

AA Breakdown Repair Cover, Fanum House, Basingstoke, Hampshire RG21 4EA Telephone: 0870 5444 444, or visit us at theAA.com

Important Information and changes to your AA Breakdown Repair Cover

Valid for UK Members renewing Breakdown Repair Cover on or after 1st January 2010.

This leaflet provides details of the key changes made to your AA Breakdown Repair Cover Terms and Conditions and Arrangement & Administration Contract. It also includes Other Important Information about your cover (see below). Please read this leaflet carefully in conjunction with your existing AA Breakdown Repair Cover Terms & Conditions Booklet as these set out the terms and conditions of the various contracts. A copy of the revised terms and conditions booklet is available at theAA.com/brcpolicy. If you would like to request a copy of the booklet or have any questions about these changes, please call our Membership enquiries team on 0800 107 0034 who will be happy to help.

CHANGES TO YOUR AA BREAKDOWN REPAIR COVER

RE: The Breakdown Repair Cover Policy – Your Contract with the Insurer

1. References in the policy to Saga Insurance Company Limited have been changed throughout to reflect the fact that the underwriter has changed its name from Saga Insurance Company Limited (SICL) to Acromas Insurance Company Limited (AICL).

2. Under the **'Useful Contact Information'** section, we have provided two national rate telephone numbers as we appreciate that some mobile phone tariffs may charge extra for calling 0800 and 0870 numbers. The two additional contact numbers are detailed below:

USEFUL CONTACT INFORMATION

If you break down, call for AA assistance under your AA Membership 0121 275 3746

To make changes or enquire about AA Breakdown Repair Cover 0161 332 1789

3. Under the section **'Practical Advice: How to make a claim'**, changes have been made:

- (a) to Step 3 to refer to you arranging to take your vehicle to a garage 'without delay' (previously 'immediately') and to remind you of the possible affect of driving your vehicle after a fault has developed. Step 3 now reads as follows:

'Step 3

If the AA cannot fix the vehicle you must arrange for it to be taken, without delay, to a garage of your choice which must be VAT registered. If you require the AA to assist with the recovery of your vehicle, any recovery will be provided in line with, and to the extent available under, your AA Membership entitlement. Please note that if you continue to drive your vehicle after a fault has developed and this causes further damage or loss, that damage or loss will not be covered under AA Breakdown Repair Cover.

Note: VAT will not be reimbursed if You are VAT registered.'

- (b) and to the last paragraph (only) of Step 5 to clarify the number of claims permitted per period of cover. The last paragraph of Step 5 now reads as follows:

'Please note: The limit of cover is £500 (including VAT and subject to a £25 excess) per claim and up to 5 claims per period of cover or 6 claims for Multiple Vehicle Cover where Joint and Family cover is held. Cover is only valid where you are entitled to breakdown assistance under a relevant AA Membership (see under **'What AA Breakdown Repair Cover provides'** on page 6 for further details.' The rest of Step 5 remains unchanged.

4. Under the section **'What AA Breakdown Repair Cover provides'**, an additional note has been added to bring the new statement on warning lights to your attention. See 6 below.

5. Under the heading **'Vehicles which can be covered under AA Breakdown Repair Cover:'** a change has been made to further clarify that your vehicle must be nominated with the Insurer. The term 'nominated' is now used throughout the policy when referring to the vehicle (previously referred to as 'registered' and/or 'nominated').

Additionally, the note regarding how the age of the vehicle is determined, has been changed such that the year of manufacture, as confirmed by the Drivers and Vehicle Licensing Agency (DVLA), will be used to determine the age of all vehicles.

6. Under the heading **'Parts insured under AA Breakdown Repair Cover'**, **Important notes:** the following note regarding warning lights has been added:

Warning lights: Please be aware that the fact that a warning light, which is linked to an insured part, comes on does not necessarily mean that a repair or replacement of the relevant insured part is required and/or will be paid for under Your AA Breakdown Repair Cover policy. The warning light may be faulty (and is not covered) or the policy conditions may not all be met, for example (without limiting the conditions that apply) the warning light may not mean that an immediate repair or replacement of the insured part is required. If, for example and despite the warning light being lit, it is possible for the nominated vehicle to safely continue or start the journey concerned, cover will not apply to the relevant insured part failure.

7. Under the heading **'Specific Exclusions'**, the following changes have been made:

- (a) the word 'consequential' has been removed from clause 12. Clause 12 now reads: '12. damage to a non-insured part resulting from the Mechanical or Electrical Failure of an insured part';
- (b) The word 'consequential' in clause 19 has been replaced by 'unforeseen'. Clause 19 now reads: '19. any liability for bodily injury, death, or damage to other persons or other property or any unforeseen loss of whatsoever nature whether arising directly or indirectly from an incident giving rise to a claim under this cover or otherwise';
- (c) Clause 20 has been changed to include an example of one of the sorts of loss excluded by that clause i.e. to 'any loss or damage caused by continuing to drive the nominated vehicle after a fault has developed'.

8. Under the heading **'Where cover is available'**, clause 3 has been changed to clarify that the nominated vehicle is only covered for breakdowns occurring in the UK and that cover is not available in the Isle of Man or the Channel Islands.

9. Under the heading 'Recovery limited to that available under Your AA Membership', clause 4 has been changed to clarify the position on recovery entitlement. Clause 4 now reads:
'Recovery limited to that available under Your AA Membership'
 4. If the AA cannot fix the vehicle following a call for assistance, recovery to a garage will only be available in accordance with Your AA Membership entitlement: there is no separate/additional recovery entitlement under AA Breakdown Repair Cover'.
10. The heading **'Repair authorisation and contract'** has been changed to **'Repair inspection, authorisation and contract'**. In addition a new paragraph, numbered 5, has been added under that heading and reads 'If your nominated vehicle is not repaired at the time of the breakdown, you must arrange for it to be taken, without delay, to a VAT registered garage'. The subsequent paragraphs have been renumbered as a result of the introduction of this new clause.
11. A new heading: **'Only one Breakdown Repair Cover Policy per Member'**, has been added at clause 11 to describe what that clause refers to.
12. The paragraphs under the heading **'If you change your vehicle'** (previously clause 16, now clause 17) have been reworded to further clarify when a supplementary premium may be required. The new paragraphs read as follows:
'If You change Your vehicle
 17. You must let the Insurer know if You change Your vehicle. Please call 0870 544 4444 to update your details. You will not be able to make a claim in relation to a break down which occurs within 14 days after You have notified the change to the Insurer (which means You can only claim for a breakdown which occurs on or after day 15 from the notification of a vehicle change).
If You want to transfer cover to a vehicle which would, due to its age or mileage, normally incur a supplementary premium on taking out, or renewal, of cover, then the Insurer will be entitled to charge an additional premium to transfer cover to that vehicle. The Insurer will not request this additional premium if You have already paid a supplementary age/mileage related premium in relation to the relevant Period of Cover.
Please also note that, where cover is transferred to a vehicle which would not, due to its age and mileage, normally require payment of a supplementary premium, there will be no refund of any supplementary premium You may have previously paid.
See page 7 under 'Vehicles which can be covered under AA Breakdown Repair Cover' for further details of the age/mileage related supplementary premium.
You can only make a maximum of three changes of vehicle in a period of cover. Cover can only be transferred to a vehicle which is eligible for AA Breakdown Repair Cover'.
13. The **'Compliments and complaints'** section of the policy has been re-titled **'Claims Appeals Process'** and sets out the process if you have a query or complaint about, or wish to make an appeal regarding a claim under your AA Breakdown Repair Cover.
14. Under **'Claims Appeals Process'**, the limits under the Financial Services Compensation Scheme have changed. The amount of compensation that you may be entitled to under the scheme, should AICL not be able to meet its obligations in relation to the cover, was previously 100% of the first £2000, and 90% of the balance of the claim. FSCS have changed this amount to be 90% of the claim without any upper limit.
In addition, the contact email address for the Financial Ombudsman has been changed to complaints.info@financial-ombudsman.org.uk.
15. The heading **'Common Questions'** has been re-titled **'Frequently Asked Questions'**.
16. On the back page of the booklet under the heading **'Your responsibilities'**, wording has been added to remind you that your vehicle must be serviced by a suitable garage business.

RE: The AA Breakdown Repair Cover Arrangement & Administration Contract – Your Contract with the Insurers

1. Under clause 1 **'Who Regulates AAIS'** the FSA contact telephone number has changed to 0300 500 5000.
2. Under clause 1 **'Who Regulates AAIS'** the description of the Financial Services Authority has changed to 'The FSA is an independent body that regulates the financial services industry in the UK'.
3. The title of **clause 10** has changed to 'What to do if you have a compliment or complaint'.
4. Under clause 10 **'What to do if you have a compliment or complaint'** Member Care has changed its name to Member Relations.
5. Under clause 11 **'Is AAIS covered by the Financial Services Compensation Scheme (FSCS)'** the limits under the Financial Services Compensation Scheme have changed. The amount of compensation that you may be entitled to under the scheme, should AICL not be able to meet its obligations in relation to the cover, was previously 100% of the first £2000, and 90% of the balance of the claim. This has now changed to 90% of the claim without any upper limit.'

OTHER IMPORTANT INFORMATION:

Cancellation of AA Breakdown Repair Cover

1. Your Right to Cancel: You have the right to cancel this cover within 14 days from Your receipt of Your policy documentation (the 'cooling off' period). You will be entitled to a full refund of Your total payment if You cancel during the cooling off period before Your cover commences (see 'Commencement of Cover' on page 6). If You cancel during the cooling off period, but on or after Your cover commences, and no claim has been made, You will be entitled to a full refund of Your total payment. If a claim has been made during this period then You will be entitled to full refund of Your total payment but You will need to reimburse the Insurer with the full amount of the claim. You should, if requested, promptly return any proof of entitlement provided and must not, in any event make any further claims under the cancelled cover.

If You wish to cancel after the cooling off period has expired, and subject to any other statutory rights You may have, the Insurer will not be obliged to give refunds for any unexpired portion of cover and, if You pay by instalments, You will still be obliged to complete any payment(s) due under Your instalment credit agreement in relation to the cover originally requested.

For the avoidance of doubt, there will be no separate or additional cooling off period(s) following, or in relation to, any change(s) made or requested during the currency of Your cover, for example, but not limited to, any change to the nominated vehicle.

Please note: You cannot suspend Your AA Breakdown Repair Cover.

14. Insurer's right to cancel: Cover may be cancelled by the Insurer if:

- a) You have given false information; or
- b) The nominated vehicle is not eligible for cover; or
- c) You do not make a payment; or
- d) The AA and/or Insurer are not reasonably able to find parts or facilities to repair Your vehicle.

If Your cover is cancelled because parts or facilities are not available to repair Your nominated vehicle, You may be entitled to a refund based on how long is left of Your cover, provided no claims have been made.