



# THE MOTOR TRADER POLICY SUMMARY



The following is a summary only. For full details of the policy terms, conditions and exclusions, please refer to the policy wording which is a legal document. You may download a copy from [www.tradex.com](http://www.tradex.com) or request a copy from us or your broker.

## keyfacts

® This policy is suitable for sole traders and firms operating in the motor trade either on a full or part time basis who require protection against damage to their own and customers' vehicles and property and their potential legal liabilities to third parties and employees. Cover for vehicles and goods in transit and legal expenses is also available. The policy is arranged in such a way as to enable the cover to be tailored to the specific needs of your business activities. Policies are normally of 12 months duration but shorter periods may be agreed.

### Principal policy exclusions, conditions and limitations

Loss, damage, injury, legal liability, cost or expense - arising from war risks and terrorism - caused by radioactive contamination, pollution, computer virus, pressure waves, wear and tear or mechanical, electrical and computer breakdown, fault or failure - arising from faulty or defective workmanship or the use of faulty materials and the resultant diminution in value - caused by failure to safeguard your property at all times or deception, other than to gain access to the home address - where the conditions relating to portable heating, waste removal, storage of gas cylinders, welding, spray painting are not complied with fully	General Exclusions 1 2, 3, 4, 5 and 10 7 10 iii a) General Conditions 12, 13 & 14
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## Part A - Motor

Cover is available for vehicles whilst being driven on the road or parked in the course of a journey. It allows the eligible drivers to drive any motor vehicle for motor trade purposes. In addition, business and other permanently owned vehicles may be driven for social domestic and pleasure purposes and will be covered whilst parked at a named driver's home address provided they have been declared for registration on the Motor Insurance Database. The policy limits of indemnity and sums insured may be varied to suit the individual requirements of the proposer.

Driver and use options	Motor Trade use	Social, domestic & pleasure	Non motor trade activities
Named drivers	Included	Optional	Optional
Any employee (age limits, restrictions, experience requirements and higher excesses may apply)	Optional	Optional	Optional
Driving other vehicles - social, domestic and pleasure use only	Not applicable	Optional	Excluded
Specified trade plates	Included	Not allowed by law	Not allowed by law
Demonstration - driving by prospective purchasers	Optional	Not applicable	Not applicable
Customers driving loan vehicles	Optional	Optional	Optional

Vehicles covered and limitations applied	Standard	Options
Steam driven vehicles	Excluded	No cover available
Vehicle transporters inclusive of trailers	Maximum 2 car capacity	May be increased as required
Those owned by directors, partners and spouses	Included unless insured elsewhere	
Commercial vehicles	Up to 3.5 tonnes	May be increased as required
Minibuses and coaches	Excluded	Cover available for sales, service and repair only
Motorcycles	Excluded	May be included
Quad bikes	Excluded	May be included
Trailers whilst attached	Excluded	May be included

Principal cover options	Comprehensive	Third Party, Fire & Theft	Third Party Only
<b>Liability under the Road Traffic Acts for</b>			
- Death or injury to other people including passengers (unlimited)	Included	Included	Included
- Damage to property up to £2,000,000 (Higher limits available on request)	Included	Included	Included
- Legal fees for representation at a coroners inquest, fatal accident enquiry or court of summary jurisdiction	Included	Included	Included
- Cost of defending proceedings for manslaughter or death by dangerous or careless driving up to £10,000	Included	Included	Included
- Emergency treatment fees	Included	Included	Included
<b>Road risks and, if covered, trade premises</b>			
Loss of or damage to the vehicle by			
- Accidental Damage	Included	Excluded	Excluded
- Fire, lightning, self ignition and explosion	Included	Included	Excluded
- Theft or attempted theft or taking of the vehicle without permission	Included	Included	Excluded
- Malicious damage and vandalism	Included	Excluded	Excluded
- Storm, hail or flood	Included	Excluded	Excluded
Vehicles at the trade premises (if not included, cover will exclude all vehicles parked within 100 metres of the trade premises)	Optional	Optional	Excluded
Damage to windscreen, sun-roof and windows	Optional	Excluded	Excluded
Demonstration - driving by unnamed prospective purchasers	Optional	Optional	Optional
Customer loan vehicles	Optional	Optional	Optional
Loss of use of customer vehicles	Optional	Excluded	Excluded
Stock vehicles parked at the home address of a named driver	Optional	Optional	Excluded
Vehicles at subcontractors, auctioneers premises and at car lots	Optional	Optional	Excluded

Late notification of vehicle claims
Claims reported more than 30 days after an incident leading to a claim for compensation from a third party may result in your policy being cancelled, our withholding any premium to be refunded to you against payments we are obliged to make. We may also recover from you any remaining payments we have had to make. In addition, your claim for damage to your own vehicle may be prejudiced and you may forfeit any no claim bonus you have accrued.

Principal motor exclusions, conditions and limitations	Part A, Sections 1 & 2
Late reporting of vehicle claims	General Condition 2
Driving outside the United Kingdom limited to legal minimum third party indemnity in specific European countries.	Use of vehicles – page 7
Full cover available on request subject to the exclusion of certain countries	
Loss or damage to any vehicle whilst being worked on. (See Public Liability)	General Condition 8
Injury, loss or damage, liability, cost or expense caused by any vehicle	
- being used other than as permitted in the schedule and certificate of motor insurance	Specific Exclusion 1i)
- being used for the carriage of passengers and/or goods for hire and reward, on the Nurburgring Nordschleife or for racing, pace making or speed testing	Specific Exclusions 1iii) and v)
- whilst being driven by a driver not specifically included in the schedule	
- by a driver who is either disqualified from driving or does not hold the appropriate licence for the vehicle	Section 1, the Cover 2
- and/or trailer being used "air side" at airports, airfields or military establishments, power stations, nuclear installations, oil, gas or chemical premises or spraying of crops	Specific Exclusion 1ii)
- being driven under the influence of or addiction to alcohol, drugs, medication or substance known to impair driving ability	General Exclusions 9v) and x)
- carrying a load heavier than permitted or dangerous goods	General Exclusion 9iii)
- being loaded or unloaded other than by the driver or attendant	General Exclusion 9vii) and viii)
Any trailer and load which does not comply with legislation or regulation	General Exclusion 9ix)
Any act of wilful, malicious or criminal damage or injury by you or any passenger including road rage	General Exclusion 9iv)
Any consequence of earthquake occurring outside European Union member states, riot and civil commotion in Northern Ireland and any other country not a member of the European Union or European Economic Area	Section 2 Exclusion 2
Death or injury of employees other than as required under the Road Traffic Acts and other relevant laws	
Loss of use, loss of value following damage	Section 1, Exclusion 1
Theft of accessories and parts unless stolen with the vehicle	General Exclusion 10ii)
Theft, attempted theft or malicious act involving the insured, a family member or any person insured in the policy	Section 2, Exclusion 5
Loss of a vehicle involving theft by deception by purchasers or their agents	General Exclusions 10i)
Damage to any vehicle whilst being towed or on a trailer (unless the policy has been extended to include Vehicles and Goods in Transit)	General Exclusion 10iii) c)
	Section 2A - Road Risks, Specific Exclusion 3

## Part B – Non Motor Liabilities

Cover options available	
Public liability - extended territorial limits - damage to leased or rented premises - tools of trade - application of heat at and away from premises, spray painting	Optional
Product liability and sales and service indemnity - extended territorial limits - merchantable quality	Optional
Employers liability - extended territorial limits - injuries to working partners or proprietors	Optional

Principal liability exclusions and conditions	
Property held in trust or under your custody and control Property worked upon, cleaning processes and defective workmanship  Products for USA and Canada Wrongful advice Products in or incorporated into aircraft, aerial device and watercraft Fines, penalties and damages Fungus and allergens, asbestos  Death of or injury to employees	Specific Exclusion 1 Specific Exclusions 2 and 6, Section 1 Exclusions 4 and 11 Specific Exclusion 3 Specific Exclusion 4 Specific Exclusion 7 Specific Exclusion 8 Specific Exclusion 9, Section 1 Exclusion 14 and Section 2 Exclusion 8 Section 1 Exclusion 9 and Section 2 Exclusion 7

### Section 1 - Public Liability

This section provides cover to meet your legal obligation to pay damages including costs and expenses for claims made against you by other parties for death, injury or damage to property occurring in connection with your business during the period of insurance in the territorial limits (United Kingdom, Isle of Man and the Channel Islands). Cover extends to include legal defence costs for health and safety at work breaches. The standard amount of cover (limit of indemnity) is £1,000,000 for each claim with the option to increase to £2,000,000 or £ 5,000,000.

Public liability principal section exclusions and conditions	
Product Liability and Sales and Service Indemnity Property belonging to, held in trust for or under custody and control you, employees or family members Property worked upon and defective workmanship Application of heat and spray painting Liability under the Road Traffic Acts Any steam driven vehicle, aircraft, aerial device, hovercraft, offshore installation and watercraft not propelled by hand Dangerous dogs and guard dogs Terrorism	Specific Exclusion 2 Specific Exclusion 3 Specific Exclusions 4 and 11 Specific Exclusion 5 Specific Exclusion 6 Specific Exclusion 7 Section Exclusion 8 Section Exclusion 10

### Section 2 – Product liability and sales and service indemnity

This section provides cover to meet your legal obligation to pay damages including costs and expenses for claims made against you by other parties for death, injury or damage to property occurring in connection with your business during the period of insurance in the territorial limits (United Kingdom, Isle of Man and the Channel Islands) and arising directly from motor trade activities including pre-delivery checks, sales, supply of vehicles and the fitting of accessories, spare parts and other products. Cover is also provided for MOT examinations and legal defence costs for prosecutions under the Consumer Protection and Food Safety Acts. The standard amount of cover (limit of indemnity) is £1,000,000 for all claims in any one period of insurance with the option to increase to £2,000,000 or £5,000,000.

Product liability and sales and service indemnity principal section exclusions and conditions	
Caused by driving or use of vehicles Products of every kind directly imported from any non European or European Economic Area country Sale or supply of used tyres or remoulded tyres not from recognised suppliers; sale or use of second hand parts, components or units; failure of any product or perform its intended function Cost or expense of replacing, repairing, recalling any product or rectifying original work carried out	Specific Exclusion 2 Specific Exclusion 3a Specific Exclusions 3b), c) and d) Section Exclusion 4

### Section 3 - Employers Liability

This section covers your legal liability to pay compensation to employees injured during the course of their employment in the period of insurance in the territorial limits (United Kingdom, Isle of Man and the Channel Islands). Cover extends to include legal defence costs for health and safety at work breaches and unsatisfied court judgements up to £250,000 in any one period of insurance. The maximum amount payable for liability is £10,000,000 but limited to £5,000,000 for a claim arising out of acts of terrorism.

Principal exclusions and conditions	
Use of vehicles where compulsory insurance or security is needed under Road Traffic legislation Activities relating to sponsorship, organisation of or participation in motor competitions, racing, reliability trials or speed testing other than road safety rallies or treasure hunts Work on, travelling or visits to or from offshore installations or support vessels	The Cover Exclusion i) The Cover Exclusion ii)  The Cover Exclusion iii)

## Part C – Vehicles and goods in transit

Cover is optional and available for loss of or damage to your trailers as well as vehicles, plant and equipment, tools and stock in transit carried or towed by a vehicle owned by or hired to you. Transits are covered for the duration of a journey lasting no more than seven days from despatch to delivery in or between the territorial limits during the period of insurance.

Principal exclusions and conditions	
<p>Loss or damage caused by</p> <ul style="list-style-type: none"> <li>- inventory shortages, shortage in or loss of weight, leakage, inadequate or unsuitable packing or securing of a load, deterioration or change in temperature, frost, corrosion, vermin, insects, scratching</li> <li>- mechanical or electrical malfunction or breakdown not caused by an external means</li> <li>- confiscation or destruction by a government or public authority</li> <li>- riot, civil commotion, lockouts, labour disturbances</li> </ul> <p>Loss of or damage to</p> <ul style="list-style-type: none"> <li>- fuel, oil, money, stamps, electronic and audio equipment and associated goods, precious metals, gems and jewellery, cigarettes and alcohol, non-ferrous metals, explosives</li> <li>- tools in or on the vehicle or trailer unless from a permanently fixed and securely locked box</li> </ul> <ul style="list-style-type: none"> <li>- vehicles, goods and trailers subject to any Road Traffic legislation or regulation</li> <li>- goods at the trade premises</li> </ul> <p>Death, injury or loss of any living creature</p> <p>Theft from unattended vehicles and trailers where</p> <ul style="list-style-type: none"> <li>- all windows and doors have not been securely locked and the keys removed and access has not been gained by forcible and violent means</li> <li>- the trailer is not secured to the vehicle with an appropriate locking device or, if not attached, fitted with a heavy duty hitch lock and wheel clamp</li> <li>- any specific security requirements and storage conditions imposed have not been fully complied with</li> </ul> <p>If the sums insured do not represent the full value of the goods insured, the amount payable in the event of a claim will be proportionally reduced</p>	<p>The Cover, Exclusions 2 a), b), c), d), e, f)</p> <p>The Cover, Exclusion 2h)</p> <p>The Cover, Exclusion 2i)</p> <p>The Cover, Exclusion 2j)</p> <p>The Cover, Exclusion 3a)</p> <p>The Cover, Exclusion 3b) and Specific condition 2iv)</p> <p>The Cover, Exclusion 3c)</p> <p>The Cover, Exclusion 3e)</p> <p>The Cover, Exclusion 4)</p> <p>Specific Condition 2i), ii), iii)</p> <p>Specific Condition 2v)</p> <p>Specific additional security requirements and exclusions</p> <p>Specific Condition 1</p>

## Part D – Legal expenses

Cover is provided free of charge to all policyholders and will, following the insured events detailed below occurring in the territorial limits, pay your legal costs and expenses, including the cost of appeals, up to the limits stated in the policy for all claims in any one period of insurance.

Principal conditions and exclusions	
<p>The claim always has reasonable prospects of success</p> <p>Proceedings are dealt with by an agreed court or other body the territorial limits</p> <p>Nominated appointed advisor to be used for claims falling within the small claims court and also prior to the issue of proceedings</p> <p>A conditional fee agreement is entered into where required</p> <p>Claims will be discontinued if the appointed advisor refuses to continue acting, you refuse to accept a reasonable offer, you withdraw or attempt to negotiate or incur costs without our written permission. There is no cover for fines, penalties or compensation which you have to pay</p>	<p>The Cover</p>

Insured events and specific conditions and exclusions	
<p>We will pay</p> <p><b>Uninsured Loss Recovery</b></p> <p>Up to £100,000 plus VAT to pursue a claim or legal action for negligence against an identifiable third party or a compensator where an event causes damage to the vehicle and/or personal property in or on the vehicle or attached caravan or trailer</p> <ul style="list-style-type: none"> <li>- but not claims arising from or relating to a contract or to defending an action, any claim under £250 for loss of or damage to the vehicle unless we are making a recovery in which case the amount will be added to the claim, where we have refused the claim under Part A - Motor.</li> <li>- subject to your not taking any action to recover your uninsured losses until you hear from us</li> <li>- where the accident was not your fault, our appointed advisor will contact you to act on your behalf to recover your uninsured losses and to make provision for a replacement vehicle</li> </ul> <p><b>Personal Injury</b></p> <p>Up to £100,000 plus VAT to pursue a claim or legal action for negligence against an identifiable third party or a compensator where an event causes you injury whilst in, on, or getting into or out of a vehicle</p> <ul style="list-style-type: none"> <li>- but not claims arising from or relating to a contract or to defending an action or where we have refused the claim under Part A - Motor</li> </ul> <p><b>Motoring Prosecutions</b></p> <p>Up to £5,000 plus VAT to defend a motoring prosecution brought against you</p> <ul style="list-style-type: none"> <li>- but not a prosecution brought for driving without insurance or valid licence, parking offences or an offence under Sections 4, 5, 6 and 7 of the Road Traffic Act 1998 or any subsequent or amending legislation, a wilful, deliberate, malicious or criminal act including road rage</li> </ul> <p><b>Contract</b></p> <p>Up to £10,000 plus VAT where a dispute arises out of an agreement or alleged agreement entered into by you in respect of a motor vehicle</p> <ul style="list-style-type: none"> <li>- but not an agreement for a loan, credit, hire purchase, self-drive hire, policy of insurance or any other financial product, relating to your profession, employment or a venture for gain other than your business insured by the policy.</li> </ul>	<p><b>Insured Event 1</b></p> <p><b>Insured Event 2</b></p> <p><b>Insured Event 3</b></p> <p><b>Insured Event 4</b></p>

## Essential information

### Risk management conditions

For your policy to operate fully you MUST, at all times, comply with the policy conditions which will form part of your policy. The policy wording is available to view on [www.tradex.com](http://www.tradex.com). We strongly recommend that you read the specific and general conditions as well as the exclusions to ensure that you can comply with all our requirements. Please note that, in some instances, other more specific conditions and exclusions may be imposed.

### Cooling off period, cancellation and refunds

If you are not happy with the policy when you receive it, you have 14 days in which to cancel. A charge will be made for the period the cover has been in force provided there has not been a claim and no incidents have occurred which may give rise to a claim. A policy charge will also be levied. Failure to pay an instalment will result in immediate policy cancellation. If you cancel after the 'cooling off period', standard cancellation charges of 25% for the first month of cover and 12.5% for each subsequent month will be incurred but, if there has been a claim, the full premium remains payable. A cancellation charge of up to £25 plus Insurance Premium Tax (IPT) will be levied. If your policy is a short term one, you will not be eligible for a refund. If we cancel the policy, you may be entitled to a pro-rata refund of premium. Premium will remain payable until such time as the certificates of motor insurance and any cover notes or employers liability certificates are received by us. Cancellation procedures are detailed in the policy.

### Motor Insurance Database disclosure

You are required to comply with the regulations relating to the Motor Insurance Database (MID). It is therefore your responsibility to ensure that the MID is kept fully up to date. This means that you must disclose every registered vehicle and trade plate in your possession including courtesy and short term hire vehicles as well as any personally owned vehicles to be insured. You must also advise all additions and disposals. Failure to do so will mean that the MID is not updated. As a result you could be liable to pay a fine and the vehicle may be impounded or crushed by the police. In the event of a claim including a vehicle that should have been declared but was not, we may, at our option, deal with the third party claim but not the damage to your vehicle, pursue recovery from you or the driver, apply a retrospective additional premium or excess and/or decline indemnity or cancel or further restrict policy cover.

### Complaints procedure

Complaints should be advised as soon as possible to your usual contact. If this is your broker, adviser or agent they will take up the complaint with us on your behalf. If insured directly with us, please telephone or write to the Compliance Officer at Victory House, 7 Selsdon Way, London E14 9GL.  
**Telephone: 020 7001 9200**

If we cannot resolve your complaint immediately, we will acknowledge it within 5 working days. It will then be investigated. Our aim is to finally resolve the complaint within 8 weeks. If the complaint cannot be resolved in this time we will inform you and give reasons for the further delay and indicate when we expect to give a final response. If you remain unhappy, you should contact the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

**Telephone: 0845 0801800. Email: [enquiries@financial-ombudsman.org.uk](mailto:enquiries@financial-ombudsman.org.uk). Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)**

### Claims Reporting

All incidents should be reported as soon as possible and, in any event, within 30 days.

Claims can be reported

- to the First Response Helpline on **0845 373 1300**
- by email to [firstresponse@tradex.com](mailto:firstresponse@tradex.com)
- by text with a brief message to **87000**

You will need to complete a claim form, which can either be downloaded from our website, obtained from your broker or directly from us.

If Windscreen claims are covered, telephone **0800 36 36 36**

### Financial Services Compensation Scheme

Tradex Insurance Company Limited is covered by the Financial Services Compensation Scheme (FSCS). This means that you may be entitled to receive compensation if we are unable to meet our obligations. Full details are available from the FSCS website [www.fscs.org.uk](http://www.fscs.org.uk).