ACASTA GAP (PLUS) INSURANCE

Target Market Statement

This document has been prepared by Acasta Europe Limited on behalf of Acasta European Insurance Company Limited to provide an overview of our GAP PLUS Insurance product. It is intended to help distributors understand the target market for this product, both at new business and at the point of renewal. Additionally, distributors should consider whether any changes in circumstances may result in some features of the products no longer being suitable (e.g, distribution channel, features/covers, communication method, and payment method).

Acasta European Insurance Company Limited, authorised and regulated by the Gibraltar Financial Services Commission for the conduct of UK business, is a co-manufacturer for this product.

Full details are contained within the policy documentation.

Eligibility

For the Individual:

- Must be aged between 18 and 75 (inclusive).
- Must be a permanent resident of the UK.
- Must not modify the vehicle with performance-enhancing features.
- Must intend to use the vehicle within the UK, or have a valid green card for driving abroad.
- Must not be purchasing the vehicle for unlawful purposes, such as money laundering.
- Intended for those who:
  - May suffer financial hardship if their vehicle is written off.
  - Want to engage in prudent financial planning by insuring against depreciation.

For the Vehicle:

- Must be new or used, and under 8 years old at the time of policy inception.
- Must not be used for:
  - High-risk leisure activities such as off-roading, racing, drifting, stunt driving, motocross, dune bashing, rock crawling, ice racing, or street racing.
- Must not have or be intended for performance-enhancing modifications.
- Must be eligible for and used with a comprehensive motor insurance policy.

Who is GAP PLUS Insurance suitable for?

Location & Age: UK residents aged 18 to 75.

Vehicle Criteria: Owners of new or used vehicles under 8 years old, priced between £5,000 and £200,000 and with less than 80,000 miles at the time of policy inception.

Acasta Europe Limited

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License and regulated by the FCA Registration Number 599391, Registered in the UK, Company Registration Number 07270251

Claim Flexibility: Customers requiring the ability to make multiple claims within a single policy term.

Vehicle Use:

- Personal use
- Commuting to work
- Taxi driving
- Driving instruction

Additional Benefits: Suitable for those needing a temporary hire car or reimbursement for up to 7 days post-total loss (not available in GAP Lite).

Financial Protection:

- Individuals at risk of financial hardship if a total loss payout is less than the outstanding finance or cost of vehicle replacement.
- Also suitable for those who would not suffer hardship, but for whom the potential financial gap represents a prudent financial risk to insure.

Demographics: Applies to a broad range of individuals matching the vehicle and financial criteria above, regardless of whether hardship would occur.

Vulnerability Consideration:

- The product anticipates customers may experience vulnerable situations due to accidents, fire, or theft.
- Especially relevant for those who would be financially or emotionally impacted by vehicle loss and insufficient compensation.

Who is GAP PLUS Insurance not suitable for?

Individuals the product is not suitable for:

- Under 18 years old or over 75 years old.
- Not permanently residing in the UK.
- Intending to carry out performance-enhancing modifications to their vehicles.
- Planning to drive outside the UK without a valid green card from their motor insurer.
- Purchasing vehicles for the purpose of money laundering.
- Individuals purchasing their vehicle through a contract hire agreement.

Vehicles the product is not suitable for:

- Older than 8 years.
- Used for high-risk leisure activities, including:
  - Off-roading
  - Racing (circuit, drag, rallying, time trials)
  - Motocross
  - Drifting
  - Stunt driving

- Trial riding
- Dune bashing
- Rock crawling
- Ice racing
- Street racing

General Exclusion:

- Any individual or vehicle that does not meet the specified eligibility criteria or engages in restricted or high-risk activities.

How can GAP PLUS Insurance be sold?

Motor Dealerships:

- Offered at the point of vehicle purchase for convenience and trust.
- Helps inform customers who may be unaware of GAP insurance.
- Provides tailored, needs-based journeys with support for vulnerable customers.
- Ensures compliance with FCA Consumer Duty and PROD requirements.

Online Sales:

- Distributed via distributor websites, aggregators, and price comparison sites.
- Customers may be introduced through search engine queries (e.g., Google).
- Offers lower distribution costs and enables customers to compare products easily for best fit.

Telephony Sales:

- GAP insurance can also be sold via call centres or phone-based distributors, allowing for guided sales with customer support.

What features should you be aware of when considering this product?

GAP PLUS covers the financial difference between a motor insurer's payout and either the original invoice value or outstanding finance (whichever is greater).

Multiple Claims Allowed:

- Customers can make more than one claim within the same policy term, subject to policy limits.

Vehicle Age and Value Restrictions:

- Only vehicles under 8 years old.

Temporary Vehicle Hire Benefit:

- Provides a temporary hire vehicle or reimbursement for up to 7 days following a total loss.

Comprehensive Insurance Requirement:

- Must be held in conjunction with a comprehensive motor insurance policy throughout the policy term.

Motor insurance settlement:

- There is no requirement for the policyholder to challenge the motor insurance settlement or notify the claim handlers prior to accepting the motor insurance settlement.

Guaranteed minimum payment:

- The GAP PLUS policy will pay out a minimum of £400 following a total loss.

We recognise that target markets and customer needs are dynamic and subject to change over time. This document has been produced in November 2025 and reflects our understanding of the target market as of this date. To ensure that our GAP PLUS Insurance product continues to meet the needs of the appropriate target market, we will review this document regularly and update it as necessary. This review process will include monitoring changes in customer behaviour, regulatory requirements, and market trends to ensure the product remains relevant and suitable for our customers.

Date assessment completed March 2026

Expected date of next assessment March 2027