

## Terms & Conditions for HughesDrive® Telematics-based Motor Insurance Customers



HughesDrive® is a telematics based motor insurance product. The following information will help you understand what details we collect about you under a HughesDrive® policy and how they are used. Full details about how Hughes Insurance uses personal information and your rights are included in our Fair Processing Notice which can be located [here](#). By purchasing a HughesDrive® telematics-based car insurance policy you are agreeing to these terms and conditions. All other terms and conditions attached to your motor insurance policy continue to apply.

**Definitions** - For words or expressions which appear in these terms and conditions, please find the meaning below.

**Telematics Data** – Telematics information collected about you and any named drivers including driving behaviour. This includes the following tracking information:

- The start date, time and location of the journey
- The end date, time and location of the journey
- The duration and distance travelled within the journey
- Direction of travel, route taken and smoothness of the journey
- The speed within the journey.

**HughesDrive® App** – The telematics app, downloaded and installed onto your Apple iOS or Android smartphone that collects and transmits data.

**Beacon** – A low energy Bluetooth® device which is requested by customers who do not have a Bluetooth® enabled vehicle. The Beacon allows the app to track journeys.

**Service Providers** – Companies that provide the telematics app, which collects and transmits Telematics Data, analyse that Telematics Data on our behalf and transmit the Telematics Data to us.

**We, Our, Us** – Hughes Insurance Services Limited (Hughes Insurance) on behalf of the insurer.

**The Insurer** - the insurer stated on the schedule of motor insurance.

**Heartbeat** – The process whereby our service provider checks that the HughesDrive® App is running, logged into, has location services enabled and the Bluetooth pairing exists to the vehicle or beacon.

### Telematics Condition 1: Mobile Device Compatibility

The HughesDrive® App is compatible with Apple iOS and Android smartphones only and will use approximately 4-20 megabytes per month. It is a condition of your policy that you and any additional driver named on the policy have a mobile device which is compatible with the HughesDrive® App.

If you purchase the policy and your mobile device

- is not compatible with the HughesDrive® App; or
- is lost, damaged or stolen and not repaired or replaced; or
- is replaced with a device which is not compatible with the HughesDrive® App

your policy will be cancelled in accordance with the cancellation section of the private car policy booklet.

If the mobile device of any additional driver named on the policy

- is not compatible with the HughesDrive® App; or
- is lost, damaged or stolen and not repaired or replaced; or
- is replaced with a device which is not compatible with the HughesDrive® App

you will receive seven days' notice that the driver will be deleted from the policy and therefore no longer covered as a named driver. This may increase or decrease the motor insurance premium.

If a mobile device is replaced you must contact us immediately to notify of the change. The HughesDrive® App must be downloaded, installed, logged into and connected to the insured vehicle.

### Telematics condition 2: On-boarding (Download and setup of the HughesDrive® App)

Prior to, or at the start of your HughesDrive® by Hughes Insurance policy, you will be sent an email containing a link to download the app. You, and any additional driver named on the policy, must immediately, but in any event within 24 hours from the start date of your policy:

- download and login to the HughesDrive® App;
- accept all permissions as requested by the App;
- take and upload photographs of the following:
  - the front, sides and rear of the insured vehicle;
  - the odometer showing the current mileage of the insured vehicle;
  - your photo card driving licence and paper counterpart;
- connect the HughesDrive® App to the insured vehicle's Bluetooth® device or; if your car does not have native Bluetooth® request a beacon from within the app;
- ensure the location services are enabled on all required mobile devices

If you fail to install the HughesDrive® App and connect it to the insured vehicle within 24 hours of the start date of your policy, your policy may be cancelled in accordance with the cancellation section of the private car policy booklet (an additional 5 working days is allowed for the delivery and installation of a requested beacon).

If there are any differences between the correct description of the Insured vehicle (including its make, model, specification and any modifications) and the information you provided, it will only be possible to continue your insurance if:

- the vehicle remains acceptable to the insurer; and
- if acceptable, you pay any additional premium and accept any additional terms required.

If a named driver fails to complete the on-boarding process, you will receive notice that they will be deleted from the policy and therefore no longer covered as a named driver. This may increase or decrease the motor insurance premium.

### Telematics condition 3: Use of the HughesDrive® App

It is a condition of your policy that all journeys undertaken in the Insured vehicle are recorded by the HughesDrive® App. You, and any named drivers, must:

- ensure location services for the HughesDrive® App is set to "Always" on all applicable mobile devices
- ensure the HughesDrive® App is logged into **at all times**
- ensure the HughesDrive® App is running **at all times**
- ensure the relevant mobile device is connected to the insured vehicle or beacon via Bluetooth® whenever the insured vehicle is being driven

Occasionally we may have to contact you to request that you update your HughesDrive App to the latest version. Mobile device operating system updates may require that you have to modify your enabled permissions to allow the HughesDrive App to continue to accurately record journeys.

If we do not detect a heartbeat, or we detect that journeys are being undertaken in the insured vehicle which are not being recorded by the HughesDrive® App we will contact you as soon as possible to alert you to this and assist you to identify ways to ensure that future journeys are recorded as required to comply with these terms. If you believe that journeys in the insured vehicle are not being recorded you must contact us as soon as possible.

If we detect that your mobile device is no longer paired to the insured vehicle or beacon via Bluetooth® we will contact you to assist you to resolve this issue. Failure to cooperate may result in your policy being cancelled in accordance with the cancellation section of the private car policy booklet.

If no heartbeat is detected and/or journeys continue to be made in the insured vehicle which are not being recorded by the HughesDrive® App 21 days after we have brought this to your attention, your policy may be cancelled in accordance with the cancellation section of the private car policy booklet.

If we believe journeys are deliberately not being recorded, your policy may be cancelled in accordance with the cancellation section of the private car policy booklet.

Following On-boarding, if an incident occurs whilst any journey undertaken in the insured vehicle is not recorded by the HughesDrive® App, an additional excess of £1000 will apply to any accidental damage claim resulting from the incident, unless it can be established that the reason the HughesDrive® App failed to record or transmit details of

the journey was due to a proven fault or malfunction of the HughesDrive® App of which you (or any additional driver named on the policy who was undertaking the journey concerned) were previously unaware.

#### Telematics Condition 4: Driving Score

Each recorded journey is scored and a Driving Style Score is also recorded on the HughesDrive® App, based on the driving of **all** those insured under your policy when driving your vehicle. Each driver can view their own individual scores for each of their own journeys and all drivers can see the overall Driving Style Score for the policy. Every Monday at midday the final score for the previous week is used to provide feedback on your driving style.

Journey scores are broken into three segments which range from -10 to +10.

- Smoothness – acceleration, braking, deceleration, changes in direction and up and down movement (for example driving over speed bumps and potholes) are measured. Harsh braking, acceleration or cornering will have a negative effect on your driving score.
- Speed – speed is measured against the speed limit for the roads being driven. Driving over the speed limit will have a negative impact on your score.
- Usage – time of day, volume of journeys and journey duration are measured. Driving between the hours of 11pm and 5am will have a negative impact on your score.

In any given week, where any journeys recorded by the HughesDrive® App have been undertaken solely outside the United Kingdom and Ireland, the driving style score will be recorded and all terms and conditions of your policy will apply.

Journeys scored between +10 and -10 are categorised into three levels.

- Positive score – a journey score of +5 to +10 (Green)
- Average score – a journey score of zero to +4.9 (Amber)
- Negative score – a journey score of less than zero (Red)

Weekly Driving Score	Consequence
<b>+5 to +10 (Green)</b>	None
<b>0 to +4.9 (Amber)</b>	None
<b>Less than 0 (Red)</b>	A Red score in three consecutive weeks, or a total five Red weekly scores within the policy term, will result in cancellation in accordance with the private car policy wording.

#### Telematics Condition 5: Collection and Use of Data

Once on-boarding is complete, the HughesDrive® App will record and analyse the Telematics Data during journeys.

The app will capture and send your, and, when driving your car, any named drivers, Telematics Data at frequent intervals to the Service Provider. We, the insurer and the Service Providers will use the information to understand various aspects relating to your journey. This information will be used to build up a profile of how, where and when your car is driven and calculate the driving score.

We, the Insurer and the Service Providers will use the Telematics Data from the app for the purpose of assessing driving behaviour to:

- Help prevent and detect fraud.
- Develop, along with Telematics Data collected from other policyholders, products and services.
- Provide analysis, research and statistics.

The Insurer may also use the Telematics Data:

- To assess your premium at renewal.
- To help verify the circumstances and determine the outcome in the event of a claim, loss or theft.

We reserve the right to use Telematics Data to assess the accuracy of information you have supplied to us and in the event of any inconsistencies take appropriate action.

The information provided in our Fair Processing Notice also applies to the personal data processed for the purposes of telematics monitoring.

#### **Telematics Condition 6: Fees and Charges**

You will be required to pay an initial non-refundable charge of £36 including VAT to cover the costs of supplying the HughesDrive® product and processing the Telematics Data it records for up to one year.

#### **Telematics Condition 7: Your Responsibilities**

- You are responsible for ensuring that your and any additional driver's compatible smartphone has fully operational Bluetooth®, GPS and sufficient data throughout the term of your policy. Following non-adherence to this requirement the policy may be cancelled in accordance with the cancellation section of the private car policy booklet.
- You or any additional driver must not tamper or interfere with the app, beacon device, or any settings or your insurance may be cancelled as per the cancellation section of the private car policy booklet.
- You and any additional drivers must complete the on-boarding process.
- You are accountable for the driving of other users of your vehicle as this has an impact on your driving score.
- You will be responsible for the additional £1000 excess in accordance with Telematics condition 3.
- It remains a driver's duty to drive within the boundaries of the law and refrain from committing an offence.
- It is your responsibility to disclose any vehicle modifications in accordance with the terms of your motor insurance policy. This duty is not absolved by your provision of photos to us during the telematics on-boarding process.
- Following cancellation of your motor insurance policy you must fully delete the app so that no further information is processed.

#### **Telematics Condition 8: Unacceptable Driving Behaviour**

You and any additional drivers must observe the law at all times. Poor driving behaviour by any drivers (including driving at speeds which exceed the speed limit for the road on which the car is being driven) will affect your Driving Style Score. If the HughesDrive® App detects that your Driving Style Score is Red, a score less than zero, for any given week, you will receive notification. If, following this notification, you have a Red Driving Style Score for a further week, a final notice will be issued. Three consecutive weeks, or a total of five weekly scores which are Red during the life of your policy (including the week which prompted the original notification), will result in your policy being cancelled in accordance with the cancellation section of the private car policy booklet.

In addition to this, we and/or the Insurer reserve the right at any time to provide you with seven days' notice and cancel your policy forthwith in the event that excess speed is detected. You have the right to appeal any decision made concerning your or any named driver's driving behaviour by contacting Hughes Insurance.

#### **Telematics Condition 9: Change of Car or Driver**

If you change your car under your motor insurance policy, we will reset the app on devices for all drivers. You and any named driver(s) will be required to complete the onboarding process again, in accordance with Telematics condition 2: On-boarding. If you add or change a permanent driver under your motor insurance policy, they will be required to complete the onboarding process, in accordance with Telematics condition 2: On-boarding.