

The future is electric

Electric Vehicle Warranty

Guide for **electric** and **hybrid** vehicles



Contents

- 3 Understanding the RAC Warranty for electric vehicles
- Details of what's included
- 6 Duration options
- What are the benefits for both you and your customers?
- 8 What does the claims journey look like for customers?
- 10 Point of sale
- 12 Direct Debit
- Other products available as part of the RAC Dealer Network
- 14 Contact us

Understanding the RAC Warranty for electric vehicles

What is an EV?

EV stands for any electric vehicle that you can charge externally. These vehicles can be categorised as:

- Battery electric vehicle (BEV)
- Plug-in hybrid electric vehicles (PHEV), have a battery that can be recharged by plugging it into an external source of electric power
- Range-extender or extended-range EV which is a combination of battery and internal combustion engine (ICE), with electric-only drive (plug-in series hybrid)

What's new about this warranty?

This is our most comprehensive plan to date and has been specifically designed to repair or replace elements of an electric vehicles (within a specified period of time).

Changing times...

With the UK currently due to ban the sale of all new petrol, diesel and hybrid vehicles from 2035, interest in Electric Vehicles has accelerated. Therefore the requirement to offer a warranty specifically for Electric Vehicles could become crucial to futureproof your business.

What makes it different?

The RAC Warranty for electric vehicles comes with a range of benefits and is our most comprehensive plan to date.





Available as a stand alone or top-up product – giving your customers choice.



Wear and tear included throughout the plan.



Available for any EV car under 8 years and / or under 80,000 miles at the point of purchase.



We're able to guide the customer to the best place to get a repair.



Provides enhanced reassurance compared to most OEM (original equipment manufacturer) programmes.



Free vehicle-based
RAC Roadside Cover
(subject to activation).
With options to upgrade
Breakdown Cover at
discounted rates.

Details of what's included

To ensure that you're able to present this warranty as clearly as possible to your customers, we've provided a table to show what is included.

- Your customer's plan starts at time of purchase.
- **Wear and tear** included throughout the duration of the plan*
- > Unlimited mileage once the plan starts.

Vehicles covered	BEV, PHEV & Plug-in Series Hybrid
Maximum vehicle age and mileage at the time of purchase	8 years / 80k miles
Claim limit**	Unlimited up to vehicle purchase price
Plan duration	Up to 24 months
Carbonisation included	Yes - on hybrids
Parts and labour included	Yes
Labour rates	Up to £90 per hour inc. VAT
Diagnostics paid on valid claims	Up to 1 hour or £90 inc. VAT (whichever is lower)
Car hire (excluding fuel & insurance)	Maximum 7 days at £50 per day inc. VAT
Cover within the European Union*	60 days
Transferable cover*	Yes

^{*}Terms and conditions apply

Vehicle car parts included with an RAC Warranty for electric vehicles

EV system

- Electric motor
- Vehicle control module
- Traction motor inverter
- Reduction gear
- HID lamps & lenses
- DC/DC converter
- DC/AC inverter
- Charge connector

- Charger / trickle charge cable
- Software updates (as part of a valid claim)
- Wiring harnesses & terminals if integral to EV system
- Onboard charger

Electrical

- Air conditioning
- Electric window motors
- Electrical system
- ICE / multimedia /touchscreen display up to £4,000

Engine (hybrids only)

- Casings
- Cooling fan motor
- Cooling system
- ECUs
- Engine
- Fuel system
- Oil seals & gaskets
- Timing belts
- Turbocharger



Driveline

- Anti roll bars
- Braking system
- PAS Rack
- Suspension and steering
- Tension bars
- Wheel bearings
- ABS

Transmisson

- Automatic gearbox
- Clutch
- Continuously variable transmission
- Differential
- Manual gearbox
- Torque converter

Wear and tear included on the above components. See terms and conditions for full description of what's included and any exclusions.

5

^{**}The plan is limited to the maintenance of each included part on only one occasion during the period of the plan

Duration options

Having choice is important. We can offer a selection of warranty durations for your customer:



- Increase the attractiveness of your EVs by offering a warranty that's tailored to your customer.
- Give your customers increased peace of mind as they drive off your forecourt.
- Offer your customers a longer-term RAC Warranty.
- > Drive incremental revenue to your dealership.
- Increase customer confidence and retention.

Or give customers the choice to top-up their existing plan to suit their individual needs with duration options of 1-11 months.

What are the benefits for both you and your customers?



Customers can choose the duration of warranty that suits them.



Protect your reputation as a trusted dealer offering the right product for all.



Relax knowing that there is one point of contact for all your needs. You will have all our expert knowledge to hand whenever you need it.



Sell cars with confidence with our point of sale literature and merchandise. These items will help to explain the RAC Warranty for electric vehicles in the most transparent way possible to your customers.



Selling an RAC Warranty together with the purchase of an EV, will save time, money and energy for both you and your customers.



The RAC Warranty is available as a stand alone or top up product. Giving your customers more freedom to choose an option which suits their needs.



Electric vehicle ownership is increasing.

Offering comprehensive warranty products with your vehicles can help sway your customers away from your competitors.



The RAC Warranty for electric vehicles is one of the most comprehensive EV warranties to date.



An RAC Warranty comes with free vehicle-based RAC Roadside Cover (subject to activation). There is also the option to upgrade the Breakdown Cover to Recovery, Onward Travel and At Home Cover at discounted rates.

What does the claims journey look like for a warranty customer?

It's important to consider the full customer journey when a claim is being made.

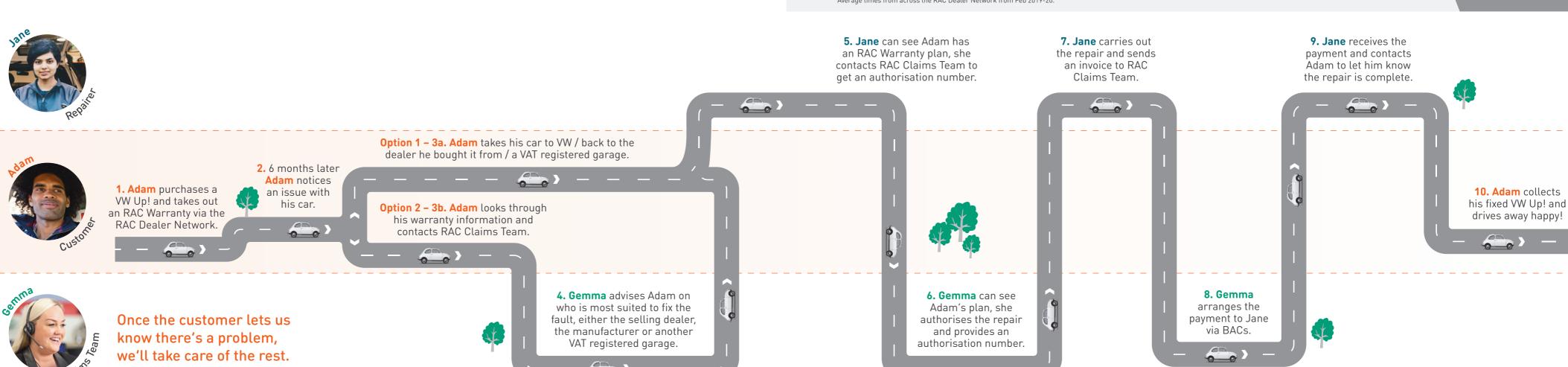
The diagram below will help you understand the process your customers go through when making a claim.

The RAC Dealer Network is backed by UK based provider, Assurant. The RAC and Assurant have been in partnership since 2007 providing invaluable experience in managing a network of trusted dealers.



with average claims payments processed in 3 days.*

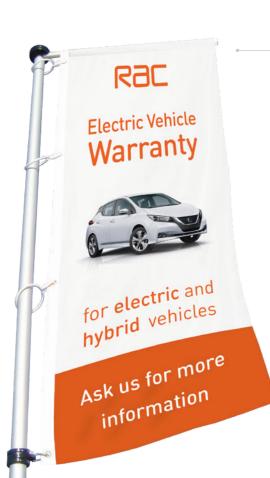
*Average times from across the RAC Dealer Network from Feb 2019-20.



Our expert customer service hub based in Gloucestershire work to strict SLAs for our partners and their customers. **ASSURANT** Our claim calls are answered on average in 31 seconds

Point of sale

To help you communicate the RAC's new warranty for electric vehicles, we'll provide you with various point of sale merchandise to help you sell confidently to your customers based on their specific needs.



Forecourt material

Flags

Forecourt flags are distinctive and interchangeable, making it easy for your customers to identify your dealership as an RAC Warranty provider.

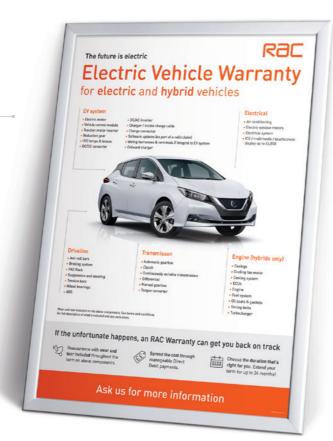
Car window stickers

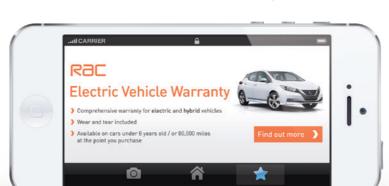
Car stickers will enable you to market the product on individual vehicles within your forecourt. This will make it easier for both you and your customers to identify which cars qualify for an RAC Warranty, and provide you with a talking point when engaging with the customer.

Rac
Electric Vehicle Warranty
for electric and hybrid vehicles

Posters

Posters will be available to display around your dealership, showcasing the new RAC Warranty for electric vehicles and the benefits for the customer.





Electric Vehicle Warranty for electric and hybrid vehicles

Leaflets

These help to highlight to your customer all of the key details and benefits of purchasing an RAC Warranty through your business.

Digital

You'll have access to digital assets to promote the RAC Warranty on your website and any other digital platforms you use to sell your vehicles.





10

Direct Debit

Your customers have the option to pay for their RAC Warranty by Direct Debit. This allows them to spread the cost of the warranty over 10 months at no extra cost to them or your business.

Why offer a Direct Debit payment option?

As customer buying habits continue to move towards paying on a monthly basis, it's important to offer your customers alternative payment options. Spending less upfront may then allow them to also consider purchasing additional add-on products from you.

Direct Debits can help the customer feel more in control of their money, which can lead to higher retention rates. Spreading the cost into small monthly payments is a strong selling point for an RAC Warranty.

Benefits



Direct Debit payment option available.



Balance payable over 10 interest free monthly instalments.



Provides the customer with a choice of how they would like to pay, based on an option that suits them.



Our research found that 29% more customers would purchase a warranty if they could pay by monthly Direct Debit!

Source: "Perceptions of Extended Warranties Research Report" conducted by Harris Interactive on behalf of Assurant (Dec, 2019)

Other products available as part of the RAC Dealer Network

Guaranteed Asset Protection (GAP) Insurance

When you offer your customers GAP Insurance, you're not just adding a new source of income, you're building a relationship. By helping your customers plan for the unexpected, you're adding trust and a customer base that returns to your dealership and recommends you to others.

As a GAP provider, we offer cover separate to your customer's finance agreement.

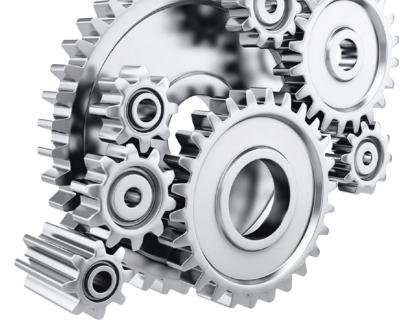
Maintenance and Repair Warranty

This is for all eligible vehicles not classed as an Electric Vehicle. It is a non-insured product which includes parts and labour should they fail due to a sudden fault.

The warranty is set up following an extensive pre-sale maintenance check and inspection and customers can choose their duration up to 36 months.

Please be aware this is a service contract, not an insurance policy.

For more information about joining the RAC Dealer Network please visit: rac.co.uk/getapproved



2

Contact us

This brochure is designed to tell you all about RAC Warranty for electric vehicles.

To discover more reasons about how joining the RAC as an Approved Dealer can benefit your business, contact us:

Call: **0330 100 3807**

or email: dealernetwork@rac.co.uk





