



## **Communication to policy holders affected by Alpha Insurance A/S**

I am writing to inform you that on the 8<sup>th</sup> May 2018 Alpha Insurance A/S was declared bankrupt. Regrettably this means your motor insurance policy with Alpha Insurance A/S was cancelled with effect from 18:13 on the 8<sup>th</sup> May 2018.

In order to reduce the impact of this on you we transferred your policy to Aviva Insurance with effect from 18:30 on the 9<sup>th</sup> May. You will receive new policy documents, along with your new policy number via email within the next 7 days. This will replace your existing cover and your policy expiration date will remain the same. Although we have endeavoured to ensure the level of cover provided in your new Aviva policy is consistent with your previous policy there are some minor differences.

If you currently pay for your insurance policy via our instalment facility with Close Brothers Premium Finance we would like to remind you that when we supplied you with finance to cover the cost of your insurance premium, the agreement you signed with Close Brothers stated that you would repay the money you borrowed in full. This agreement is separate to your insurance policy and you will need to ensure that you repay Close Brothers in full, irrespective of the status of your insurance policy.

We are happy to confirm that there is no additional premium payable by you for this new policy as Aviva will recover the refund due from your cancelled Alpha policy from The Danish Guarantee Fund on your behalf, which will provide the premium for the remaining period of cover on your existing policy.

If you do not wish to continue with this alternative policy, you may cancel by contacting us within the next 14 days with no further charges applied.

If you choose not to continue with this alternative cover and you would have been entitled to a refund of premium from your Alpha Insurance A/S policy, you will need to make a claim via the Danish Guarantee Fund. If you choose this option, please get in touch with us on 0333 355 1725

## **Steps to take in the event of a claim**

Whilst we acted as quickly as possible from becoming aware of the Alpha Insurance A/S bankruptcy, there was a period of just under 24 hours between the 8<sup>th</sup> and 9<sup>th</sup> of May when due to their bankrupt status, you did not have full cover on your vehicle. Fortunately, during this time if you were involved in an incident which may give rise to a claim as a UK private motor insurance policyholder you will fall under the protection of the Danish Guarantee Fund. Please continue to report any new claims to us in the first instance by calling 0333 355 2990 and we will help to route your claim appropriately.

Any claims that occur from 18:30 on the 9<sup>th</sup> May, will be handled by your new insurer, Aviva. Please report these on the number above.

You may receive further information from the Danish Guarantee fund or the Financial Services Compensation Scheme, if you have any queries, please get in touch with us at [chat@carrotinsurance.com](mailto:chat@carrotinsurance.com) or call us on 0333 355 1725.

If you have an existing claim on your Alpha Insurance A/S policy, you may receive further information from the FSCS or the Danish Guarantee Fund, more information is available from the Financial Conduct Authority: <https://www.fca.org.uk/news/statements/alpha-insurance-as-declared-bankrupt>

If you have any queries about any aspect of this letter, please contact our customer services team on 0333 355 1725 or email [chat@carrotinsurance.com](mailto:chat@carrotinsurance.com).

**Below are some queries we have been receiving since this situation emerged, we hope they are helpful to you.**

### **How do I know if I am affected?**

Only customers who held a policy with Alpha Insurance A/S have been affected by this. You can find out your insurer by checking your policy documents which were emailed to you at the start of your policy and are also available on your online dashboard and via the Better Driver App.

### **Can I cancel or make changes to my policy?**

We are currently unable to process any transactions on policies previously held with Alpha Insurance A/S. This is a temporary issue which we will resolve as quickly as possible.

### **Will my NCD (No Claims Discount) be affected?**

No, your NCD will continue as if no policy changes had ever been made. Importantly though, you will qualify for your NCD at the end of your policy year as you would have had you still been with Alpha.

### **Will my rewards be affected at all?**

No, any rewards or treats you have earned will be completely unaffected by the move over to your new policy.

**Will my score be affected?**

No, your score will completely unaffected by this situation

**What about my payment plan, do I have to do anything?**

No however we would like to remind you that when we supplied you with finance to cover the cost of your insurance premium, the agreement you signed with Close Brothers Premium Finance stated that you would repay the money you borrowed in full. This agreement is separate to your insurance policy and you will need to ensure that you repay it in full, irrespective of the status of your insurance policy.

**What is the Danish Guarantee Fund and why are they involved?**

Alpha Insurance A/S is a Danish company and so the Danish Guarantee Fund steps in to ensure that if an Insurer is no longer able to meet its liabilities, policyholders are still covered.

Please see <http://www.skadesgarantifonden.dk/english/Sider/QAs.aspx> for more information about the Danish Guarantee Fund.

**New Driver Policy holders****Will my ibox still work?**

Yes, absolutely, there are not changes what so ever as far as the ibox technology is concerned, you ibox will still record journeys and allow you to generate rewards in the normal fashion.

**Have any other terms of my policy changed?**

We have found replacement cover for all our New Driver policyholders with Aviva Insurance. This means that some terms will change including in some cases the Telematics Conditions. We will issue a summary of all changes to affected policyholders shortly.

**Better Driver Policyholders****Will I need to go through the pairing process with my App again?**

No, there will be no change in this, your app will still work as though nothing had happened and you won't need to send us documents again.

**Have any other terms of my policy changed?**

We have found replacement cover for all our Better Driver policyholders with Aviva Insurance. This means that some terms will change. We will issue a summary of all changes to affected policyholders shortly.