



Cancellation Terms & Procedures **August 2021**

These will apply to all policies, irrespective of product and policy start date.

Right to Cancel / Cooling Off Period

If the policyholder requests cancellation within 14 days of inception of a new business or renewal, this will be treated as a right to cancel, with a time on risk charge calculated on a pro-rata basis with a minimum premium of £25+IPT applying for the period on cover.

Not Taken Up Cancellation

If a temporary cover note or certificate is issued and you receive confirmation from the policyholder prior to inception, advising the vehicle was never purchased or collected, or proof of alternative insurance has been provided, you may cancel from inception or renewal date, where appropriate, with no charge is applied. If proof is received at inception, you should contact the Policy Operations Department.

Unpaid Direct Debit Cancellation

The effective date of cancellation, for any instalment defaults, must be from the expiry date of the notice period indicated by the cancellation letter.

Cancellations following Total Loss Claim

If the vehicle covered under the policy is deemed to be a total loss by Sabre and is not replaced within 14 days, the policy should be cancelled without any return premium. Any extension to this period should be referred to the Policy Operations Department

Cancellations following a Substitution of Vehicle

If the vehicle covered under the policy is sold and not replaced within 14 days, the policy should be cancelled

Cancellation letters

Unless the policyholder instructs you to cancel, a 7 day cancellation letter (RTA Notice) and must include the wording below or similar.

In unlikely event that an extension of the 7 days, is agreed with Sabre, a further 7 day cancellation letter will need to be issued.

We are writing to formally advise you that in accordance with the Conditions of your Policy, the Policy is hereby cancelled with effect from 7 days from the date of this letter and no further cover will be provided under the Policy. Any refund of premium due will be issued to you in due course.

Please note that it is an offence under the Road Traffic Acts to keep or use a vehicle on the public highway without a valid policy of insurance being in force.

Altering Cancellation Dates

The effective date of a cancellation must not be "backdated" without prior authorisation by Sabre.

Please Note:

- A cancellation refund will only be issued in the event that there have not been any claims on the policy. If any claims are received within the current policy period a refund would only apply if they have been settled on an NCD allowed basis.
- If a claim is reported after cancellation of a policy, any refund of premium may be reversed and the full premium will be charged.
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- The effective date of cancellation, where a cancellation letter has been issued, must be from the expiry date of the notice period indicated by the cancellation letter.
- Suspension of cover is not available.

Reminder

It is essential that the above cancellation procedures are followed carefully. Failure to do so could render Sabre Insurance Company Ltd liable under the Road Traffic Act, or as Article 75 Insurer under the MIB Agreements.

Cancellation Calculation

12 month policy – A pro rata charge for the period on cover, plus £50 plus IPT, will apply following any request for cancellation.

8 month policy – A pro rata charge for the period on cover, plus £50 plus IPT, will apply following any request for cancellation

6 month policy – A pro rata charge, subject to a minimum of 55% plus IPT, will apply following any request for cancellation,

3 month policy – No refund will be available following any request for cancellation.

How will this affect you?

Full Cycle EDI Policies

For full cycle EDI policies, where the functionality is available, the appropriate return of premium will be calculated depending on the product and policy period. It is essential that you transmit EDI messages on a daily basis.

Manual Policies

If a policy has been downgraded for a particular reason, we will require from **YOU**, cancellation instructions which can be sent by email to policy.operations@sabre.co.uk

If you have any queries or questions please contact Sabre's Policy Operations Department:-

Email: policy.operations@sabre.co.uk Tel:0330 024 4699