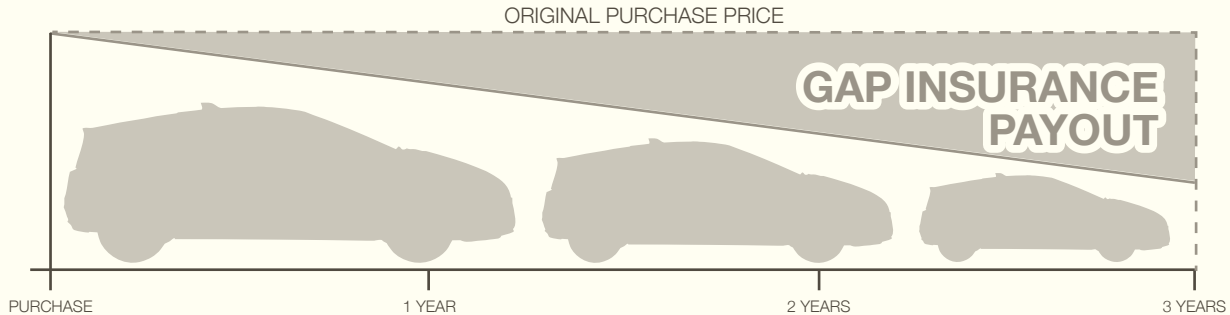
HERE'S WHAT COULD HAPPEN...

Let's say you buy your new Honda for £16,000. A year later, it gets written off by the insurance company following an accident or theft. In this event, you would be sent a cheque for the current market value: call it £12,000. Which means either finding another £4,000 to buy a brand new Honda, or settling for something not quite as good. What's worse, with every passing year, that shortfall's just going to get bigger.



WHEN YOU HAVE HONDA GAP INSURANCE....

You buy your new Honda for £16,000 and the same misfortune strikes, but as well as the cheque for £12,000 from the insurance company, you also get a cheque for £4,000 from us. This means you can buy another brand new Honda for the original purchase price. With cover for up to three years, it doesn't matter how much your insurance company pays out: we'll make sure you get what you originally paid. (Vehicle purchase price excludes dealer fitted accessories).



IT'S INCREDIBLY SIMPLE. WE THINK YOU'LL FIND THE DECISION IS, TOO.

- We pay you the difference between the original purchase price and the amount your insurance company will give you if the car is written off as a result of an accident or theft.
- Honda GAP is available on new and used Honda vehicles (up to 8 years old).
- You can be covered for up to 3 years.
- We'll pay the insurance shortfall up to £5,000 for vehicles which have a maximum purchase price of £12,000. If your vehicle is over £12,000 and up to £35,000 we'll pay the insurance shortfall up to £15,000.
- We can arrange cover in the showroom - instantly.
- Once the claim has been processed, we will send you a cheque for the difference.
- It's flexible and convenient - you can pay for it in one go or over 10 months by direct debit.

FAQs

What is Honda GAP Insurance?

If your vehicle is written off due to an accident, fire or as a result of theft, motor insurers typically only pay out the current market value of a vehicle, not the value of a new replacement. This could leave you without sufficient funds to pay off any outstanding finance or to purchase a new vehicle. Honda GAP insurance is designed to protect you against these losses.

What kinds of Honda GAP insurance are there?

Honda offers 2 kinds of GAP insurance

Financial Shortfall GAP (FS GAP) - FS GAP pays the difference between the market value of your vehicle when it is deemed a total loss and the amount you require to settle your outstanding finance. The market value is typically the amount paid by the comprehensive motor insurance policy.

Combined GAP - This is a combination of FS GAP and Return to Invoice (RTI) GAP.

Return to Invoice GAP (RTI) pays the difference between the market value of your car when it is deemed a total loss (typically the amount paid by the comprehensive motor insurance policy) and the original purchase price of the vehicle. FS GAP will settle your finance if your outstanding finance is greater than the amount you would receive under the RTI element of the Policy.

Do I have to take out Honda GAP insurance?

No, all Honda Finance insurance products are optional.

Is there a maximum amount Honda GAP will pay out?

The maximum payout for combined GAP is either £5,000 or £15,000 dependant on the policy taken.

The maximum payout for the stand alone FS GAP is £10,000.

No payment will be made for any credit provided under the finance agreement which exceeds 120% of the purchase price of the vehicle.

How many years can I be covered?

For both Combined GAP and FS GAP the maximum term is either two or three year's depending the policy length you chose.

What happens if the term of the Honda GAP policy is shorter than the term of the finance agreement?

With combined GAP and FS GAP, cover will cease at either two or three years dependant on the GAP policy taken.

Will the policy cover the final payment I have arranged as part of my finance agreement?

Yes, your cover is for the amount financed which includes the final payment (also known as the Guaranteed Future Value) subject to the maximum payout for the policy.

Will my policy be automatically cancelled when I settle my finance?

No. In the case of FS GAP you must ensure that you cancel your FS GAP policy in the event you settle your finance.

If you have combined GAP, RTI will still provide cover for up to either 2 or 3 years, dependant on the policy you have chosen, even if you settle your finance.

How long do I have to take out Honda GAP?

90 days from the vehicle purchase date.

Will Honda GAP cover my motor insurance policy excess?

Our policies do not cover any motor insurance excess.

If I sell my car, can I transfer my policy to the new owner?

Policies cannot be transferred to another owner of the vehicle unless it is a family member as detailed in the policy terms & conditions.

However, you can cancel your policy at any time. Please see your cancellation rights in the policy terms and conditions.

If I replace my vehicle, can I transfer my Honda GAP policy from the old vehicle to the new one?

In the event your car is written off and you receive a new replacement vehicle from your comprehensive motor insurer within the first 12 months, your cover under the policy would continue for the replaced vehicle. Otherwise, you can cancel the Honda GAP insurance on your old vehicle and take out a new policy on your new vehicle, provided the new vehicle meets the policy eligibility criteria.

I own the car and have it insured in my name but my spouse/partner is a named driver. Is he/she covered?

Yes, Honda GAP covers all named drivers on your comprehensive motor insurance policy.

If I take out Honda GAP, do I have to be the policyholder on the car insurance?

Yes, to take out Honda GAP insurance you must be the registered keeper and/or the Owner of the vehicle, and the policyholder on the comprehensive motor insurance.

What vehicles can be covered by Honda GAP?

Honda GAP can be purchased for passenger cars. The vehicle must be under 8 years old and have a purchase price of up to either £12,000 or £35,000 at the date of purchase (dependant on the policy chosen). You and the vehicle will need to meet all the eligibility criteria for the selected cover. Some types of vehicle or vehicles used for certain activities are not eligible. Further details are provided in the policy summary.

Can I pay by monthly instalments?

Yes you can pay for the total policy over 10 months by direct debit interest free.

Which company provides the insurance?

London General Insurance Company Limited.

How do I cancel a policy?

Telephone TWG Services Limited on 0844 871 7742 and they will outline the procedure you need to follow. There are more details about your cancellation rights in the policy summary and the terms and conditions.

If I cancel my policy what refund can I expect?

You will receive a full refund if the cancellation is within 14 days of the start date of the policy or receipt by you of the policy documents whichever is the later.

If you cancel after 14 days your refund is calculated on a pro rata complete month basis minus a fixed amount of £35 to cover costs incurred in relation to the cancelled policy.

When would Honda GAP not pay out?

A full list of exclusions is detailed within the policy summary of cover and the terms and conditions. The main exclusions are if the vehicle becomes written off whilst being driven illegally (except in the event of theft); if the claim is not covered by your comprehensive motor insurer; or if you are entitled to a new replacement vehicle from your comprehensive motor insurer.

Does Honda GAP cover me whilst I am abroad?

Yes, provided your vehicle is covered by comprehensive motor insurance at all times, you are covered to drive your vehicle in the United Kingdom, Isle of Man, the Channel Islands, and the countries of the European Economic Area and European Free Trade Association.

How do I make a claim?

Telephone TWG Services Limited (TWG) on 0844 871 7742 and ask for a Claim Form to be sent. They will also outline the procedure you need to follow.

You should not accept any offer from your comprehensive motor insurers until TWG has given you authority to do so.

SUMMARY OF COVER

This is a summary of the cover provided by your Honda Selling Dealer (please refer back to the status disclosure).
London General Insurance Company Limited underwrite this insurance. A copy of the full terms and conditions is available upon request.

LEVELS OF COVER

The following two levels of cover are available:

1. Combined Return to Invoice and Financial Shortfall (GAP) for vehicles which have a maximum purchase price* of £12,000 at the date of purchase; and
2. Combined Return to Invoice and Financial Shortfall (GAP) for vehicles which have a purchase price* greater than £12,000 but not exceeding £35,000 at the date of purchase.

*Purchase price is the amount paid to purchase the insured vehicle, excluding road fund licence, delivery charges, any discount, cherished number plate transfers, dealer fitted accessories, and any other administration fees, insurance premiums, subscription charges or warranty charges.

ELIGIBILITY

You are eligible to take out protection if on the Policy starting date:

- You are an individual over 18 years old; and
- The insured vehicle is less than eight years old and is the sole vehicle listed in the finance agreement (if any); and
- The insured vehicle is covered by comprehensive motor insurance and you are the policyholder named on the comprehensive motor insurance policy; and
- You are the registered keeper and/ or the owner of the insured vehicle listed in the schedule of cover; and
- The insured vehicle has a maximum purchase price of either £12,000 or £35,000 dependent on the level of cover taken, at the date of purchase; and
- You are a resident, or if you are a company, are registered, in the United Kingdom, Channel Islands or the Isle of Man.

The following vehicles are NOT eligible:

- Honda NSX models; or
- Parallel imports, grey imports, emergency vehicles, taxis and licensed private hire vehicles, buses, trucks, heavy goods vehicles, motorhomes (including campervans) and trailers, kits cars, agricultural vehicles, light commercial vehicles, invalid carriers; or
- Vehicles used for hire and reward (including but not limited to driving schools or driving instruction, daily rental vehicles, courier vehicles, chauffeur services), road racing, rallying, track days (timed or untimed), pace-making, speed testing or any other competitive event, breakdown and recovery vehicles; or
- Any vehicle which has been modified other than in accordance with the manufacturer's specifications.

BENEFIT

The level of cover applicable to the insured vehicle is determined according to purchase price*, which will be detailed on the schedule of cover.
In the event of a motor insurer declaring the insured vehicle a total loss due to fire, an accident or theft of the insured vehicle, the Policy will pay the greater of:
RETURN TO INVOICE: the difference between the comprehensive motor insurer's policy settlement and the purchase price, up to a maximum of:

- £5,000 for vehicles which have a maximum purchase price* of £12,000 at the date of purchase, or
- £15,000 for vehicles which have a purchase price* greater than £12,000 but not exceeding £35,000 at the date of purchase.

OR

FINANCIAL SHORTFALL: the difference between the comprehensive motor insurer's policy settlement and the balance outstanding on your finance agreement (excluding arrears), up to a maximum of:

- £5,000 for vehicles which have a maximum purchase price* of £12,000 at the date of purchase, or
- £15,000 for vehicles which have a purchase price* greater than £12,000 but not exceeding £35,000 at the date of purchase.

This excludes any excess (if applicable under the comprehensive motor insurance policy.)

No amount will be payable in respect of any credit provided under the finance agreement which exceeds the purchase price of the insured vehicle.

If you are VAT registered, you will not be covered for VAT under this Policy.

Please note:

- If your settlement entitlement is more than the financial shortfall, the shortfall will be paid to the finance company, and the balance left will be paid to you.
- Benefit is conditional upon you receiving a total loss payment under your comprehensive motor insurance policy. This excludes any insurance excess. You should not accept any offer made by your comprehensive motor insurance underwriter(s) until we have given authority to do so.
- In the event that your insured vehicle is replaced with a vehicle of equivalent make and model under your comprehensive motor insurance policy within the first 12 months, your cover under this Policy will continue for the replaced vehicle.
- The insured vehicle is covered in the U.K., Channel Islands and the Isle of Man.

IMPORTANT: You should not accept any offer made by your comprehensive motor insurance underwriter(s) until we have given you authority to do so. Should you accept an offer without our permission and we are unable to obtain an offer of the market value from the comprehensive motor insurance underwriter, then we will settle your claim based on the market value of your vehicle at the date of loss (as determined by Glass's Guide) and not the settlement figure offered by the comprehensive motor insurance underwriter(s).

For full details please refer to section 4 of the Policy terms and conditions.

MAIN EXCLUSIONS

No benefit will be paid:

- If the insured vehicle is not covered by comprehensive motor insurance at all times between the starting date and the end date of the Policy.
- For any finance due on or carried across to your insured vehicle from previous finance arrangements.
- If you or any other party are offered a replacement vehicle under the terms of your comprehensive motor insurance policy, irrespective of your acceptance of the offer.
- Any claim where your comprehensive motor insurance underwriter(s) has offered to repair the vehicle and you have requested the claim to be dealt with on a total loss basis.
- For any motor insurance excess.
- If the total loss occurred before the starting date or after the end date (see section 5) of the Policy.
- If the total loss occurs outside the United Kingdom, Channel Islands or the Isle of Man.

Please note: cover is extended whilst the insured vehicle is in any country of the EU or EFTA for a period of not more than 30 days in any 12 month period, but only subject to your insurer extending your comprehensive motor insurance during such period.

- If the driver of the insured vehicle at the time of the total loss was driving illegally (including but not limited to driving without a valid licence or whilst driving under the influence of alcohol or drugs) except in the event of theft.

A full list of exclusions is contained within section 4 of the Policy terms and conditions.

GENERAL

Law Applicable: Unless agreed to the contrary prior to Policy inception, this Policy shall be subject to English Law. Compensation:

You may be entitled to compensation under the Financial Services Compensation Scheme in the event that we are unable to meet our liabilities in full.

Claims: In the event of a total loss, if you intend to make a claim under your comprehensive motor insurance policy please notify TWG Services Limited within 14 days of the date of total loss on 0844 871 7742 and ask for a Claim Form to be sent.

Complaints: For complaints relating to the selling of this insurance please contact the Selling Dealer from which the insurance was purchased and whose details appear on the status disclosure document provided to you at point of sale.

For complaints relating to the administration or terms of this Policy please contact us by writing to:

TWG Services Limited, The Aspen Building, Floor 2, Vantage Point Business Village, Mitcheldean, Gloucestershire, GL17 0AF.
or telephone 08448 717742

If Your complaint addressed to any of the above parties is not resolved to Your satisfaction you may contact the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR, Telephone 0845 080 1800.

None of the above affects any right of action you may have.

Cancellation: You have the right to cancel Your policy at any time. If You wish to cancel within 14 days of the Starting Date or receipt of the Policy terms and conditions, whichever is the later, please notify the Selling Dealer.

If You are paying by Direct Debit please contact TWG Services on 0844 871 7742 or write to The Aspen Building, Floor 2, Vantage Point Business Village, Mitcheldean, Gloucestershire, GL17 0AF.

If You cancel within 14 days and have not made a claim on the Policy any insurance premium paid by you will be refunded in full.

If You wish to cancel at any time after 14 days and have not made a claim on the Policy, please notify the Administrator on 0844 871 7742 or write to them at the address above. You will be entitled to a pro rata refund, based on the number of full unexpired months remaining on Your Policy minus a fixed amount of £35 to cover Our costs incurred in relation to the cancelled Policy.

Language: This Policy is written in English and all communication shall be in English.

Policy term: Providing the premium is paid, the policy provides cover for two or three years depending on the term of cover as stated in your schedule of cover.

Insurer: The Insurer is London General Insurance Company Limited registered number 1865673, whose head and registered offices are at Integra House, Floor 2, Vicarage Road, Egham, Surrey, TW20 9JZ.

The Insurer is authorised and regulated by the Financial Services Authority, FRN 202689.

Special needs: For large print, audio and Braille you can call us on 0844 871 8061 or text telephone 0844 871 8211.

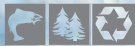
Important Information: This document is for summary purposes only and is intended as a quick reference guide.

Full terms and conditions are detailed in the Policy terms and conditions documentation.

HONDA FINANCE SIMPLE FLEXIBLE CONVENIENT

Honda Finance Europe Plc 470 London Road, Slough, Berkshire, SL3 8QY. Honda Contact Centre - Telephone: 0845 200 8000 www.honda.co.uk
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Pass me on to a
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