

THIRD PARTY, FIRE AND THEFT

Car insurance
Policy document

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IMPORTANT INFORMATION AT A GLANCE

This page is a useful guide for you.

We recommend you read your policy carefully to understand what you are and are not covered for.

Features and benefits

- › Transport cover
- › Replacement car cover
- › Damage by uninsured drivers
- › Emergency travel, accommodation and repairs
- › Personal property stolen / damaged in an incident involving your car (up to \$500)
- › Hire car after theft



Handy tips

Keep your car up to date with its servicing, that way you are less likely to suffer a breakdown or have trouble braking in an emergency. Take care to remove keys, lock your car and conceal valuables when your car is parked and unattended.



What this policy does...

COVER YOUR VEHICLE FOR FIRE, THEFT AND YOUR LIABILITY TO PROPERTY.



...and does not do

COVER DAMAGE TO YOUR VEHICLE FROM AN ACCIDENT, EXCEPT BY UNINSURED DRIVERS.



Time to think it over

You have 21 days to change your mind after taking out this policy. If you have any queries during this time or you are uncertain about whether this policy is right for you, please contact us, we are only too happy to help.

Your payment choices

- › Pay annually or by fortnightly or monthly instalments
- › You pay less if you pay annually compared to instalments

Claims

- › Ensure the safety of you and others first
- › Take reasonable steps to prevent further loss
- › Contact us as soon as possible



Contact

View your policy documentation for contact information.

1.

INTRODUCTION

Welcome to Third Party, Fire and Theft Car Insurance

Why is this document important?

This policy document is an important legal document that contains details of the Third Party, Fire and Theft Car Insurance you have purchased from us. *Your policy* comprises:

- › this policy document;
- › *your policy schedule* which shows the details particular to *you*;
- › the information *you* provided to us in *your* application or declaration;
- › any information *you* provide to us regarding any change in circumstances;

whether *you* have received or provided this information verbally, or have completed, accessed or received versions of these documents electronically or in printed form.

Communicating with you

You agree we may send *your* policy documents and *policy* related communications electronically. This will be by email and/or other types of electronic communication methods. Policy documents and *policy* communications will be provided to *you* in

this way until *you* tell us otherwise or we tell *you* it is no longer suitable. In order for us to communicate with *you* electronically, *you* will need to provide us with *your* current email address and *your* New Zealand mobile phone number.

Each electronic communication will be deemed to be received by *you* at the time it leaves *our* information system.

Cooling off period

After this insurance begins or *you* renew *your* *policy* for another *period of insurance*, *you* have 21 days to consider the information in *your* policy document. This is called the 'cooling off period'. If *you* wish, and provided *you* have not made a claim, *you* can exercise *your* cooling off rights by cancelling this *policy* within 21 days from the day cover began or was renewed. When *you* exercise *your* cooling off rights, we will refund in full the money *you* have paid for that *period of insurance* but *you* will have no cover from when *your* *policy* would have otherwise begun or from *your* renewal date.

Who is this product designed for?

This insurance product is designed for owners of passenger cars (including 4WDs, utilities and vans) who use their car for one or more of the following uses:

- ▶ **Private:** if not used in connection with earning an income, or if the only such use is driving to and from work and/or occasional use in connection with work or if used for volunteer work;
- ▶ **Business:** if used in connection with an occupation or business that we agree to cover as noted in *your policy schedule*. This *policy* will never cover a car that is used as a taxi, a fare paying passenger vehicle, a rental car, a courier or as a courtesy car. If *your car* is used for any of these purposes, this *policy* shall be void.

When *you* first take out a *policy* with us we will ask *you* how *you* use *your car*. Also, *you* must tell us if *you* change the use of *your car* while *you* hold a *policy* with us and when *you* renew *your policy*.

Your duty of disclosure

Before *you* enter into a *policy* with us, and at each renewal of the *policy*, *you* have a duty to disclose to us everything *you* know, or could reasonably be expected to know, which is or may be relevant or material to our decision to insure anyone under the *policy*, including *you*, and on what terms.

It includes matters we specifically ask about when *you* apply for a *policy*, or renew or alter *your policy*, but *you* are also obliged to disclose matters that we do not specifically ask *you* about if they may be relevant or material.

If *you* are unsure whether something is relevant, material or should be disclosed, it is better to tell us. If *you* do not tell us something relevant or material which *you* know or should know, we might reduce a claim, refuse to pay a claim, cancel *your policy*, or treat the *policy* as if it never existed.

More than one named insured

If there is more than one named insured on *your policy schedule*, or where one of the named insureds is a trust, we will treat a statement, act, omission, claim, request or direction (including to alter or cancel *your policy* or to accept a settlement of a claim) made by one insured, including trustees, as a statement, act, omission, claim, request or direction by all those named as insured on *your policy schedule*.

Where other insurance applies to your claim

This *policy* does not cover *loss or damage* or liability where cover is provided by other insurance. We will not contribute towards any claim made under any other policy.

The law that governs this policy

This *policy* is governed by New Zealand law, and the New Zealand courts have exclusive jurisdiction over any legal proceedings about it.

Other parties with an interest in your car

Where we are satisfied that there is a secured financial interest over the *car*, we may make a claim payment under this *policy* to that interested party. This will meet our obligations under this *policy*.

Any party who is recorded under this *policy* as having a financial interest in the *car* is not covered by this *policy* and has no right to make a claim. We will not advise any interested party of any changes to the *policy*, the property insured, or the extent or amount of cover.

No assignment

You are not permitted to assign or to attempt to assign this policy or your interest in this policy to any other party. You must obtain our prior written consent before you assign or attempt to assign your rights to any claim proceeds to any other party.

Special conditions

We may impose special conditions on your policy that might exclude, restrict or extend cover for a person or particular matter. For example, we may not be able to cover certain drivers because of the type or value of car that is insured. Any imposed conditions will be listed on your policy schedule. It is important that you read your policy schedule carefully.

Some words in your policy have special meanings

Some words when used in this policy document have special meanings. Words with special meanings are defined in the 'Words with special meanings' section at the end of this policy document. Words with special meanings will appear in italics throughout this policy.

Headings used in your policy

Where headings are used in this policy document the headings or references are purely descriptive in nature and are not to be used for interpretative purposes.

ABOUT YOUR AMOUNT COVERED

The amount covered is the maximum amount we will pay for *loss or damage to your car* caused by an *insured event* less any deductions that apply, unless we say otherwise in *your policy*. The amount covered is specified on *your policy schedule* and is inclusive of any options, accessories and modifications that are fitted to *your car*. The amount covered includes GST. Please also see 'The most we will pay for car claims'.

Changing your amount covered

Prior to the renewal of your policy we will consider depreciation and the reasonable market value of the make, model, and series of your car. We use this to automatically review and set your new amount covered. The amount covered will usually decrease at each renewal as the value of your car depreciates with age and use.

If you renew your policy, you will be deemed to have accepted the amount covered.

PAYING YOUR PREMIUM

We will tell *you* how much *you* have to pay and how much time *you* have for payment in *our* correspondence with *you*. The total amount payable will be shown in *your policy* documentation or, if *you* pay by instalments, the fortnightly or monthly premium will be shown in *your policy* documentation, as amount due. *You* must pay this premium by the due date to get this insurance cover. *You* can pay in one annual payment or, if we agree, by fortnightly or monthly instalments. Payment of *your* premium is a condition precedent to cover under this *policy*.

Unless we tell *you*, any payment reminder we send *you* does not change the expiry or due date.

If *you* make a change to *your policy* details, it may affect the premium *you* need to pay or have paid for the remainder of *your period of insurance*.

If *you* do not pay the full amount, we may reduce the *period of insurance* so it is in line with the amount *you* paid.

Late annual payments

If *you* do not pay *your* premium by the due date, in the first year of insurance with *us*, we will give *you* a written notice of *policy* cancellation.

If *you* do not pay the premium due on renewal by the due date, *you* will have no cover from the due date.

If we accept *your* late payment, we might recommence *your* cover from the date we receive *your* payment. If so, *you* will have no cover for the period from the date that the payment was due until the day *you* make payment. However, any recommencement of cover will not extend the *policy* expiry date.

Overdue instalments

If *you* pay *your* premium by instalments and *your* payment is overdue we can do one or both of the following:

- › refuse to pay a claim or provide any other benefit under this *policy* if payment is 14 days (or more) overdue;
- › cancel *your policy* without notifying *you* if payment is 1 month (or more) overdue.

YOUR RESPONSIBILITIES

You must:

- › take all reasonable precautions to prevent *loss or damage*, for example:
 - remove keys when no one is in the *car*;
 - lock all doors and windows when *your car* is parked and unattended;
 - accompany anyone test driving *your car* when it is up for sale.
- › keep *your car* well maintained and in a good and *roadworthy* condition (e.g. replace worn out tyres, replace worn brakes and defective lights, repair major rust and repair significant body work);
- › follow all the terms, conditions and responsibilities set out in *your policy*;
- › stop or remain at the scene of an accident when required by law to do so;
- › provide honest, accurate and complete information in relation to any claim, statement or document, including proposal, application, or declaration, supplied to *us*.

Not meeting your responsibilities

If *you* do not meet *your* responsibilities, it may lead *us* to do either or both of the following:

- › reduce or refuse to pay *your* claim;
- › cancel *your* policy.

WHEN YOU NEED TO CONTACT US

Changes in your details and car

You need to tell *us* immediately if:

- › any details on *your* policy schedule are no longer accurate;
- › *your* address or other contact details change;
- › *you* replace *your* car (see the 'Replacement car cover' benefit where we may give you 14 days cover on *your* replacement car);
- › there are any changes to the physical condition of *your* car;
- › *you* plan to, or have, added modifications to *your* car;
- › the place where *you* keep *your* car changes;
- › the drivers of *your* car change;
- › the way *you* use *your* car changes including if *you* start using it for a *business* use or change the *business* use of the car;
- › *you* intend to use *your* car on a competition race track, competition circuit, competition course or competition arena (other than for a driver education course where the speed will not exceed 100km/h and there will be no timing of cars at any time), and *you* want *us* to consider covering *you* for that use;
- › anything else happens that increases the chance that *loss* or *damage* will occur.

Changes at renewal each year

In accordance with *your* duty of disclosure earlier in this policy document, *you* must tell *us* at each renewal if *you* or any listed drivers of *your* car have had changes to their:

- › insurance or driving history (including any accidents);
- › driving convictions;
- › criminal history related to fraud, theft, burglary, drugs, arson, criminal, malicious or wilful damage.

In addition, if *you* have not already informed *us* of any changes identified in 'Changes in your details and car', *you* must tell *us* about these at renewal of *your* policy.

What we will do when you contact us

When *you* contact *us* and tell *us* about these changes, we may decide to increase or impose an excess, charge an extra premium or apply a special condition to *your* policy, or a combination of these. In some cases it could mean we can no longer insure *you*.

2. ABOUT YOUR COVER

ABOUT YOUR CAR

What we cover as your car

Your car is described on *your policy schedule*. It includes the following that are fitted to *your car*:

- › standard manufacturer's options;
- › accessories; and
- › modifications.

What are accessories?

An accessory is an addition to *your car* which does not enhance the performance or change the structure of the *car*. The following are examples of accessories:

- › fitted entertainment, communications and navigation systems;
- › roof racks and tow bars;
- › child restraints and child car seats permanently kept in the *car*;

- › tools and breakdown equipment permanently kept in *your car* and purchased by *you* to repair *your car*;
- › car seat covers;
- › first aid kit, torch, fire extinguisher and maps permanently kept in the *car*;
- › other equipment which is not otherwise defined and which is permanently fitted to the *car*.

What are modifications?

Modifications are alterations made to the manufacturer's standard body, engine, suspension, wheels or paintwork of *your car* which may affect its performance, value, safety or appearance. If *your car* has modifications, *you* must have complied with *your* duty of disclosure in relation to these.

THE MOST WE WILL PAY FOR CAR CLAIMS

The most that we will pay for any one *event* is:

- › the lesser of the *market value of your car* or the *amount covered* that is shown on your *policy schedule*;
- › \$20 million for legal liability for damage to property;
- › the maximum that *you* are entitled to under the following benefits:
 - Personal property;
 - Transport cover;
 - Emergency travel, accommodation and repairs;
 - Towing and storage costs; and
 - Hire car after theft.

GST

Limits, the most we pay amounts, excesses and the *amount covered* stated in this policy document and on your *policy schedule* include GST.

YOUR COVER

Your Third Party, Fire and Theft Car Insurance includes:

- › fire and theft cover;
- › cover for legal liability for damage to property;
- › benefits that are included at no extra cost.

WHAT YOU ARE COVERED FOR – INSURED EVENTS

Insured events – fire and theft

We cover

We will cover you for *loss or damage* to your car anywhere in New Zealand caused by any of the following *events* in the *period of insurance*:

- › fire; and
- › theft or attempted theft of your car or part of your car.

Limit

The most we pay is the *market value of your car* or the *amount covered* shown on your *policy schedule*, whichever is less.

We do not cover

There are some things we do not cover and these are shown under the heading 'General exclusions'.

Insured event – legal liability for damage to property

We cover

We will cover *you*, or anyone *you* authorise to drive *your* car, for legal liability to pay compensation for *loss or damage* to a vehicle or property resulting from an *event* caused by the use of *your* car in the *period of insurance*. Legal liability for damage to property is extended to include:

- › legal liability that is the responsibility of *your* employer, principal or partner because *you* were driving *your* car in connection with *your* occupation;
- › legal liability for the cost of cleaning up by emergency services after an *event* involving *your* car;
- › legal liability for damage to another vehicle or property because a vehicle collided with or tried to avoid colliding with:
 - property falling from *your* car; or
 - property being loaded or unloaded from *your* car.

We will also cover *you* for *your* legal liability to pay compensation for *loss or damage* to a vehicle or property resulting from an *event* caused by *your* use of any other car ('alternative car') in the *period of insurance*.

When *your* car is towing a caravan or trailer and *loss or damage* is caused to another vehicle or property in the *period of insurance* as a result of:

- › the actions of the caravan or trailer;
- › the caravan or trailer running out of control after separating from *your* car while *your* car is moving;
- › another vehicle colliding with or trying to avoid colliding with:
 - property falling from the caravan or trailer while it is being towed by *your* car;
 - property being loaded or unloaded from the caravan or trailer attached to *your* car;

then we also cover *you* for the amount *you* are legally liable to pay another person to compensate them for *loss or damage* to their property.

We do not cover

- › legal liability arising from *your* use of any hire car;
- › legal liability arising from *your* use of an alternative car that is owned by *you*;
- › legal liability arising from *your* use of any alternative car that is hired to *you* under a hire purchase lease arrangement;
- › legal liability when *you* are not legally entitled to use the alternative car *you* are driving;
- › *loss or damage* to the alternative car *you* are driving;
- › damage to the caravan or trailer being towed by *your* car;
- › damage to the actual property that falls or is being loaded or unloaded from *your* caravan or trailer.

We also do not cover the things shown under the heading 'General exclusions'.

Limit

The most we pay for all legal liability claims arising from any one *insured event* is **\$20 million**, including all associated legal costs we have agreed to pay for *your* claim.

BENEFITS

We also provide the following benefits. Some benefits will only be available where we accept *your* claim for *loss or damage* due to an *insured event*, and others can be available independently of a claim for *loss or damage* to *your car*.

For benefits that are only available where there is *loss or damage* to *your car*, we may decide to make a payment for a benefit before we accept or agree to pay *your* claim. This does not mean that *your* claim has been accepted, or that we have agreed to pay *your* claim.

If we do not accept *your* claim, *you* must repay these amounts to *us*.

There are some things we do not cover under these benefits and these are shown in the 'We do not cover' section of the tables which follow each benefit and under the heading 'General exclusions'. All of the conditions of this *policy* apply to these benefits unless the benefit says otherwise.

1. Personal property

We cover

If we have agreed to pay for *loss or damage* to *your car*, *your* personal property in the *car* at the time of the *event* is also covered for any *loss or damage* that results from the same *event*. Personal property means the effects that *you* own and carry with *you*, but not accessories. It includes, but is not limited to, clothing, electronic or telecommunication devices.

Limit

The most we will pay for any one *insured event* is \$500.

We do not cover

- › cash, smartcards, phone cards, documents able to be cashed or traded, vouchers, tickets or money orders;
- › tools;
- › items used for business, a trade or profession.

2. Transport cover

We cover

If we have agreed to pay for *loss or damage* to *your car*, we will reimburse *you* for the reasonable transport costs for *you* to be transported from a repair facility to *your* home or work, and then back again once the repairs are complete, but only if:

- › *you* are able to safely drive *your car* into a repair facility; and
- › *you* allow *us* to arrange the repairs.

Limit

We will pay *your* reasonable transport costs for 2 journeys per event.

3. Emergency travel, accommodation and repairs

We cover

If we have agreed to pay for *loss or damage* to *your car* we will pay:

- › the reasonable costs *you* incur for emergency repairs to make *your car* roadworthy or safe so it can be driven to *your* destination or a repairer;
- › the reasonable emergency travel costs to get *you* home or to *your* destination, if *your car* has been stolen or is not roadworthy or safe to drive; and
- › the reasonable emergency accommodation costs *you* incur if *your car* has been stolen or is not roadworthy or safe to drive and *you* are more than 100 kilometres from *your* home.

We will only reimburse *you* for costs which *you* can substantiate with receipts and invoices.

Limit

The most we will pay for any one event is \$500.

We do not cover

Costs where *your car* has broken down (e.g. mechanical or electrical failure) or the *loss or damage* to *your car* was not caused by an *insured event*.

4. Towing and storage costs

We cover

If we have agreed to pay for *loss or damage* to *your car* and it is not *roadworthy* or safe to drive, or it needs to be held in storage, we will cover the reasonable costs of:

- › towing *your car* to the nearest repair facility or place of safety; and
- › storing *your car*.

We will only reimburse *you* for costs which *you* can substantiate with receipts and invoices.

Limit

We will pay the reasonable costs *you* incur.

We do not cover

Storage costs for any period after *your* claim is settled.

5. Replacement car cover

We cover

If *you* replace *your car* with another car in the *period of insurance*, we may insure the replacement car under this *policy* for the remainder of the *period of insurance* provided:

- › *you* tell *us* within 14 days of *you* taking delivery of the replacement car; and
- › we agree in writing to insure the replacement car; and
- › *you* pay any additional premium we require. If an additional premium is payable, we will tell *you* how much it is and how it is to be paid.

We may apply additional terms to *your policy* for the replacement car.

Otherwise, we will only cover *your* replacement car under this *policy* for up to 14 days from when *you* take delivery of the replacement car or until *you* arrange insurance for *your* replacement car, whichever occurs first.

The cover ends for *your car* and begins for the replacement car at the time *you* take delivery of the replacement car. If we agree to insure *your* replacement car and *you* pay *us* any additional premium we require, we will send *you* a new *policy schedule*. If we do not agree to insure *your* replacement car we will cancel *your policy*.

Limit

Your replacement car is covered up to the price *you* paid for it, or its *market value*, whichever is less, up to a maximum of **\$75,000**. The limit applies until *you* tell *us* about the change and we have agreed in writing to cover *you*.

6. Damage by uninsured drivers

We cover

When *your car* is damaged in a collision with another vehicle driven by an *uninsured driver*, we cover damage to *your car* in accordance with 'If your car is damaged' but only if:

- › we agree *you* are not at fault; and
- › *you* give us the name and address of the *uninsured driver*; and
- › *you* give us the registration details of the other vehicle; and
- › we have been able to confirm that the other vehicle involved in the collision had an *uninsured driver* at the time of the collision; and
- › we have otherwise agreed to pay *your* claim.

Limit

The most we will pay for any one *event* is **\$5,000** or the *market value* of *your car* or the *amount covered*, whichever is less.

7. Hire car after theft

We cover

If we have agreed to pay a claim as a result of the theft of *your car*, *you* can choose to:

- › allow us to arrange and pay the reasonable hire cost of a 'compact' category hire car (including the cost of reducing the standard hire car excess, but excluding fuel, deposits, bonds or charges for extras) using *our* provider (but only if *our* provider has a car available and *you* meet *our* provider's hire acceptance criteria); or
- › arrange a hire car using a provider of *your* choice. We will reimburse *you* the reasonable hire cost of a 'compact' category car (including the cost of reducing the standard hire car excess, but excluding fuel, deposits, bonds or charges for extras), but we will not reimburse *you* for any amount more than we would have paid *our* provider for the hire of a 'compact' category car from *our* provider's nearest location.

Limit

The most we will pay for any one *insured event* is up to **14** days hire costs. This benefit will cease before **14** days where:

- › *your car* is returned undamaged;
- › we repair *your car* and it is available for collection or we return it to *you*; or
- › we have settled *your* claim and **48** hours has passed to allow for funds to clear to *you* (whether or not funds have actually cleared).

8. Locks and keys

We cover

If *your car* keys are stolen in the *period of insurance* we will cover the cost of replacing the keys and recoding the locks in *your car*.

Your standard excess is payable for a claim made under this benefit.

Limit

The most we will pay for any one *event* is \$1,000.

GENERAL EXCLUSIONS

You are not covered under any section of this *policy* for *loss or damage*, cost or legal liability directly or indirectly caused by, arising from, in connection with or involving:

Agreements you enter into

any agreement or contract *you*, or someone *you* authorised to drive or be in charge of *your car*, enter into accepting liability, but we will provide cover for legal liability that would have existed without that agreement.

Alcohol or drugs

an *event* occurring when *your car* is being driven by, or is in the charge of, anyone who:

- › was under the influence of, or had their judgement affected by any alcohol, drug or medication;
- › had more than the legal limit for alcohol or drugs in their breath, blood, saliva or urine as shown by analysis;
- › refused to give any sample or take any test for alcohol, drugs or medication, when lawfully required to do so.

It will be assumed that the amount of alcohol, drugs or medication in their breath, blood, saliva or urine at the time of an *event* was no less than the amount found in any sample or test carried out following the *event*.

But we will pay a claim if *your car* was stolen.

Biological, chemical, other pollutant or contaminant

- › any actual or threatened biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; or
- › any looting or rioting following the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; or
- › any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant.

Business use

any business use of *your car* that is not noted on the *policy schedule*.

Confiscation or repossession

legal confiscation or repossession of *your car* or its contents.

Condition of car

- › any structural, mechanical, electrical or electronic failure or breakdown;
- › any mould, mildew, wear, tear, rust, corrosion or depreciation;
- › *your car* if it was unsafe or *unroadworthy* at the time of the *event*.

Consequential losses or extra costs following an event covered by your policy

consequential losses (financial and non-financial loss) or extra costs following an *insured event* covered by *your policy*, such as, but not limited to:

- › loss of income or wages;
- › loss of value;
- › medical expenses;
- › professional, expert, legal consulting or valuation costs unless *you* obtained *our* prior written authority to incur these costs;
- › any costs related to stress or anxiety;
- › loss of use or loss of enjoyment;
- › the value of *your car* (including its trade-in or resale value) is less after being repaired;
- › costs, including the cost of *your* time, to prove *your* loss or to help *us* with *your* claim (e.g. telephone calls, postage);
- › travel costs, but we will cover travel costs covered under the 'Emergency travel, accommodation and repairs' benefit;
- › cleaning costs, but we will cover cleaning costs covered under 'Legal liability for damage to property'; or
- › any other intangible loss.

Dangerous goods

your car being used to illegally store or transport:

- › substances that pollute or contaminate;
- › dangerous or hazardous goods.

Driving a damaged car

driving *your car* after it has been damaged in an *event*, if *you* were reasonably aware this could lead to further damage to *your car*.

Exceeding loading or passenger limits

your car when it is:

- › carrying more passengers than the *car* was designed for, or than the driver is permitted to carry by law;

- › carrying any load which is not secured according to law, over the legal limit or more than what *your car* was designed to carry.

Failure to take reasonable precautions

your failure to take reasonable precautions to prevent loss, damage or legal liability.

Fines, penalties and other damages

civil or criminal penalties or fines, reparation or aggravated, exemplary, punitive or multiple damages.

Hire, fare, reward or courtesy car

an *event* occurring when *your car* was being used for hire, fare or monetary reward or as a courtesy car or courier, but we will provide cover if *your car* was being used in a car pool or child care arrangement.

Incorrect fuel usage

loss or damage to your car (including damage to the engine or fuel system in *your car*) caused by the incorrect type of fuel being used.

Intentional loss or damage

intentional *loss or damage* caused by *you*, or by a person acting with *your* express or implied consent.

Motor sports or similar activities

your car being:

- › used in, or being tested in preparation for, a race, contest, trial, test, hill climb or any motor sport; or
- › used on a competition race track, competition circuit, competition course or competition arena;

unless:

- *your car* is being driven as part of a driver education course that does not involve speeds in excess of 100km/h or the timing of cars at any time; or
- *you* have told *us* about this use of *your car* and we have agreed to cover *you*.

Radioactivity/nuclear materials

- › radioactivity or the use, existence or escape of nuclear fuel, nuclear material or waste; or
- › action of nuclear fission including detonation of any nuclear device or nuclear weapon; or
- › any looting or rioting following these events.

Reckless acts

any intentional or reckless act by *you* or by a person driving *your car* or another person acting with *your* express or implied consent. This includes, but is not limited to, street racing, burnouts or donuts.

Replacement of non-damaged parts

the replacement of non-damaged parts, including but not limited to the replacement of items that are part of a whole set if the *loss or damage* occurred to only part of that set (such as alloy wheels).

Revolution, war

- › revolution, hostilities, war or other acts of foreign enemy, war like activity (whether war is declared or not), invasion, military coup, civil war, mutiny, civil commotion assuming proportions of or amounting to a popular uprising, military uprising, rebellion, insurrection, confiscation, destruction or acquisition by government or local authorities, military or usurped power; or
- › any looting or rioting following these events.

Terrorism

any act of terrorism, including but not limited to the use of force or violence, or the threat of force or violence which from its nature and context is done with political, religious, ideological, ethnic or similar purposes, including the intention to influence any government and/or to put the public or any member of the public in fear.

Test drives

loss or damage to *your car* while it is being demonstrated for private sale but we will pay a claim if *your car* is being demonstrated for private sale and *you* or a *listed driver* are a passenger in *your car*.

Tyres

damage to the tyres on *your car* caused by braking, punctures, road cuts or bursting, unless the *car* suffers other *loss or damage* in an *insured event*, or the damage is deliberate and is caused by a person not insured by this *policy*.

Unlawful purposes

your car being used for unlawful purposes.

Unlicensed driving

your car being driven by, or is in the charge of someone who is not licensed, not correctly licensed or not complying with the conditions of their licence but we will pay a claim for *you* if *you*:

- › were not the driver or person in charge of *your car* at the time of the event; and
- › can satisfy *us* that *you* did not know and could not have reasonably known of any of the above circumstances.

3. CLAIMS

MAKING A CLAIM

When to make a claim

We understand being involved in an *event* or having *your car* stolen can be a stressful experience. We are here to help *you* 24 hours a day.

What you must do

Step 1 Make sure everyone is safe. For emergencies call 111.

Step 2 Try to prevent further loss or damage.

You must do everything *you* reasonably can to limit and prevent further *loss or damage* (e.g. move *your car* off the road and put on *your* hazard lights).

Step 3 Report the event to the authorities.

If someone is injured or has stolen, attempted to steal or maliciously damaged *your car*, call the police immediately and record the time, date, report number and the name of the recording officer.

Step 4 Collect details of all drivers, passengers and witnesses.

You will need these when you call *us*. Make sure *you* have their full names, addresses and contact numbers. If another vehicle is involved, record its registration number and the driver's insurance details. Do not admit fault to anyone.

Step 5 Contact us as soon as possible.

Make sure *you* have the details of the *event* at hand to assist *us* with lodging *your* claim.

If towing is required, we will help arrange the towing of *your car* to a repair facility or another location nominated or agreed to by *us*.

If you have caused damage to property

Tell *us* about any *event* that has caused damage to property. *You* also must immediately tell *us* about any possible claim or any demands made on *you* to pay loss, cost, expense or compensation to others, any court or tribunal actions or offers of settlement and send these to *us*. If *you* do not tell *us* about these as soon as *you* become aware of them and it results in further costs, *you* may have to pay those costs and they may not be recovered under this *policy*.

For us to process your claim for loss or damage to your car or liability, you must:

- › when requested, and at *your* expense, talk to or meet with any experts *we* choose, such as a claims assessor, investigator, repairer, lawyer or anyone else *we* may appoint to help *us*;
- › assist *us* in handling *your* claim. This can include agreeing to be interviewed and/or providing relevant documents *we* ask for;
- › either drive (if it is safe to do so) or let *us* move *your car* to a repair facility or another location nominated or agreed to by *us*, so *we* can assess the damage and progress *your* claim;
- › allow *us*, or a person nominated by *us*, to recover, salvage or take possession of *your car*. When *we* ask, *you* must send any items to *us*, or cooperate in *our* collection or retrieval of such items;
- › attend any court or tribunal to give evidence if *we* ask *you* to.

In this section 'you' means *you* and, if *you* were not driving *your car*, the driver of *your car*.

What you must not do:

- › do not get rid of any damaged parts of *your car* or *your* property without *our* consent;
- › where *you* consider that the damage to *your car* is caused by fire or an *uninsured driver*, do not authorise any repairs, except for emergency repairs permitted under the benefit 'Emergency travel, accommodation and repairs';
- › do not admit liability or responsibility to anyone to pay for any damage unless *we* agree;
- › do not negotiate, promise, pay, make an agreement or settle a claim with anyone else unless *we* agree;

- › do not accept payment from someone who admits fault for *loss or damage* to *your car*. Refer them to *us* instead.

If you do not comply

If *you* do not comply with *your* obligations *we* can reduce or refuse *your* claim and/or recover from *you* any costs and/or any money *we* have paid and/or cancel *your policy*.

YOUR EXCESS

What is an excess?

An excess is the amount *you* have to pay for each *event* when *you* make a claim. The total excess *you* are required to pay is determined by the circumstances of *your* claim. Sometimes *you* might have to pay more than one type of excess.

You will not have to pay an excess for an *event* where *we* agree the driver of *your car* was not at fault, and *you* can give *us* the details that will enable *us* to identify the other party.

The amount and types of excesses are shown on *your policy schedule*. The different types of excesses are:

Standard excess A standard excess applies to all claims unless stated otherwise in the policy document.

Age excess This applies if a driver under 25 years of age was driving, using or in charge of *your car* at the time of the *event*. This excess is in addition to any other excess that applies.

Inexperienced driver excess This applies if an inexperienced driver was driving, using or in charge of *your car* at the time of the *event*. This excess is in addition to any other excess that applies.

An inexperienced driver is someone who is 25 years or over and has not held a driver's licence specific to the car type for at least the past 2 consecutive years.

Driver history excess This excess applies if a *listed driver* who has had their licence cancelled, suspended, disqualified or restricted prior to the start of the *period of insurance* was driving, using or in charge of *your car* at the time of the *event*. This excess is in addition to any other excess that applies. *You* must also have complied with *your duty of disclosure* about the driver history of *listed drivers*.

How to pay your excess

We may:

- › ask *you* to pay *us* the excess;
- › ask *you* to pay *your excess* to the repairer when *you* pick up *your car*;
- › deduct the excess from the amount we pay *you*; or
- › deduct the excess from the amount we pay to another person for *loss or damage* to their property.

If we request, *you* must pay the excess in full before we pay any claim, or provide any benefits under this *policy*. We will usually ask for *your excess* when *you* first lodge *your claim*. The fact that we have asked for payment of *your excess* does not of itself mean that *your claim* has or will be accepted by *us* either in whole or in part. We will not cover any legal or other costs that arise because of any delay in paying the excess.

HOW WE SETTLE YOUR CLAIM

We choose how your claim is settled

If we agree to pay a claim for *loss or damage* to, or theft of, *your car* we will decide if we will:

- › repair the damage;
- › replace the *lost or damaged* parts of *your car*;
- › pay *you* what it would cost *us* to repair or replace the *lost or damaged* parts of *your car*;
- › settle *your claim* as a *total loss*; or
- › pay *you* up to the maximum *you* are entitled to under the applicable benefit.

For benefits

If we agree to pay a claim under a benefit, we will settle *your claim* in accordance with that benefit.

For liability claims for damage to property

If *you* make a liability claim for damage to property that is covered under this *policy* we can decide to defend *you*, settle any claim against *you* or represent *you* at an inquest, official enquiry or court proceedings. If we decide to defend *you*, settle any claim against *you* or represent *you*, then *you* must give *us* all the help we need, including help after *your claim* is settled.

IF YOUR CAR IS DAMAGED

Choice of repairer

You can choose:

- › to allow us to arrange the repair of *your car* (the lifetime guarantee will apply); or
- › another repairer.

Lifetime guarantee on repairs we arrange

For repairs that we arrange through *our* approved repairers, the quality of the materials and workmanship are guaranteed for the life of *your car*, while *you* own it. If a defect arises during this time as a result of faulty materials or workmanship, then we will rectify the problem.

If your car is not safe to drive

We will arrange to move *your car* to a repair facility, or to another location nominated or agreed to by us.

If your car is safe to drive

We will arrange a time with *you* to bring *your car* into a repair facility, or to another location nominated or agreed to by us.

If you allow us to arrange the repairs

If we arrange to have *your car* repaired, we will ensure *your car* is repaired to a standard comparable to the condition of *your car* immediately before the *event*. We will keep *you* informed of the progress of the repairs and will advise *you* when *your car* is ready for collection or to be returned to *you*. The lifetime guarantee will apply to these repairs.

If you choose your own repairer

Your repairer must provide us with a quote for approval. We will authorise the repairs if we agree *your* repairer's quote is reasonable, will result in *your car* being repaired safely to the appropriate standard, and the repairer will follow appropriate health and safety standards during the repair. The lifetime guarantee will not apply.

If we don't authorise repairs

If *you* provide us with a quote from *your* repairer and we don't authorise repairs, we will pay *you* what it would have cost us to repair *your car* and the lifetime guarantee will not apply. The amount we pay is normally determined by obtaining a quote from a repairer we choose.

ABOUT THE REPAIRS

When we authorise repairs to your car we will:

- › ensure the repair work is properly carried out;
- › use new parts that are consistent with the age or condition of *your car*. These parts will meet available manufacturers' technical specifications or New Zealand approved standards;
- › only use new *original equipment parts* if *your car* is under the manufacturer's standard new car warranty period (but not under any extended dealer/manufacturer warranty period).

However, the following conditions also apply:

› **Glass repairs**

For windscreen or window glass repairs, we might use glass that is different from the original but the glass and repairs will meet New Zealand approved standards.

› **Paint**

We will take reasonable steps to match the colour of the paint on *your car*, but we do not guarantee that painted parts can be matched exactly.

› **Radiators and air conditioning**

Parts produced by genuine parts suppliers may be used in the repair of components such as radiators and air conditioners.

› **Unavailable parts**

We will only pay the last known list price provided in New Zealand or the manufacturer's country of origin, for damaged parts that are no longer manufactured or able to be supplied.

We are not responsible for costs which occur because of delays in delivery of parts. If a part is unavailable in New Zealand we will pay the cost of surface freight (not airfreight) from the nearest reasonable source of supply.

When we repair your car we will not:

- › pay extra to repair *your car* to a better standard, specification or quality than that which it was in before the *loss or damage*;
- › fix a fault or defect in *your car* that existed before the *loss or damage* occurred unless the fault or defect was from repairs we authorised;
- › pay for repairing pre-existing damage. If we agree, *you* can pay the extra cost of repairing this damage.

Contribution to repairs

You might have to contribute to the cost of repairing tyres, engines, accessories, modifications, paintwork, bodywork, radiators, batteries or interior trims which are affected by neglect, wear and tear, weathering, rust, mould, mildew or corrosion. How much *you* pay will depend on how worn these items were when the damage happened.

If *you* do not agree to pay these amounts, we will pay *you* the cost of repairs less any portion which *you* should have contributed.

IF YOUR CAR HAS BEEN STOLEN

If *your car* was stolen and is found within **14** days of it being stolen, we will pay for any damage in accordance with 'If your car is damaged'.

If *your car* is not found within **14** days after being stolen, and we agree to pay a claim for the theft of *your car*, *your car* becomes a *total loss*.

IF YOUR CAR IS A TOTAL LOSS

Your car becomes a *total loss* if:

- › it is stolen and unrecovered after **14** days;
- › the amount it would cost *us* to repair *your car* exceeds the *amount covered*;
- › the amount it would cost *us* to repair *your car* exceeds the *market value*; or
- › we decide it is uneconomical, impractical or unsafe to repair.

We will settle your *total loss* claim by paying *you* the lesser of the *market value* of *your car* or the *amount covered* shown on *your policy schedule*, less any deductions that apply.

Deductions from your total loss claim

When we pay *you* for a *total loss* claim we will deduct:

- › any excess or unpaid premium including any unpaid instalments in the *period of insurance* if *you* pay *your* premium fortnightly or monthly;
- › any outstanding road user charges or road registration.

Cars under finance

When we pay for a *total loss* claim, if a credit provider has a financial interest in *your car* then we will pay them what they are entitled to, up to the total amount that is payable to *you*. If there is any balance, we will pay this to *you*.

We own the car salvage

When we replace *your car* or pay *you* for the *total loss*, *your car* salvage, including any unexpired registration, becomes *our* property. If we ask, *you* must provide *your* written consent to help *us* collect any unexpired registration. If another party has a legal entitlement to the salvage of *your car*, then we will pay *you* or them the amount payable by *us* for the *total loss*, less *our* estimate of the salvage value, any excess and unpaid premium.

AFTER WE PAY YOUR CLAIM

Does your claim affect your cover?

If *your car* is damaged and we settle *your* claim by paying *you* the cost of repairs, we may decrease the amount of cover available for future claims from the *amount covered* stated on *your policy schedule* by the amount of the *loss or damage* to reflect the lower value of *your car* in its damaged condition. The amount of cover shall be restored as and to the extent that the damage to *your car* is repaired. This includes where *your policy* has been renewed before *you* have repaired the *loss or damage*. Before the amount of cover is restored, *you* must pay any additional premium we may charge. The amount of cover will be increased back to the amount stated on *your policy schedule* only once during the *period of insurance*, unless we confirm in writing that we will increase it more than once.

If we choose to repair *your car* or pay *you* the cost of repairs, *your policy* continues for the *period of insurance*.

If *your car* is a *total loss* all cover under *your policy* ceases and *your policy* is cancelled. There is no refund of premium. If *you* have been paying premiums by instalments, *you* must pay the rest of the remaining unpaid instalments for the *period of insurance*.

Our right to recover claims we pay from those responsible

After we pay a claim under this *policy*, we can decide to take legal action in *your* name to recover money from the person or entity who caused the *loss or damage*, or liability. *You* must give *us* all the help we need to do this. If we recover money which exceeds the amount we have paid *you* or was not part of the claim we paid, we will give this to *you*. However, where *you* receive a payment, we may ask *you* to contribute on a pro-rata basis to the costs that we have incurred in recovering the money.

4. OTHER IMPORTANT INFORMATION

WHAT HAPPENS WITH CANCELLATIONS?

Cancellation by you

You may cancel this policy at any time. If you cancel this policy, you will be refunded the unexpired portion of the premium if the refund is more than \$10. The cancellation will take effect from the time that we receive your request to cancel.

Cancellation by us

We can cancel your policy by giving you notice of cancellation. This cancellation will take effect 7 days after we advise you of the cancellation. Where we cancel with notice, you will receive a refund of the unexpired portion of premium if the refund is more than \$10.

Where:

- › *you do not provide honest, accurate or complete information in relation to a claim, including in a statement given to our agents, in a claim form or another document, or where you omit to tell us something; or*

- › *you are fraudulent in making your claim, or you exaggerate your loss or damage;*

we can cancel your policy back to the time that you gave the fraudulent, inaccurate, incomplete or exaggerated information, refuse to pay any claim and recover any money paid since that time.

If you breach your duty of disclosure by failing to give honest, accurate or complete answers to our questions or by failing to provide information that is relevant or material to our decision to enter into this policy with you, we can avoid this policy from the start date and your policy will be treated as if it had never existed. This may mean that you have to refund to us any claims that we have already paid you.

For more information about cancellation see 'Paying your premium'.

WORDS WITH SPECIAL MEANINGS

amount covered

has the meaning under 'About your amount covered' on page 4.

car

has the meaning given under 'What we cover as your car' on page 7.

event

means a single incidence, accident or occurrence which *you* did not intend or expect to happen.

insured event

means the insured events listed under the heading 'What you are covered for – insured events' on page 8. In addition, an insured event is always a single occurrence which *you* did not intend or expect to happen.

listed driver

the person or people shown on *your policy schedule* as listed drivers.

loss or damage (including lost or damaged)

means sudden physical loss or sudden physical damage from an *event*.

market value

the amount that the market would pay for the *car* or damaged parts. The market value of the *car* includes many factors such as age, make, model, kilometres travelled and general condition of the *car*. *We* may use recognised industry publications to assist *us* in calculating the amount.

original equipment parts

means parts that are manufactured anywhere in the world by, on behalf of, under licence from or with the consent (whether direct or indirect) of:

- (a) the manufacturer or supplier of *your car*;
- (b) the manufacturer or supplier of the part originally supplied with *your car* at the time the *car* was purchased;
- (c) any member of the domestic or international corporate group of which the manufacturer or supplier of *your car* or the manufacturer or supplier of the part is a member or affiliated with (including affiliation by common use of trade marks); or
- (d) any affiliate, licensee, sub-licensee, related body corporate or affiliate of any entity in (a) or (b) or (c) of this definition;

whether or not the parts or the packaging of the parts bears the trade mark or trade marks of any of the entities contemplated by (a), (b), (c) or (d) of this definition.

period of insurance

means when *your policy* starts to when it ends. It is shown on *your policy schedule*.

policy

means *your* insurance contract.

policy schedule

means the latest policy schedule we have given *you*. It is an important document as it shows the covers *you* have chosen and other *policy* details.

roadworthy/unroadworthy

means the car would pass (or in the case of unroadworthy, would not pass) a warrant of fitness inspection by a third party who is authorised to conduct the inspection.

total loss

has the meaning given under 'If your car is a total loss' on page 21.

uninsured driver

a driver is an uninsured driver if neither the driver nor the vehicle owner has motor insurance or they have insurance but it does not cover damage to *your car* at the time of the *event*.

we, our and us

means Vero Insurance New Zealand Limited.

you, your

the person or people shown as the insured on *your policy schedule*.

HOW WE WILL DEAL WITH A COMPLAINT

If *you* are not satisfied with *our* products or services or a decision made in relation to *your* insurance, please let *us* know so that *we* can help. *We* take all customer feedback seriously and would like the opportunity to resolve any issues. *We* have a complaints process that *we* will follow when *you* contact *us* about a complaint. Please refer to *your* policy documentation for details on how to contact *us*.

