

THIRD PARTY PROPERTY DAMAGE

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



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.

Make sure you remain at the scene of an accident when you are required to do so by law.



What this policy does...

COVER YOUR LIABILITY FOR DAMAGE 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 Property Damage Car Insurance

Why is this document important?

This policy document is an important legal document that contains details of the Third Party Property Damage 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.

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:

- › keep your car well maintained and in a good and roadworthy condition (e.g. replace worn out tyres, replace worn brakes and defective lights);
- › 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 a claim under this *policy* 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:

- › **\$20 million** for legal liability for damage to property;
- › the maximum that *you* are entitled to under the 'Transport cover' benefit.

GST

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

YOUR COVER

Your Third Party Property Damage Car Insurance includes:

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

What you are covered for – 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 *event* is **\$20 million**, including all associated legal costs we have agreed to pay for *your* claim.

BENEFITS

We also provide the following benefits.

All of the conditions of this *policy* apply to these benefits unless the benefit says otherwise. This includes the 'General exclusions'.

1. Transport cover

We cover

If we have agreed to pay for *loss or damage to your car* under the 'Damage by uninsured drivers' benefit and we decide to repair the damage, 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.

We may decide to make a payment under this benefit before we accept or agree to pay *your* claim for *loss or damage to your car* under the 'Damage by uninsured drivers' benefit. This does not mean that *your* claim for *loss or damage* has been accepted, or that we have agreed to pay *your* claim. If we do not accept *your* claim for *loss or damage*, *you* must repay these amounts to *us*.

Limit

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

2. 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 and we accept a claim under 'Damage by uninsured drivers'' 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*, whichever is less.

3. 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* and subject to the other limits in this *policy*, for the remainder of the *period of insurance* provided:

- › the replacement car is valued below **\$75,000**; and
- › 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*.

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 *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;

- › 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*, 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 an *uninsured driver*, do not authorise any 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 for loss or damage is settled

If we agree to pay a claim for *loss or damage* to *your car* under this *policy* 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 AND WE ACCEPT A CLAIM UNDER 'DAMAGE BY UNINSURED DRIVERS'

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 IS A TOTAL LOSS

Your car becomes a *total loss* if:

- › 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 according to the cover under the 'Damage by uninsured drivers' benefit.

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 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 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

car

has the meaning given under 'What we cover as your car' on page 6.

event

means a single incidence, accident or 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 16.

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*.

