

Contract Hire Total Loss FAQs

A guide from Alphabet



We have collated a number of frequently asked questions to help guide you through everything you need to know in the event that your vehicle is deemed a total loss.

How is my Total Loss settlement figure calculated?

The settlement is calculated on the vehicles value based on the date of loss, excluding a fair & reasonable salvage value. If applicable, there may also be an Early Termination charge.

This fee will be invoiced to your Alphabet account once we have received payment from your insurance company. Please note: the Total Loss Settlement will be calculated on the date of notification to Alphabet and not the date of the incident. It is important to inform Alphabet immediately if you have been involved in an accident.

We will supply a settlement figure to close your contract. Your settlement offer will not include any outstanding invoices, which have been invoiced to you prior to the date the incident was first notified to Alphabet.

What information does Alphabet need in order to provide a settlement figure?

- Date of incident
- Summary of incident
- Mileage at time of incident
- Insurance company's claim reference number
- Policy Excess amount

How does the Total Loss process work?

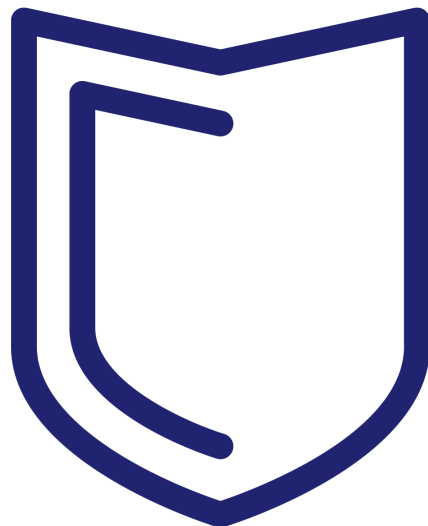
When Alphabet are notified of the incident and we have all of the information required, we will refer the vehicle case to our representatives, Clifford James Consultancy. Clifford James will act on our behalf from this point and will liaise with your insurance company to discuss settlement and arrange the next steps.

Once the settlement figure has been paid, in full either by you or the insurance company, we will terminate your agreement, remove our finance marker and release the V5 to the applicable party.

Will I get any of the monthly rentals back?

Alphabet will stop any further regular rental invoices billing to your account upon confirmation of the total loss. We will credit back any overpaid rentals which have been billed to you after the date the incident was notified to Alphabet. The settlement amount will not change.

In the event that the vehicle is repaired and returned to you, your agreement will continue as per your contractual terms.



Why have I been charged a shortfall?

If your insurance company has not settled the full settlement amount, you will be liable to pay any shortfall. Prior to Alphabet processing the payment, we will contact you to allow you the opportunity to discuss this with your insurance company.

Your insurance policy excess may be deducted from the payment your insurance company send. If this happens, Alphabet will invoice this to you and you will receive a shortfall invoice accordingly. Payment for the shortfall invoice, including any applicable early termination fee will be taken in line with your normal payment method and term.

Why is there no VAT element included in my settlement/shortfall?

When a contract hire vehicle is a total loss, the settlement often excludes VAT because the insurer pays the net (VAT- exclusive) market value, and the leasing company's settlement figure is based on this. With VAT adjustments handled separately through credit notes or invoices, as the leasing company is the vehicle's owner and handles the VAT on disposal; the initial rentals and monthly payments already factored in VAT, but the final settlement reflects the vehicle's net depreciated value for business recovery.

When will you release the V5 document?

Alphabet will release the V5 once we have received payment in full and are in a position to terminate the agreement. If you require a copy of the V5 (not the original) prior to this, we are more than happy to provide one.

Who will collect my vehicle for salvaging?

Alphabet will not retain the salvage of your vehicle if it has been declared a CAT A, or is stolen.



Have another question?

Contact our team on **0370 0120 301, Option 9**

Or email us at **total.loss@alphabet.co.uk**

Disclaimer: This document is for general information purposes only and is not to be relied on as advice. Alphabet accepts no liability to any party for the content. Information is correct to the best of our knowledge at the time of publication.

Alphabet (GB) Limited. Registered office: Alphabet House, Summit Avenue, Farnborough, Hampshire GU14 0FB. Registered in England and Wales No.3282075. Tel: 0370 50 50 100