

# COMMERCIAL MOTOR VEHICLE



## INTRODUCTION

WELCOME	Welcome to Lumley. Thank you for selecting <b>us</b> as <b>your</b> insurer.
ABOUT THIS POLICY	<p><b>Your</b> Commercial Motor Vehicle Policy consists of:</p> <ol style="list-style-type: none"><li>1. this policy document, and</li><li>2. the <b>schedule</b>, and</li><li>3. any endorsements or warranties that <b>we</b> apply, and</li><li>4. the information <b>you</b> have provided in the <b>application</b> for insurance to <b>us</b>.</li></ol>
YOUR DUTY OF DISCLOSURE	<p>When <b>you</b> apply for insurance, <b>you</b> have a legal duty of disclosure. This means <b>you</b> or anyone acting on <b>your</b> behalf must tell <b>us</b> everything <b>you</b> know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding:</p> <ol style="list-style-type: none"><li>1. to accept or decline <b>your</b> insurance, and/or</li><li>2. the cost or terms of the insurance, including the excess.</li></ol> <p><b>You</b> also have this duty every time <b>your</b> insurance renews and when <b>you</b> make any changes to it.</p> <p>Information <b>you</b> will need to disclose includes:</p> <ul style="list-style-type: none"><li>• circumstances which could increase the risk of an insurance claim;</li><li>• any criminal offences or convictions;</li><li>• any cancellation, refusal to renew insurance or imposing of special terms by another insurer;</li><li>• insurance claims <b>you</b> have made in the past.</li></ul> <p>Information you do NOT need to disclose includes:</p> <ul style="list-style-type: none"><li>• circumstances which would diminish the risk of an insurance claim;</li><li>• anything that <b>we</b> know or would be expected to know in the ordinary course of <b>our</b> business;</li><li>• anything that <b>we</b> advise <b>you</b> do not need to disclose.</li></ul> <p><i>Examples of relevant facts for Motor Vehicle insurance may include:</i></p> <ol style="list-style-type: none"><li>(a) <i>any previous traffic violations including speeding, reckless driving, drink-driving or drug driving.</i></li><li>(b) <i>any non-factory modifications (whether structural, performance or cosmetic) to an insured motor vehicle.</i></li><li>(c) <i>any change of use of an insured motor vehicle (for example a private car now used for business use)</i></li><li>(d) <i>any previous accidents, or history of your losses, whether you were insured at the time or not.</i></li></ol> <p>If <b>you</b> or anyone acting on <b>your</b> behalf breaches this duty, <b>we</b> may treat this policy</p>

	as being of no effect and to have never existed. Please ask <b>us</b> if <b>you</b> are not sure whether <b>you</b> need to tell <b>us</b> about something.
EXAMPLES	<b>We</b> have used examples and comments to make parts of this policy document easier to understand. These examples and comments are printed in <i>italics</i> and do not affect or limit the meaning of the section they refer to.
HEADINGS	The headings in this policy document are for reference only and do not form part of it. They must not be used when interpreting the policy document.
DEFINED WORDS	If a word is shown in <b>bold</b> , it has a specific meaning. There is a list of these words and what they mean in this policy in the section 'DEFINITIONS'.

## INSURANCE AGREEMENT

OUR AGREEMENT	<b>You</b> agree to pay <b>us</b> the premium and comply with this policy. In exchange, <b>we</b> agree to insure <b>you</b> as set out in this policy.
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## POLICY COVER OPTIONS

**Your vehicles** will be insured under one of the following Cover Options. The option that applies will be shown on the **schedule**.

<b>Comprehensive Cover</b>	Provides: <ol style="list-style-type: none"> <li>1. Full cover under Section 1 – Cover for the Insured Vehicle, and</li> <li>2. Full cover under Section 2 – Liability to the Public</li> </ol>
<b>Third Party, Fire and Conversion</b>	Provides: <ol style="list-style-type: none"> <li>1. Limited cover under Section 1 – Cover for the Insured Vehicle only covering <b>accidental loss</b> to the <b>insured vehicle</b> caused by: fire, lightning, explosion, theft or illegal conversion (including attempted theft or illegal conversion), and</li> <li>2. Loss covered in Section 1 – Automatic Extensions- Uninsured Third Party Protection, and</li> <li>3. Full cover under Section 2 – Liability to the Public.</li> </ol>
<b>Third Party Only</b>	Provides: <ol style="list-style-type: none"> <li>1. Full cover under Section 2 – Liability to the Public.</li> </ol>

## WHEN COVER APPLIES

There is only cover under this policy when any **vehicle** insured under this policy is being used:

1. for **your** business or occupation as advised to **us** prior to inception of this policy or any renewal, or
2. for **your** private, social or domestic purposes, or
3. for a business or occupation comparable with **your** business or occupation as above, when hired, rented or lent out by **you**, with or without a **driver**, provided that:
  - (a) all policy terms and conditions are observed at the time that any **loss** to the **insured vehicle** occurs, and
  - (b) there is no other insurance which covers the **loss**.

There is no cover under this policy when any **vehicle** insured under this policy is used on a race track, or for pace making, reliability trials, hill climbs or speed tests, or while being used in preparation for any one of these activities.

## SECTION 1: COVER FOR THE INSURED VEHICLE

### Cover

**We** will insure **you** for **accidental loss** to an **insured vehicle** occurring anywhere in New Zealand, including transit between islands of New Zealand, during the **period of insurance**.

## SECTION 1: AUTOMATIC POLICY EXTENSIONS

In addition to the cover under 'Section 1: Cover for the Insured Vehicle', **we** also provide the following Automatic Policy Extensions.

These extensions apply automatically where **you** have:

1. Comprehensive cover option shown in the **schedule**; or
2. Third Party Fire and Conversion cover option shown in the **schedule** and there is a claim under Section 1 of this policy for fire or theft of the **insured vehicle**; and
3. There is a valid claim under 'Section 1: Cover for the Insured Vehicle', unless specified otherwise.

These extensions are otherwise subject to the terms and exclusions of the policy.

Where a limit is specified in the extension, this is in addition to the maximum liability under 'Section 1: Basis of

	Settlement'. Otherwise, any payment under an extension is subject to the maximum amount payable under 'Section 1: Basis of Settlement'.
<b>Appreciation - Mechanical Plant</b>	<p>Section 1 is extended to cover <b>you</b> for appreciation of the <b>market value</b> of the <b>mechanical plant</b> specified in the <b>vehicle declaration</b> as a result of <b>loss</b> covered under Section 1, subject to the following:</p> <p>(a) The specified <b>market value</b> of the <b>mechanical plant</b> was correct at the time of inception or renewal of this policy, and</p> <p>(b) The appreciation shall be of no greater than 25% of the value specified in the <b>vehicle declaration</b>.</p>
<b>Car sharing agreement</b>	Payment made by passengers as part of a car sharing/pooling agreement does not constitute the conveyance of passengers for hire or reward.
<b>Claim preparation costs</b>	<p>This policy covers reasonable and necessarily incurred costs (other than <b>your</b> own internal costs) in having a claim prepared for a <b>loss</b> covered under Section 1, or proving that a <b>loss</b> is a claim under Section 1 (but not costs incurred in disputing the claim if it is declined).</p> <p>The most <b>we</b> will pay under this extension is \$5,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p>
<b>Completion of journey costs</b>	<p>When, as a result of a <b>loss</b> covered under Section 1, <b>your</b> journey cannot be continued, this policy covers <b>your</b> reasonable costs incurred in:</p> <p>(a) hiring another <b>vehicle</b> of similar make and model to complete the journey, or to return <b>you</b> or <b>your driver</b> to where the journey first commenced; and</p> <p>(b) returning the <b>insured vehicle</b> to the premises where it is normally based following its repair, or the cost of recovering it in the event of theft or conversion.</p> <p>The most <b>we</b> will pay under this extension is \$10,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p>
<b>Death by Accident</b>	If the <b>driver</b> of the <b>insured vehicle</b> dies as a result of an <b>accident</b> covered by this policy, whether or not death occurs at the time of the <b>accident</b> , <b>we</b> will pay \$10,000

	<p>to <b>you</b>, regardless of any other insurance.</p> <p>The most <b>we</b> will pay under this extension is \$10,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p>
<b>Disability Modifications</b>	<p>If <b>you</b> or one of <b>your</b> employees is injured as a direct result of <b>accident</b> covered under Section 1, and this results in permanent disability which necessitates <b>vehicle</b> modifications (e.g. hand controls), Section 1 covers the reasonable cost of these modifications to any one <b>vehicle</b>.</p> <p>However, <b>we</b> are only liable for the amount in excess of any amount payable by the Accident Compensation Corporation, or any other insurer and the most <b>we</b> will pay under this extension is \$10,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p>
<b>Employees' Vehicles</b>	<p>Section 1 is extended to cover <b>vehicles</b> owned by <b>your</b> employees that are used in the course of <b>your</b> business, but only if this business use results in <b>your</b> employee's personal <b>vehicle</b> insurance no longer applying and the employee using the <b>vehicle</b> meets all of the same terms of this policy that <b>you</b> must meet.</p>
<b>Expediting Expenses</b>	<p>This policy is extended to cover <b>you</b> for the reasonable costs of express freight including airfreight and overtime to expedite repairs to the <b>insured vehicle</b> as a result of <b>loss</b> covered under Section 1 of this policy.</p>
<b>First Aid Kits</b>	<p>In the event of an <b>accident</b> covered under Section 1 of this policy, <b>we</b> will pay to replace or restock any first aid kits or equipment in the <b>vehicle</b> damaged or used as a result of that <b>accident</b>.</p>
<b>Funeral Expenses</b>	<p>If a <b>driver</b> dies as the direct result of an <b>accident</b> covered by this policy, whether or not death occurs at the time of the <b>loss</b>, this policy covers all funeral expenses associated with the burial or cremation of the <b>driver</b>, in addition to any amount payable by the Accident Compensation Corporation or any other insurer.</p> <p>This policy also covers any travel costs within New Zealand of the deceased <b>driver's</b> immediate family (e.g. <i>parents, spouse or partner, children, or siblings</i>) necessarily incurred as a result of attending the funeral.</p> <p>The most <b>we</b> will pay under this extension is \$10,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p>

<p><b>Goods in Transit</b></p>	<p>If an <b>insured vehicle</b> suffers <b>loss</b> arising from:</p> <ul style="list-style-type: none"> <li>(a) fire, or</li> <li>(b) collision, or</li> <li>(c) impact, or</li> <li>(d) overturning, or</li> <li>(e) being stolen,</li> </ul> <p>which is covered under Section 1, this extension covers <b>loss</b> to goods owned by <b>you</b> carried on or in the <b>insured vehicle</b> at the time of the <b>loss</b>.</p> <p>The most <b>we</b> will pay under this extension is \$10,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p> <p>An <b>excess</b> of \$100 applies to any claim under this extension.</p>
<p><b>Hired Use</b></p>	<p>The cover provided by this policy will continue to apply where there is periodic hiring out of any <b>insured vehicle</b>, with or without drivers, provided that:</p> <ul style="list-style-type: none"> <li>(a) all policy terms and conditions are observed at the time that any <b>loss</b> to the <b>insured vehicle</b> occurs; and</li> <li>(b) there is no other insurance which covers the <b>loss</b>; and</li> <li>(c) use by the hirer is comparable with <b>your</b> business or occupation.</li> </ul> <p>Section 1: Exclusions – Hired Vehicles, applies.</p>
<p><b>Hoists, hydraulic lifts and rams</b></p>	<p>Section 1 covers mechanical breakdown or mechanical failure of any hoists or hydraulic rams permanently attached to the <b>insured vehicle</b>, where such failure or breakdown is not due to wear and tear.</p> <p>Section 1: Exclusions - Vehicle Parts, does not apply to this extension.</p> <p>The most <b>we</b> will pay under this extension is \$10,000 for any one <b>event</b> unless a different amount is shown in the <b>schedule</b>.</p> <p>An <b>excess</b> of \$500 applies for any claim under this extension.</p>
<p><b>Keys and Locks</b></p>	<p>Where any key giving access to the <b>insured vehicle</b> is lost, stolen or believed on reasonable grounds to have been duplicated without <b>your</b> permission during the <b>period of insurance</b>, <b>we</b> will cover the costs reasonably incurred in replacing that key and altering or replacing the locking mechanism.</p>

	<p>The most <b>we</b> will pay under this extension is \$5,000 for any one claim to one <b>insured vehicle</b> or \$20,000 any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p> <p>An <b>excess</b> of \$250 applies for any one claim under this extension.</p>
<b>Lease Value</b>	<p>If the <b>insured vehicle</b> is leased and becomes a <b>total loss</b> following an <b>event</b> covered under Section 1 of this policy, <b>we</b> will pay the greater of the reasonable <b>market value</b> or <b>residual value</b> of the <b>insured vehicle</b>. This does not include:</p> <ul style="list-style-type: none"> <li>(a) penalties for early termination, or</li> <li>(b) penalties for any additional distance travelled, or unpaid obligations under the lease at the time of the <b>loss</b>, or</li> <li>(c) penalties resulting from lack of servicing or poor maintenance, or</li> <li>(d) 'balloon' payments, or</li> <li>(e) the amount by which the <b>residual value</b> of the <b>insured vehicle</b> exceeds 120% of its <b>market value</b>.</li> </ul>
<b>Load Recovery</b>	<p>Section 1 of this policy is extended to cover the reasonable costs incurred in salvaging any load carried by an <b>insured vehicle</b> which has spilled onto a road, carriageway or parking area. This includes the reasonable costs of reloading or trans-shipping the load to the nearest place of safe storage.</p> <p>The most <b>we</b> will pay under this extension is \$25,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p>
<b>Mutually Acceptable Assessors</b>	<p>An assessor mutually agreed upon by <b>us</b> and <b>you</b> will assess any <b>loss</b> under this policy.</p>
<b>New Replacement Vehicle</b>	<p>If a car, station wagon, utility, van or four wheel drive <b>vehicle</b> under 3,500kgs owned or leased by <b>you</b> becomes a <b>total loss</b> following an <b>event</b> covered under Section 1 of the policy within 12 months of it being first registered as a new <b>vehicle</b> in New Zealand, <b>we</b> will either:</p> <ul style="list-style-type: none"> <li>(a) provide a new replacement <b>vehicle</b> of the same make, model and specification, or</li> <li>(b) if a new replacement is not available, pay the price for which such a <b>vehicle</b> was last available in New Zealand.</li> </ul>

	<p>If <b>you</b> elect not to have the <b>insured vehicle</b> replaced in accordance with this extension, <b>we</b> will indemnify <b>you</b> in accordance with Section 1: Basis of Settlement clause below.</p>
<b>Relief Driver Costs</b>	<p>If as the result of an <b>accident</b> involving the <b>insured vehicle</b> following an <b>event</b> covered under Section 1 of this policy, <b>your driver</b> is</p> <p>(a) injured and unable to return to work; or</p> <p>(b) temporarily stood down for counselling purposes (<i>such as for counselling following a fatal accident</i>),</p> <p><b>you</b> are covered for the reasonable and necessarily incurred costs of employing a relief driver to continue <b>your</b> business.</p> <p>The most <b>we</b> will pay under this extension:</p> <ol style="list-style-type: none"> <li>1. for any single day is \$250, and</li> <li>2. in total for any one <b>event</b> is \$5,000, unless a different amount is specified in the <b>schedule</b>.</li> </ol>
<b>Repair Authorisation</b>	<p><b>You</b> may authorise any reasonable repairs for <b>loss</b> to an <b>insured vehicle</b> up to a maximum of \$2,500 without prior notice to <b>us</b>.</p> <p>If the estimated repair costs exceed this amount, repairs must not be commenced without <b>our</b> consent or <b>our</b> assessor's consent. <b>We</b> or <b>our</b> assessor must be given the opportunity of examining the <b>loss</b> to the <b>insured vehicle</b> prior to repair.</p>
<b>Rewards</b>	<p>This extension covers any reward offered with <b>our</b> prior approval, to successfully secure the return of an <b>insured vehicle</b> that has been stolen if the theft is covered under Section 1 of this policy.</p> <p>The most <b>we</b> will pay under this extension is \$5,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p>
<b>Salvage, Safety and Security</b>	<p>This extension covers the reasonable costs incurred in salvaging or recovering the <b>insured vehicle</b>, including the costs of ensuring its safety, security and delivery to a place of suitable repair or inspection, following a <b>loss</b> insured by Section 1 of this policy.</p> <p><b>We</b> will also cover the reasonable costs of storage of the <b>insured vehicle</b> after a claim for <b>loss</b> has been lodged and which has been accepted by <b>us</b>.</p>
<b>Signwriting</b>	<p>When the <b>insured vehicle</b> suffers <b>loss</b> covered by Section 1 of this policy and that <b>loss</b> is repairable, <b>we</b> will pay the reasonable cost of reinstatement of signwriting,</p>

	<p>artwork, wraps and or graphics existing at the time of <b>loss</b>.</p> <p>Where the <b>insured vehicle</b> suffers <b>loss</b> covered by Section 1 of this policy and is a <b>total loss</b>, <b>we</b> will pay the reasonable cost to have a replacement vehicle sign written to an equivalent standard and the amount payable under this extension will be additional to the <b>market value</b> of the <b>insured vehicle</b> provided that:</p> <p>(a) The <b>market value</b> plus the value of the replacement signwriting does not exceed the <b>insured vehicle's</b> value as provided in the <b>vehicle declaration</b>; and</p> <p>(b) The value of the signwriting does not exceed \$10,000 per <b>insured vehicle</b>.</p>
<p><b>Tarpaulins, Sheets, Ropes</b></p>	<p>This extension covers <b>loss</b> to tarpaulins, sheets, ropes, twitches or chains whilst in or on the <b>insured vehicle</b>. The most <b>we</b> will pay under this extension is \$5,000 for any one <b>event</b>, and an <b>excess</b> of \$250 applies.</p> <p>Where the <b>insured vehicle</b> suffers a <b>total loss</b>, the amount payable under this extension is in addition to the amount payable for the <b>loss</b> to the <b>insured vehicle</b>.</p>
<p><b>Theft Costs</b></p>	<p>If a <b>loss</b> caused by theft of the <b>insured vehicle</b> is covered under Section 1, this extension covers the reasonable costs incurred by <b>you</b> of hiring another <b>vehicle</b> of a similar make and model provided that:</p> <p>(a) <b>you</b> make all reasonable efforts to purchase a replacement <b>vehicle</b> as soon as possible; and</p> <p>(b) the period of cover for the extension begins at the date the <b>insured vehicle</b> is stolen and ends when <b>we</b> have settled the claim in full or the <b>insured vehicle</b> is recovered and is not a <b>total loss</b>, and;</p> <p>(c) the cost of the first 7 days of hire is not covered; and</p> <p>(d) This extension does not cover costs charged by the hire company for insurance, petrol or normal running costs.</p> <p>The most <b>we</b> will pay under this extension is \$5,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p>
<p><b>Tyre Damage</b></p>	<p>Section 1 of this policy is extended to cover <b>loss</b> during the <b>period of insurance</b> to any tyre (including its inner tube) or tracks fitted to an <b>insured vehicle</b> not principally used for driving on public roads, regardless of whether there has been <b>loss</b> to any other part of the <b>insured vehicle</b> or not.</p> <p><b>We</b> will indemnify <b>you</b> by either:</p> <p>(a) repairing the damage; or</p>

	<p>(b) paying an amount equal to the reasonable cost of repair; or</p> <p>(c) replacing the tyre or tracks; or</p> <p>(d) paying an amount equal to the value of the tyre or tracks.</p> <p>The most <b>we</b> will pay under this extension is the purchase price of a new replacement tyre or tracks, less a reasonable deduction for the use and wear and tear on the damaged tyre or tracks. The most <b>we</b> will pay for all claims under this extension during the <b>period of insurance</b> is \$5,000.</p> <p>No <b>excess</b> applies to claims under this extension.</p> <p>Section 1: Exclusion – Tyres, does not apply to this extension.</p>
<p><b>Uninsured Third Party Protection</b></p>	<p><b>You</b> are covered for any uninsured losses (including any <b>excess</b>) caused by an identifiable and uninsured driver of another <b>vehicle</b> occurring in New Zealand during the <b>period of insurance</b>, provided that:</p> <p>(a) full liability is admitted by that third party, or <b>you</b> have provided <b>us</b> with evidence establishing liability of that third party, and</p> <p>(b) <b>you</b> supply <b>us</b> with enough information to identify the third party (<i>such as the correct registration, their name and address</i>).</p> <p>The most <b>we</b> will pay under this extension for any one <b>insured vehicle</b> for any one <b>event</b> is \$5,000.</p>
<p><b>Windscreens and Window Glass</b></p>	<p><b>You</b> are insured for <b>loss</b> to windscreens, sunroof, headlights, tail lights, indicator light glass, mirror glass or window glass (including scratching or damage to bodywork resulting solely from broken glass).</p> <p>Where there was tinting or signwriting affixed to any of the above, <b>we</b> will also pay to have the tinting or signwriting reinstated on that part that suffered the <b>loss</b>, however <b>we</b> will not pay for any costs associated with joining or associated tinting or signwriting on other parts of the <b>insured vehicle</b> under this extension.</p> <p>No <b>excess</b> applies to this extension, unless otherwise shown in the <b>schedule</b>.</p>

## SECTION 1: OPTIONAL POLICY EXTENSIONS

These optional extensions only apply where specified in the **schedule**. They are subject to the terms and exclusions of the policy.

<p><b>Agreed Value</b></p>	<p>In the event of a <b>total loss</b> covered under Section 1, <b>we</b> will pay the amount specified in the <b>schedule</b>.</p>
<p><b>Goods and Service Vehicles - Additional Cover</b></p>	<p>When an <b>insured vehicle</b> is a <b>total loss</b>, <b>we</b> will contribute to the de-installation/re-installation costs associated with <b>loss</b> to LPG, CNG units, in-vehicle cameras, meters and the like.</p> <p>The most <b>we</b> will pay under this extension is \$2,500 per <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p>
<p><b>Ingestion or Entanglement of Foreign Objects</b></p>	<p><b>We</b> will cover <b>you</b> for <b>loss</b> resulting from entanglement or ingestion of any foreign object into any mulching, chipping or agricultural implement or machine, provided this occurs whilst the <b>insured vehicle</b> is being operated for the purpose for which it was designed, and the <b>insured vehicle</b> is being used in conjunction with the agricultural implement or machine.</p> <p>Section 1: Exclusions – Ingestion and Entanglement of Foreign Objects, does not apply to this Optional Policy Extension.</p>
<p><b>Loss of Use</b></p>	<p>If <b>loss</b> to an <b>insured vehicle</b> covered under Section 1 prevents <b>you</b> from using it, this extension covers the reasonable cost of <b>you</b> hiring a substitute <b>vehicle</b> of a similar specification to the <b>insured vehicle</b> during the Period of Cover (as defined below) subject to the following:</p> <ul style="list-style-type: none"> <li>(a) It only applies to the <b>insured vehicle(s)</b> stated in the <b>schedule</b> as being subject to this extension;</li> <li>(b) The extension does not apply if <b>you</b> have available a free substitute <b>vehicle</b> or once <b>you</b> purchase an additional <b>vehicle</b>;</li> <li>(c) The repair of the <b>insured vehicle</b> must be carried out as soon as reasonably practicable;</li> <li>(d) This extension does not cover costs charged by the hire company for insurance, petrol or normal running costs; and</li> <li>(e) This extension does not apply if <b>you</b> have made a claim under Section 1: Automatic Policy Extensions - Theft Costs.</li> </ul> <p>If no <b>vehicle</b> of a similar make, model and specification is available for hire (<b>you</b> having consulted with <b>us</b> as to availability of such a <b>vehicle</b>), subject to the</p>

	<p>application of all other terms of this extension, <b>we</b> will pay to <b>you</b> the daily rate shown in the <b>schedule</b> for the Period of Cover subject to the following terms.</p> <p>The most <b>we</b> will pay under this extension for any one <b>insured vehicle</b> is the limit stated in the <b>schedule</b>. The maximum Period of Cover for any one <b>insured vehicle</b> is 90 days. An <b>excess</b> equal to the cost of the first 7 days hire applies to all claims under this extension.</p> <p>In this extension, 'Period of Cover' means the period:</p> <p>(a) Beginning;</p> <p style="padding-left: 40px;">(i) When the <b>insured vehicle</b> is delivered to a repairer agreed to by <b>us</b> to start the repair; or</p> <p style="padding-left: 40px;">(ii) The date of the <b>loss</b>, if the <b>insured vehicle</b> cannot be driven, or is deemed a <b>total loss</b> at that date; and</p> <p>(b) Ending:</p> <p style="padding-left: 40px;">(i) in the case of repair, when the repairs are completed and the <b>insured vehicle</b> is available to be collected or delivered, or</p> <p style="padding-left: 40px;">(ii) in the case of a <b>total loss</b>, when we have settled <b>your</b> claim under Section 1 in full, or</p> <p style="padding-left: 40px;">(iii) when <b>you</b> have returned the substitute hire <b>vehicle</b>,</p> <p>whichever occurs first.</p>
<p><b>Portable Electronic Equipment</b></p>	<p><b>We</b> will cover <b>you</b> for <b>accidental loss</b> to other property specified in the <b>schedule</b>. <b>We</b> will pay the reasonable replacement cost of the other property. The most <b>we</b> will pay under this extension for any one <b>event</b> is the limit shown on the <b>schedule</b>.</p> <p>An <b>excess</b> of 10% of the sum insured with a minimum of \$250 applies to any claim under this extension including where the cause of <b>loss</b> is theft.</p> <p>Where the <b>insured vehicle</b> suffers a <b>total loss</b>, the amount payable under this extension is in addition to the basis of settlement of the <b>loss</b> of the <b>insured vehicle</b> itself.</p>
<p><b>Taxi's – Additional Cover</b></p>	<p>(a) De-installation/ Re-installation:</p> <p>When an <b>insured vehicle</b> is a <b>total loss</b>, <b>we</b> will contribute to the de-installation/ re-installation costs associated with <b>loss</b> to LPG, CNG units, in-vehicle cameras,</p>

	<p>meters and the like.</p> <p>The most <b>we</b> will pay under this extension is \$2,500, unless a different amount is shown in the <b>schedule</b>.</p> <p>(b) Employee and passenger effects:</p> <p><b>We</b> will cover <b>accidental loss</b> of passenger's baggage and employee's personal effects if the <b>loss</b> occurs during the <b>driver's</b> paid shift period and the items are not covered under any other insurance policy.</p> <p>The most <b>we</b> will pay under this extension is \$2,500, unless a different amount is shown in the <b>schedule</b>.</p>
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## SECTION 1: EXCLUSIONS

The following exclusions apply only to Section 1. The General Policy Exclusions also apply to Section 1 of this policy.

<b>Consequential Loss</b>	<p>This policy does not insure;</p> <p>(a) loss of use of any kind whatsoever, or costs or expenses that result from that loss of use, unless expressly insured under Section 1, or the Automatic or Optional Extensions applicable to Section 1; or</p> <p>(b) depreciation or reduction in value.</p>
<b>Drilling Equipment</b>	<p>This policy does not insure <b>loss</b> to any drill shaft or bit of any type of drilling rig or machinery whilst being used for the purpose of drilling below ground or surface level.</p>
<b>Hired Vehicles</b>	<p>This policy does not insure <b>loss</b> resulting from theft or conversion of the <b>insured vehicle</b> by a person to whom the <b>insured vehicle</b> has been hired, rented or lent by <b>you</b>.</p>
<b>Ingestion or Entanglement of Foreign Objects</b>	<p>This policy does not insure <b>loss</b> connected with entanglement, ingestion or entry of any foreign object into any mulching, chipping or agricultural implement or machine.</p>
<b>Tyres</b>	<p>This policy does not insure damage to or destruction of tyres. However this exclusion will not apply if the damage or destruction results from separate <b>loss</b> that is covered by this policy.</p>

<p><b>Vehicle Parts</b></p>	<ol style="list-style-type: none"> <li>1. This policy does not insure <b>loss</b> to the following parts of an <b>insured vehicle</b>: <ol style="list-style-type: none"> <li>(a) engine and all engine parts,</li> <li>(b) cooling systems, including but not limited to radiators, heat exchangers, cooling fans, pressure caps, water pumps, thermostats and hoses,</li> <li>(c) hydraulic system, including but not limited to shock absorbers and suspension systems,</li> <li>(d) transmission system, including but not limited to gearbox, drive shafts, axles, differentials, clutches, and wheel hubs,</li> <li>(e) fuel systems,</li> <li>(f) braking systems,</li> <li>(g) electrical/electronic systems, computer systems, and mechanical systems,</li> <li>(h) pumping and vacuuming systems,</li> <li>(i) any fixed plant machinery (including but not limited to food /drink preparation equipment),</li> <li>(j) underground exploratory devices.</li> </ol> </li> <li>2. However, this exclusion does not apply to <b>loss</b> that is the direct result of: <ol style="list-style-type: none"> <li>(a) fire,</li> <li>(b) the <b>insured vehicle</b> or a conveying <b>vehicle</b> overturning,</li> <li>(c) the <b>insured vehicle</b> suffering an impact or collision with an external object,</li> <li>(d) the <b>insured vehicle</b> being partly or fully immersed in a body of water,</li> <li>(e) the <b>insured vehicle</b> being stolen or converted,</li> <li>(f) the <b>insured vehicle</b> being maliciously damaged,</li> <li>(g) the <b>insured vehicle</b> being accidentally operated with the incorrect fuel type (<i>e.g. diesel in a petrol engine or petrol in a diesel engine</i>). This does not include operating the <b>insured vehicle</b> with fuel of the correct type which is contaminated,</li> <li>(h) hail, snow, storm or lightning,</li> <li>(i) <b>natural disaster</b>,</li> <li>(j) impact or damage by animals.</li> </ol> </li> </ol>
<p><b>Wear and Tear</b></p>	<p>This policy does not insure <b>loss</b> caused by or in connection with:</p> <ol style="list-style-type: none"> <li>(a) wear and tear; or</li> <li>(b) rust or corrosion; or</li> <li>(c) the <b>insured vehicle's</b> faulty or defective design, specification or materials.</li> </ol> <p>However, this exclusion is limited to the part immediately affected and does not apply to any resultant <b>loss</b> to any other part of the <b>insured vehicle</b>.</p>

## SECTION 1: BASIS OF SETTLEMENT

### Basis of Settlement

1. **We** will, at **our** option, settle **your** claim for **loss** in one of the following ways:
  - (a) pay the reasonable cost of repairs to the **insured vehicle**; or
  - (b) pay the cash equivalent of the reasonable cost of repairs to the **insured vehicle**; or
  - (c) replace the **insured vehicle**; or
  - (d) pay the **market value** of the **insured vehicle** or the value stated in the **vehicle declaration**, whichever is the lesser; or
  - (e) if any **insured vehicle** is subject to the Agreed Value option shown in the **schedule** then in the event of a **total loss**, **we** will pay the Agreed Value sum shown in the **schedule**, or
  - (f) if the **insured vehicle** is hired, rented, or borrowed or loaned without financial or other consideration (*for example a motor mechanic or panel beater's loan vehicle*) **we** will pay the **market value** of that vehicle to a maximum of \$250,000.
  - (g) if the **insured vehicle** is leased at the time of the **loss**, **we** will pay the greater of the **market value** or **residual value** of the **insured vehicle**. This does not include:
    - (i) penalties for early termination; or
    - (ii) penalties for any additional distance travelled; or
    - (iii) unpaid obligations under the lease at the time of the **loss**; or
    - (iv) penalties resulting from lack of servicing or poor maintenance; or
    - (v) 'balloon' payments; or
    - (vi) the amount by which the **residual value** of the **insured vehicle** exceeds 120% of its **market value**.
  - (h) indemnify **you** in accordance with the terms of the Automatic Extension - New Replacement Vehicle.
2. Unless specified elsewhere in this policy, the maximum amount **we** will pay is:
  - (a) the **market value** of the **insured vehicle**; or

	<p>(b) the value stated in the <b>vehicle declaration</b> for the <b>insured vehicle</b>, whichever is the lesser.</p> <p>3. <b>We</b> are not liable for that portion of any repair or replacement that improves the condition of the <b>insured vehicle</b> beyond its condition before the <b>loss</b>.</p> <p>4. If any part or component of the <b>insured vehicle</b> is no longer manufactured, <b>we</b> are not liable for more than the supplier's or manufacturer's list price. Where no such list price applies, the most <b>we</b> will pay will be the lesser of:</p> <ul style="list-style-type: none"> <li>(a) the price of the part's closest New Zealand equivalent; or</li> <li>(b) the last known list price in New Zealand; or</li> <li>(c) the cost of making a new part.</li> </ul> <p>5. The <b>excess</b> shown in the <b>schedule</b> and any <b>excess</b> payable under any Section 1: Automatic Policy Extension or Section 1: Optional Policy Extension will be deducted from the amount of the <b>loss</b> for each <b>event</b>.</p> <p>Where the cause of <b>loss</b> is theft or fire (fire not resulting from impact) to the <b>insured vehicle</b>, no <b>excess</b> will apply to the Section 1 claim unless stated in the schedule or payable under any Section 1: Automatic Policy Extension or Section 1: Optional Policy Extension.</p> <p>If more than one <b>insured vehicle</b> suffers <b>loss</b> from a single <b>event</b>, only one <b>excess</b> shown in the <b>schedule</b> will apply, being the highest <b>excess</b>, together with any <b>excess</b> payable under any Section 1: Automatic Policy Extension or Section 1: Optional Policy Extension.</p>
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## SECTION 2: LIABILITY TO THE PUBLIC

<b>Cover</b>	<p><b>We</b> will insure <b>you</b> against the following:</p> <ol style="list-style-type: none"> <li>1. <b>your</b> liability for: <ul style="list-style-type: none"> <li>(a) <b>accidental bodily injury</b> to any person; or</li> <li>(b) <b>accidental loss</b> to any property,</li> </ul> <p>occurring in New Zealand during the <b>period of insurance</b> and arising from the use of an <b>insured vehicle</b> (including whilst being loaded or unloaded).</p> </li> <li>2. <b>your</b> liability for:</li> </ol>
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	<p>(a) <b>accidental bodily injury</b> to any person; or</p> <p>(b) <b>accidental loss</b> to any property;</p> <p>occurring in New Zealand during the <b>period of insurance</b> and arising from an <b>event</b> in connection with the movement by <b>you</b> of any <b>vehicle</b> which:</p> <p>(i) is parked in a position which prevents or impedes the loading or unloading of the <b>insured vehicle</b>; or</p> <p>(ii) prevents or impedes the legitimate passage of the <b>insured vehicle</b>.</p> <p>Section 2: Exclusion - Property in Care, Custody or Control will not apply to the vehicle being moved.</p> <p>3. <b>your</b> liability for:</p> <p>(a) <b>accidental bodily injury</b> to any person; or</p> <p>(b) <b>accidental loss</b> to any property;</p> <p>occurring in New Zealand during the <b>period of insurance</b> and arising from an <b>event</b> in connection with the <b>insured vehicle</b> being used in accordance with the <b>permitted use</b>, for the purpose of towing any one trailer or caravan, or any one incapacitated <b>vehicle</b>, while attached to the <b>insured vehicle</b>. However, the towing must not be for hire or reward.</p> <p>4. Legal defence costs and expenses reasonably and necessarily incurred, provided that they are incurred:</p> <p>(a) to defend any civil proceeding (or threat of a civil proceeding) brought against <b>you</b>,</p> <p>(b) in respect of any alleged liability that, if proven, would be covered under Section 2 of this policy,</p> <p>(c) provided that those costs are incurred with <b>our</b> consent.</p> <p><b>We</b> will meet these costs even if the civil proceeding seems groundless.</p>
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## SECTION 2: AUTOMATIC POLICY EXTENSIONS

In addition to the cover under 'Section 2: Liability to the Public' above, **we** also provide the following Automatic Policy Extensions.

They are subject to the terms and exclusions of the policy.

<p><b>Airside Liability</b></p>	<p>Section 2 is extended to cover <b>your</b> liability arising out of the ownership, operation or maintenance of any <b>vehicles</b> within the restricted area of any airport used for scheduled commercial flights.</p> <p>The most <b>we</b> will pay under this automatic extension for any <b>event</b> is \$1,000,000, unless a different amount is shown in the <b>schedule</b>.</p> <p>Section 2: Exclusions – Airside Liability' does not apply to claims under this extension.</p>
<p><b>Cleaning up Costs</b></p>	<p>Section 2 is extended to cover all costs lawfully charged by any local government body or authority, the New Zealand Fire Service, or any other entity for cleaning or restoring the site of an accident following <b>loss</b>, which is covered under Section 1 of this policy.</p> <p>The most <b>we</b> will pay under this extension is \$50,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p> <p>An <b>excess</b> of \$500 for each <b>event</b> applies to claims under this extension.</p>
<p><b>Criminal Court Action/Inquiries/Inquests</b></p>	<p>Section 2 is extended to cover to cover legal costs and expenses necessarily and reasonably incurred to:</p> <ul style="list-style-type: none"> <li>(a) defend a charge of manslaughter, or dangerous driving causing death or careless driving causing death, and</li> <li>(b) for legal representation at any inquiry or coroner's inquest in connection with the death;</li> </ul> <p>resulting from any person covered under Section 2 of this policy using a <b>vehicle</b> insured under this policy.</p> <p>The most <b>we</b> will pay under this automatic extension for any <b>event</b> is \$5,000.</p> <p>Section 2: Exclusions – Criminal Offences does not apply to claims under this extension.</p>

<p><b>Driver's Indemnity</b></p>	<p>Section 2 is extended to cover the legal liability and legal costs and expenses of any other person caused by or through or in connection with their use of an <b>insured vehicle</b> or a <b>vehicle</b> covered under Section 1: Automatic Extensions – Employee's Vehicles', in the same manner as <b>we</b> cover <b>you</b>, provided:</p> <ul style="list-style-type: none"> <li>(a) such <b>use</b> has <b>your</b> permission, and</li> <li>(b) their liability is not covered by any other insurance, and</li> <li>(c) the person <b>using</b> the <b>insured vehicle</b> meets all the same terms of this policy that <b>you</b> must meet.</li> </ul>
<p><b>Exemplary Damages</b></p>	<p>Section 2 is extended to indemnify <b>you</b> and any <b>driver</b> who is in charge of the <b>insured vehicle</b> with <b>your</b> consent against liability for punitive or exemplary damages for:</p> <ul style="list-style-type: none"> <li>(a) <b>accidental bodily injury</b>, or</li> <li>(b) <b>accidental loss</b> to any property</li> </ul> <p>arising from an <b>accident</b> in connection with the <b>insured vehicle</b> (including whilst being loaded or unloaded) which occurs in New Zealand during the <b>period of insurance</b>.</p> <p>The most <b>we</b> will pay under this extension is \$500,000 for any one claim, or series of claims arising from one <b>accident</b>, and \$1,000,000 in the aggregate for all claims during the <b>period of insurance</b>, unless different amounts are shown in the <b>schedule</b>.</p> <p>In addition to any other policy <b>excess</b>, each claim under this extension will be subject to an <b>excess</b> of 10% of any sum for which <b>you</b> or the <b>driver</b> is found legally liable. However, a minimum <b>excess</b> of \$5,000 applies to each claim.</p> <p>There is no indemnity under this extension:</p> <ul style="list-style-type: none"> <li>(i) arising from any dishonest, fraudulent or malicious act or omission by <b>you</b> or anyone acting on <b>your</b> behalf; or</li> <li>(ii) arising from any claim first notified to <b>you</b> but not notified to <b>us</b> within six months of that date.</li> </ul> <p>Section 2: Exclusions – Exemplary Damages does not apply to claims under this extension.</p>
<p><b>Financial Charge</b></p>	<p>Section 2 covers the balance of any outstanding charge on an <b>insured vehicle</b> where:</p>

	<p>(a) the <b>insured vehicle</b> is purchased during the <b>period of insurance</b>; and</p> <p>(b) the <b>insured vehicle</b> suffers <b>loss</b> which is covered under Section 1 of the policy; and</p> <p>(c) <b>you</b> have made proper enquires in relation to the existence of any charge before making the purchase; and</p> <p>(d) <b>you</b> are liable to pay the outstanding charge.</p> <p>The most <b>we</b> will pay under this extension is \$5,000 for any one <b>insured vehicle</b>, unless a different amount is shown in the <b>schedule</b>.</p>
<p><b>Forest and Rural Fires</b></p>	<p>Section 2 covers <b>your</b> liability under the Forest and Rural Fires Act 1977 for:</p> <p>(a) costs and losses imposed on <b>you</b> by the Fire Authority or the New Zealand Fire Service under section 43;</p> <p>(b) levies imposed by a Fire Authority on <b>you</b> under sections 46 and 46A;</p> <p>arising out of or in connection with an <b>accident</b> with the <b>insured vehicle</b> during the <b>period of insurance</b>.</p> <p>The most <b>we</b> will pay under this extension is \$500,000 for any <b>event</b> unless a different amount is shown in the <b>schedule</b>.</p>
<p><b>Hazardous Substance Emergency</b></p>	<p>Section 2 extends to cover any charge the New Zealand Fire Service is authorised to impose on <b>you</b> under Section 47C of the Fire Service Act 1975, for their attendance at a hazardous substance emergency arising from the use of an <b>insured vehicle</b>. The indemnity will be payable regardless of whether the <b>insured vehicle</b> has sustained <b>loss</b>.</p> <p>The most <b>we</b> will pay under this extension for any <b>event</b> is \$5,000.</p>
<p><b>Hired Vehicles</b></p>	<p>If <b>you</b> hire or rent a <b>vehicle</b> during the <b>period of insurance</b> and accept the rental vehicle owner's statutory offer of insurance, this extension covers:</p> <p>(a) liability to third parties as provided under 'Section 2: Liability to the Public' and 'Section 2: Automatic Extensions', but only for the difference between the amount payable for liability under the statutory offer of insurance, and the maximum amount payable under 'Section 2: Liability to the Public', and</p> <p>(b) the difference between the Section 1 <b>excess</b> under this policy and any deductible applicable under the rental vehicle owner's insurance, for any <b>event</b>.</p>

	<p>Section 2: Exclusions- Property Owned, In Care, Custody Or Control', and General Exclusions: – Hired or Rented Vehicles' do not apply to this extension.</p>
<p><b>Hired Vehicle – Consequential loss</b></p>	<p>If <b>you</b> hire or rent a <b>vehicle</b> during the <b>period of insurance</b> and reject the rental vehicle owner's statutory offer of insurance, this extension covers <b>your</b> liability to the owner of that <b>vehicle</b> for consequential losses caused by <b>loss</b> covered under Section 1.</p> <p>The most <b>we</b> will pay under this extension for any <b>event</b> is \$50,000 unless a different amount is shown on the <b>schedule</b>.</p>
<p><b>Marine Liability</b></p>	<p>If an <b>insured vehicle</b> is transported by sea between places in New Zealand during the <b>period of insurance</b>, Section 2 covers <b>your</b> liability for any resulting General Average.</p> <p>This applies regardless of whether or not the <b>insured vehicle</b> suffers <b>loss</b>.</p> <p>General Average means the general average and salvage charges incurred to avoid a loss covered under this policy that are determined by the contract of carriage, and/or governing law and practice of carriage.</p>
<p><b>Passenger Liability</b></p>	<p>Section 2 is extended to cover the legal liability of any person in connection with their being a passenger in or getting into or out of any <b>insured vehicle</b>.</p> <p>Provided that the person's liability is not covered under any other insurance or under any other clause in this policy.</p>
<p><b>Principal's Indemnity</b></p>	<p>Section 2 is extended to indemnify the principal of any construction or works project for their vicarious liability:</p> <p>(a) where the liability arises in connection with the use by <b>you</b> of an <b>insured vehicle</b> on that project, and</p> <p>(b) the liability is for <b>accidental loss</b> to property or <b>accidental bodily injury</b> occurring in New Zealand during the <b>period of insurance</b>.</p>
<p><b>Vibration or Weight Damage</b></p>	<p><b>We</b> will indemnify <b>you</b> and any <b>driver</b> who is in charge of the <b>insured vehicle</b> with <b>your</b> consent against liability for <b>loss</b> to any property (including roads) during the <b>period of insurance</b> caused by:</p> <p>(a) vibration caused by the <b>insured vehicle</b>, or</p> <p>(b) the weight of the load carried by the <b>insured vehicle</b>, or</p>

	<p>(c) the weight of the <b>insured vehicle</b>, or</p> <p>(d) the combined weight of the load and the <b>insured vehicle</b>.</p> <p>The most <b>we</b> will pay under this extension is \$500,000 for each claim or series of claims arising from one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p> <p>An <b>excess</b> of \$2,000 will apply to each <b>event</b>.</p> <p>Section 2: Exclusions- Vibration or Weight does not apply to claims under this extension.</p>
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## SECTION 2: EXCLUSIONS

The following exclusions apply only to Section 2. The General Exclusions also apply to Section 2 of this policy.

This policy does not insure:

<b>Airside Liability</b>	<p>Liability arising out of the ownership, operation or maintenance of any <b>vehicle</b> within the restricted area of any airport used for scheduled commercial flights.</p> <p><i>Note: Please see Section 2: Automatic Extensions, 'A. – Airside Liability'.</i></p>
<b>Contractual Liability</b>	<p>Liability arising out of a contract or agreement unless <b>you</b> would have been liable even without such contract or agreement.</p>
<b>Criminal Offences</b>	<p>Any legal defence costs, fines or court costs arising from the prosecution of any offence under any Act of Parliament including any Regulations, Rules or By-Laws made under any Act of Parliament.</p> <p><i>Note: Please see Section 2: Automatic Extensions, 'Criminal Court Action/Inquiries/Inquests'.</i></p>
<b>Drivers</b>	<p>Liability of any <b>driver</b>, including the <b>insured</b>, for or arising from:</p> <p>(a) <b>bodily injury</b> to, or</p> <p>(b) <b>loss</b> to any property owned by,</p> <p>that <b>driver</b>, who claims under Section 2 of this policy.</p>
<b>Exemplary Damages</b>	<p>Liability for punitive or exemplary damages.</p>

	<i>Note: Please see Section 2: Automatic Extensions – Exemplary Damages.</i>
<b>Liability Outside New Zealand</b>	Liability determined by any court outside New Zealand.
<b>Operation of Plant or Machinery</b>	Liability arising directly or indirectly out of the use of any <b>mechanical plant</b> component while it is being used or operated for the purpose for which it was designed (e.g. <i>the operation of a crane or back hoe</i> ); however this exclusion does not apply to the operation of any vehicle mounted crane whilst being used to load or unload from that <b>vehicle</b> , or of any fork hoist.
<b>Property in Care, Custody or Control</b>	Liability for <b>loss</b> to any property that belongs to, or is/was in <b>your</b> care, custody or control, other than:  (a) personal baggage and wearing apparel of any passenger; or  (b) a building leased or rented by <b>you</b> ; or  (c) a <b>vehicle</b> (which is not insured under Section 1 of the policy or owned by <b>you</b> ), which is being towed by an <b>insured vehicle</b> . However, this does not apply to <b>vehicles</b> which are towed or recovered for reward where <b>your</b> business includes a <b>vehicle</b> recovery service.
<b>Transporting of a Load</b>	Liability in connection with the transporting of a load to, or away from, the <b>insured vehicle</b> . However, this Exclusion does not apply to the actual loading or unloading of the <b>insured vehicle</b> .
<b>Vehicles</b>	Liability for <b>loss</b> to any <b>vehicle</b> that is insured under this policy.
<b>Vibration or Weight</b>	Liability for <b>loss</b> to property (including a road) arising from:  (a) vibration caused by the <b>insured vehicle</b> , or  (b) the weight of the load carried by the <b>insured vehicle</b> , or  (c) the weight of the <b>insured vehicle</b> , or  (d) the combined weight of the load and the <b>insured vehicle</b> .  <i>Note: Please see Section 2: Automatic Extensions - Vibration or Weight Damage.</i>

## SECTION 2: BASIS OF SETTLEMENT

<b>Basis of Settlement</b>	<ol style="list-style-type: none"><li>1. The most <b>we</b> will pay for any <b>event</b> under Section 2:<ol style="list-style-type: none"><li>(a) for legal liability is \$10,000,000 or the limit stated in the <b>schedule</b> whichever is less;</li><li>(b) for legal defence costs and expenses is \$1,000,000 or the limit stated in the <b>schedule</b> whichever is less.</li></ol></li><li>2. If <b>our</b> maximum liability is insufficient to cover both the <b>insured</b> in the <b>schedule</b> and any other party entitled to cover under Section 2, it will apply first to the <b>insured</b> in the <b>schedule</b>.</li><li>3. <b>We</b> are not liable for any <b>excess</b> shown in the policy or <b>schedule</b>.</li><li>4. The most <b>we</b> will pay under each automatic or optional extension will be the higher of :<ol style="list-style-type: none"><li>(a) the amount specified in the policy; or</li><li>(b) the amount specified in the <b>schedule</b>.</li></ol></li></ol>
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## GENERAL POLICY EXTENSIONS APPLICABLE TO SECTIONS 1 AND 2

### AUTOMATIC EXTENSIONS

These extensions automatically apply. They are subject to the terms of the policy.

<b>Additions and Deletions</b>	<ol style="list-style-type: none"><li>1. <b>Additions</b><p>Any <b>vehicle</b> purchased or leased by <b>you</b> during the <b>period of insurance</b> is an <b>insured vehicle</b> under this policy from the date of purchase or commencement of the lease.</p><p>The maximum amount <b>we</b> will pay under 'Section 1: Basis of Settlement' for each purchased or leased <b>vehicle</b> covered under this extension is \$300,000.</p></li><li>2. <b>Deletions</b><p>If an <b>insured vehicle</b> is sold or the lease ends during the <b>period of insurance</b>, it ceases to be an <b>insured vehicle</b> under this policy from the date of sale or the date the lease ends.</p></li><li>3. <b>Premium adjustment</b></li></ol>
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	<p>(a) The premium payable by <b>you</b> under this policy will be adjusted at the end of the <b>period of insurance</b> to reflect <b>insured vehicles</b> added or deleted under this extension during the <b>period of insurance</b>.</p> <p>(b) <b>We</b> will apply the additions and deletions premium rate as agreed, to 50% of the difference in value between all additions and deletions, to calculate any additional premium to be paid to <b>us</b> by <b>you</b>, or any refund of premium <b>we</b> are to pay to <b>you</b> for that <b>period of insurance</b>, and <b>you</b> will pay any additional premium, or <b>we</b> will refund such sum.</p>
<b>Breach of Condition</b>	<p>This policy will not be invalidated by any breach of condition, where the breach occurs without <b>your</b> knowledge or consent, provided that <b>we</b> are advised immediately after <b>you</b> become aware of the breach and <b>you</b> pay <b>us</b> any additional premium <b>we</b> may require.</p>
<b>Counselling</b>	<p>If an <b>accident</b> involving an <b>insured vehicle</b> that is covered under section 1 of this policy involves a fatality, <b>we</b> will cover <b>you</b> for the reasonable costs incurred in <b>your driver</b> obtaining professional counselling in excess of any entitlement under ACC.</p> <p>The most <b>we</b> will pay under this extension is \$5,000 for any one <b>event</b>, unless a different amount is shown in the <b>schedule</b>.</p> <p>No <b>excess</b> applies to this extension.</p>
<b>Emergency Public Relations</b>	<p>Following a claim payable under this policy, <b>you</b> are insured for the reasonable costs of public relations expenses incurred with <b>our</b> prior written consent.</p> <p>The most <b>we</b> will pay under this extension for any one <b>event</b> is \$25,000 unless a different amount is shown in the <b>schedule</b>.</p> <p>An <b>excess</b> of \$2,500 applies to this extension.</p>
<b>Invalidation</b>	<p>This policy covers <b>you</b> for <b>loss</b> or liability that arises when an <b>insured vehicle</b> is being used in the circumstances excluded in:</p> <ol style="list-style-type: none"> <li>1. General Exclusions 'Alcohol, Drugs and Other Intoxicating Substances',</li> <li>2. General Exclusions 'Overloaded Vehicles',</li> <li>3. General Exclusions 'Intentional or Reckless Acts',</li> <li>4. General Exclusions 'Unlicensed Drivers',</li> <li>5. General Exclusions 'Unsafe Vehicles',</li> </ol>

	<p>6. General Exclusions 'Work Time Rules', provided that:</p> <ul style="list-style-type: none"> <li>(a) the driving in those excluded circumstances was without <b>your</b> knowledge or consent; and</li> <li>(b) <b>you</b> have not waived any right of recovery against the <b>driver</b>, and,</li> <li>(c) <b>you</b> cooperate fully with <b>us</b> and the police in pursuit of <b>reparation</b> from the <b>driver</b>.</li> </ul> <p>The liability of the <b>driver</b> or person responsible for the <b>loss</b> or liability is not insured under this extension</p> <p>For the purposes of this extension only, <b>your</b> knowledge is deemed to include the knowledge of:</p> <ul style="list-style-type: none"> <li>(a) any person employed by <b>you</b> with <b>your</b> delegated authority to control the conduct of the <b>driver</b>; or</li> <li>(b) the <b>driver</b>, if the <b>driver</b> is of such senior position within <b>your</b> business that his/her knowledge or consent is by law deemed to be <b>your</b> knowledge or consent.</li> </ul>
<p><b>Release of Liability</b></p>	<p>Where <b>you</b> are required by legislation or by contractual agreement to release any of:</p> <ul style="list-style-type: none"> <li>(a) the New Zealand Fire Service;</li> <li>(b) any fire protection equipment suppliers;</li> <li>(c) New Zealand Government trading as Kiwi Rail;</li> <li>(d) Any oil company; or</li> <li>(e) Any other party to an agreement which has been declared to and accepted by <b>us</b>,</li> </ul> <p>from liability arising from <b>loss</b> insured by this policy, the release is allowed without prejudice to this insurance.</p>

## OPTIONAL POLICY EXTENSIONS

These extensions are optional and only apply when stated in the **schedule**. They are subject to the terms and exclusions of the policy.

<p><b>Burning Cost</b></p>	<p>The premium payable under this policy shall be adjusted on claim costs incurred (claim costs paid plus outstanding estimates) during the <b>period of insurance</b>. This will be calculated as follows:</p> <ul style="list-style-type: none"> <li>(a) 30 days after the end of the <b>period of insurance</b> the Total Premium shall be adjusted by dividing the Incurred Claims cost by the multiplier as agreed in the <b>schedule</b>.</li> <li>(b) If the premium produced is greater than the Total Premium paid, <b>you</b> shall pay the difference but not exceeding the percentage of the deposit premium as agreed in the <b>schedule</b>.</li> <li>(c) If the premium produced is less than the Total Premium paid, <b>we</b> shall refund the difference to a minimum retained premium of the agreed percentage in the <b>schedule</b> of the deposit premium.</li> </ul> <p>For the purposes of this extension:</p> <p>Total Premium shall mean deposit premium plus any additional or return premium adjustments processed during the <b>period of insurance</b>.</p> <p>'Incurred Claim costs' will mean the total amount of claims paid and reasonable estimates of claims yet to be paid, including fees, net of actual and estimated recoveries.</p>
<p><b>Profit Share</b></p>	<p>If, at the end of the <b>period of insurance</b>, <b>you</b> agree to renew the insurance with <b>us</b>, <b>we</b> will adjust the premium paid for that <b>period of insurance</b> as follows:</p> <ul style="list-style-type: none"> <li>(a) 30 days after the end of the <b>period of insurance</b> the Net Premium will be totalled together with Incurred Claims costs as a result of accidents during the <b>period of insurance</b>, and</li> <li>(b) A loss ratio will be calculated by comparing the Net Premium to the total Incurred Claims costs, and</li> <li>(c) If this loss ratio is more than 60%, no profit share refund is payable. If the loss ratio is 60% or less, the amount of profit share refund will be calculated by using one of the following profit share percentages.</li> </ul>

	<p>Profit Share Percentage</p> <p>(a) If the loss ratio is 40% or less =20% profit share refund</p> <p>(b) If the loss ratio is between 41% and 50% = 15% profit share refund</p> <p>(c) If the loss ratio is 51% or more but not greater than 60% =10% profit share refund</p> <p>If a profit share is payable, then it will be calculated by multiplying the profit share percentage against the sum of Net Premium less Incurred Claim costs. This adjustment is processed net of commission.</p> <p>For the purposes of this extension:</p> <p>'Net Premium' will mean gross premium and any additional or return premium adjustment, less commission if applicable</p> <p>'Incurred Claim costs' will mean the total amount of claims paid and reasonable estimates of claims yet to be paid for claims arising in the <b>period of insurance</b>, including fees, net of actual and estimated recoveries.</p>
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## GENERAL POLICY EXCLUSIONS

These exclusions apply to all parts of this policy.

<b>Accident Compensation Act</b>	<p>This policy does not insure:</p> <ol style="list-style-type: none"> <li>1. liability for <b>bodily injury</b> which is covered by the Accident Compensation Act 2001 ('Act') , and</li> <li>2. in particular, liability for <b>bodily injury</b> payable as <b>reparation</b> for any amounts which are covered by the Act, or would be covered but for: <ol style="list-style-type: none"> <li>(a) a failure by the victim of offending to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,</li> <li>(b) the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,</li> <li>(c) a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.</li> </ol> </li> </ol>
<b>Alcohol, Drugs and Other Intoxicating Substances</b>	<p>This policy does not insure loss or liability when a <b>vehicle</b> is being driven by any person, including <b>you</b>, who:</p> <ol style="list-style-type: none"> <li>1. has a proportion of alcohol in their breath or blood that exceeds the legal limit,</li> </ol>

	<p>or</p> <ol style="list-style-type: none"> <li>2. is under the influence of any other intoxicating substance or drug, or</li> <li>3. fails or refuses to supply a breath or blood sample as required by law, or</li> <li>4. fails or refuses to stop, or remain at the scene, following an accident (as required by law).</li> </ol> <p>This exclusion does not apply to any claim for <b>loss</b> arising from theft or illegal conversion of an <b>insured vehicle</b>.</p>
<b>Confiscation</b>	<p>This policy does not insure loss or liability in connection with confiscation, nationalisation, requisition, destruction of, or damage to property by order of any Government, Public or Local Authority unless the order is given to prevent or control any <b>accidental loss</b> or damage that would otherwise have been covered by this policy.</p>
<b>Electronic Data</b>	<p>This policy does not insure loss or liability of any type in connection with:</p> <ol style="list-style-type: none"> <li>1. loss of, alteration of, or damage to, or</li> <li>2. reduction in functionality, availability or operation of.</li> </ol> <p>a computer system, hardware, programme, software, data, information repository , microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the <b>insured's</b> property or not, that do not in and of themselves constitute an <b>event</b> unless arising out of one or more of the following <b>events</b>:</p> <ol style="list-style-type: none"> <li>(a) fire, lightning, explosion, or</li> <li>(b) aircraft or vehicle impact, falling objects, or</li> <li>(c) windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze, weight of snow.</li> </ol>
<b>Hired or Rented Vehicles</b>	<p>This policy does not insure any <b>vehicle</b> hired or rented by <b>you</b> when <b>you</b> have purchased insurance offered by the rental vehicle hirer.</p> <p><i>Note: Refer to Section 2: Automatic Policy Extensions – Hired Vehicles.</i></p>
<b>Intentional or reckless acts</b>	<p>This policy does not insure loss or liability arising from any intentional or reckless act or omission.</p>

<b>Nuclear</b>	This policy does not insure loss or liability of any type in connection with nuclear weapons material, ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion (including self-sustaining process of nuclear fission) of nuclear fuel.
<b>Overloaded vehicles</b>	This policy does not insure loss or liability if the <b>vehicle</b> is loaded or operated contrary to the manufacturer's recommended specifications or loaded or operated contrary to regulations or statute. This exclusion does not apply to any claim for <b>loss</b> arising from theft or illegal conversion.
<b>Sanctions</b>	This policy does not insure loss or liability of any type to the extent that the provision of such cover or the payment of such claim would contravene any sanction, prohibition or restriction under any United Nations resolution or trade or economic sanctions, laws or regulations of New Zealand, Australia, United Kingdom, the United States of America, or the European Union.
<b>Seepage, Pollution and Contamination</b>	<p>This policy does not insure loss or liability of any type in connection with seepage, pollution or contamination, unless sudden, unintended and unexpected, occurring during the <b>period of insurance</b>. The coverage under this policy is limited to costs and expenses reasonably and necessarily incurred to:</p> <ol style="list-style-type: none"> <li>1. remove, store and/or dispose of debris or the decontamination, demolish, dismantle, dewater, shore up, prop, underpin or carry out other temporary repairs consequent upon damage which is covered by the policy and caused by an insured <b>event</b>.</li> <li>2. demolish and remove any property belonging to the <b>insured</b> which is no longer useful for the purpose it was intended for, provided such demolition and removal is necessary for the purpose of the reinstatement or replacement.</li> <li>3. clean up and remove pollutants from land confined to insured premises if the discharge, dispersal, seepage, migration, release or escape of the pollutants is caused by an insured <b>event</b>.</li> </ol>
<b>Terrorism</b>	This policy does not insure loss or liability of any type in connection with any <b>act of terrorism</b> regardless of any other cause or event contributing concurrently or in any other sequence and including in connection with controlling, preventing, suppressing, retaliating against or responding to any <b>act of terrorism</b> .
<b>Unlawful to Insure</b>	This policy does not insure loss or liability of any type in connection with any activity,

	event or occurrence deemed to be unlawful to insure against.
<b>Unlicensed drivers</b>	<p>This policy does not insure loss or liability if the <b>insured vehicle</b> is being used or driven by any person who:</p> <ol style="list-style-type: none"> <li>1. does not have a licence that is in full force and effect to drive the <b>insured vehicle</b> at the time and place of the <b>loss</b>; or</li> <li>2. is not complying with the conditions of their licence.</li> </ol> <p>This exclusion will not apply if:</p> <ol style="list-style-type: none"> <li>(i) prior to the <b>loss</b>, the <b>driver</b> had held the appropriate licence, is not disqualified from holding or obtaining the appropriate licence, and actually obtains the appropriate licence without carrying out a further test; or</li> <li>(ii) the <b>vehicle</b> is being used for the purpose of teaching a learner to drive, if all requirements of the law are being complied with.</li> </ol>
<b>Unsafe vehicles</b>	<p>This policy does not insure loss or liability if the <b>vehicle</b> is being used in an unsafe condition. This includes any condition:</p> <ol style="list-style-type: none"> <li>1. which is contrary to any recommendation by the manufacturer of the <b>vehicle</b>, or</li> <li>2. as a result of which the <b>vehicle</b> is not fit to deal with any peril likely to be encountered during the course of its operation,</li> </ol> <p>when <b>you</b>, or any <b>driver</b> was (or should have been) aware of that condition.</p> <p>This exclusion does not apply to any claim for <b>loss</b> arising from theft or illegal conversion of the <b>vehicle</b>.</p>
<b>War</b>	<p>This policy does not insure loss or liability of any type in connection with controlling, preventing or suppressing any of the following: war, invasion, act of foreign enemy, hostilities or warlike operations (whether war is declared or not), civil war, civil commotion assuming the proportions of or amounting to a popular rising, military rising, mutiny, rebellion, revolution, insurrection, military or usurped power.</p>
<b>Work time Rules</b>	<p>This policy does not insure loss or liability when any <b>vehicle</b> is being <b>used</b> in breach of any enactment or regulations relating to work time or logbook rules. This exclusion does not apply to any claim for <b>loss</b> arising from theft or illegal conversion of the <b>vehicle</b>.</p>

## HOW TO CLAIM

<p><b>What You Must Do</b></p>	<p>If anything happens that may lead to a claim under this policy, <b>you</b> must:</p> <ol style="list-style-type: none"> <li>1. do what you can to take care of the <b>vehicle</b> and to prevent any further <b>loss</b>, expense or liability, and</li> <li>2. tell <b>us</b> as soon as possible, and</li> <li>3. notify the police as soon as possible if it is believed any loss was caused by an illegal act of a person other than a person covered by this policy, and</li> <li>4. allow <b>us</b> to examine the <b>vehicle</b> before any permanent repairs are started, and</li> <li>5. send to <b>us</b> as soon as possible, anything received from anyone about a claim or possible claim against <b>you</b>, or anyone else entitled to cover under this policy, and</li> <li>6. give <b>us</b> any information or help that <b>we</b> ask for, and</li> <li>7. consent to <b>your</b> personal information in connection with the claim being:             <ol style="list-style-type: none"> <li>(a) disclosed to <b>us</b>, and</li> <li>(b) transferred to Insurance Claims Register Limited, and</li> </ol> </li> <li>8. tell <b>us</b> immediately if <b>you</b>, or anyone else entitled to cover under this policy, are charged with any offence in connection with the <b>use</b> of an <b>insured vehicle</b> which resulted in <b>loss</b> of property or <b>bodily injury</b> to another person.</li> </ol>
<p><b>What You Must Obtain Our Agreement To Do</b></p>	<p><b>You</b>, and anyone else entitled to cover under this policy, must obtain <b>our</b> agreement before <b>you</b>:</p> <ol style="list-style-type: none"> <li>1. incur any expenses in connection with any claim under this policy, or</li> <li>2. negotiate, pay, settle, admit or deny any claim made against the <b>you</b>, or anyone else entitled to cover under this policy, or</li> <li>3. negotiate, make or agree any offer of amends to a victim of offending by any person covered by this policy, or</li> <li>4. do anything that may prejudice our rights of recovery.</li> </ol>
<p><b>Dishonesty</b></p>	<p>If a claim is dishonest or fraudulent in any way, <b>we</b> may:</p>

	<ol style="list-style-type: none"> <li>1. decline the claim, either in whole or in part, and/or</li> <li>2. declare either this policy, or all insurance <b>you</b> have with <b>us</b>, to be of no effect and to no longer exist from the date of the dishonest or fraudulent act.</li> </ol> <p>This is at <b>our</b> sole discretion.</p>
<p><b>Things You Must Do After We Pay A Claim</b></p>	<p><b>You</b>, and anyone else entitled to cover under this policy, must:</p> <ol style="list-style-type: none"> <li>1. tell <b>us</b> if any lost or stolen property which was part of the claim is found or recovered, and hand it over to <b>us</b> if <b>we</b> request it.</li> <li>2. tell <b>us</b> if any person is ordered to make <b>reparation</b> to <b>you</b> for any loss or cost which is part of the claim, and reimburse <b>us</b> for that payment as soon as any <b>reparation</b> is received.</li> </ol>
<p><b>Actions We May Take</b></p>	<ol style="list-style-type: none"> <li>1. <b>Subrogation</b> <p>Once <b>we</b> have accepted any part of a claim under this policy, <b>we</b> may assume <b>your</b>, or any other person entitled to cover under this policy's, legal right of recovery. If <b>we</b> initiate a recovery, <b>we</b> will include any <b>excess</b>, and any other uninsured losses suffered. Where <b>we</b> do this, <b>you</b> (or other person entitled to cover) agree to pay <b>your</b> or their proportional share of the recovery costs, and subsequently the proceeds of the recovery will be shared on the same proportional basis, except that <b>we</b> will reimburse the <b>excess</b> first. <b>You</b>, or any other person entitled to cover, must fully co-operate with any recovery process. If <b>you</b> don't, <b>we</b> may recover from <b>you</b> the amount paid in relation to the claim.</p> </li> <li>2. <b>Conduct of defence</b> <p><b>We</b> have the sole right to act in <b>your</b> name, or in the name of any other person entitled to cover under this policy, and on <b>your</b> or their behalf to defend, negotiate or settle any liability covered under 'Section 2: Liability To The Public' as <b>we</b> see fit (this will be done at <b>our</b> expense).</p> <p><b>We</b> may elect at any time to pay the maximum amount payable under this policy, or any lesser sum that the liability can be settled for. Once <b>we</b> have paid this (plus any defence costs and expenses covered by this policy and already incurred, but less any applicable <b>excess</b>) <b>our</b> responsibility to <b>you</b> or any other person covered under this policy is met in full.</p> <p>The lawyers <b>we</b> instruct to act on <b>your</b> behalf or on the behalf of any other person entitled to cover, are authorised by <b>you</b> or such other person, to</p> </li> </ol>

	disclose to <b>us</b> any information the lawyers receive in that capacity, including information they receive from <b>you</b> or any other person.
	<p><b>3. Waiver of Subrogation (Group of Related Companies)</b></p> <p>Where <b>you</b> are a parent or <b>subsidiary</b> in a group of related companies, <b>we</b> waive any right of recovery <b>you</b> may have against any other company in the same group.</p> <p>A 'group of related companies' means a group of companies related to one another by virtue of such ownership.</p>
	<p><b>4. Recoveries</b></p> <p>If an <b>insured vehicle</b> or any property <b>we</b> have paid a claim for is later found or recovered, <b>you</b> must tell <b>us</b> immediately and hand it over to <b>us</b> if <b>we</b> request it. <b>We</b> have the right to keep the <b>insured vehicle</b> and any property that <b>we</b> have paid a claim for under this policy, including any proceeds if it is sold.</p>
	<p><b>5. Reparation</b></p> <p>If any person is ordered to make <b>reparation to you</b> for <b>loss</b> to an <b>insured vehicle</b> that <b>we</b> have paid a claim for under this policy, then <b>you</b> must tell <b>us</b>. Any payments received must first reimburse <b>our</b> claims payment up to the amount of any <b>reparation</b> received.</p>

GENERAL CONDITIONS	
<b>Your Obligations</b>	<p><b>1. Breach of any Condition</b></p> <p>If:</p> <ol style="list-style-type: none"> <li>1. <b>you</b>, or</li> <li>2. any other person <b>we</b> insure under this policy, or</li> <li>3. anyone acting on <b>your</b> behalf,</li> </ol> <p>breaches any of the conditions of this policy, <b>we</b> may:</p> <ol style="list-style-type: none"> <li>(a) decline the claim either in whole or in part, and/or</li> <li>(b) declare either this policy or all insurance <b>you</b> have with <b>us</b> to be</li> </ol>

	<p>unenforceable.</p> <p>This is at <b>our</b> sole discretion.</p>
	<p><b>2. True Statements and Answers</b></p> <p>The <b>application</b> is the basis of this policy. True statements and answers must be given (whether by <b>you</b> or any other person) when <b>you</b>:</p> <ol style="list-style-type: none"> <li>1. apply for this insurance, and/or</li> <li>2. notify <b>us</b> regarding any change in circumstances, and/or</li> <li>3. make a claim under this policy.</li> </ol>
	<p><b>3. Reasonable Care</b></p> <p><b>You</b>, and anyone using an <b>insured vehicle</b>, must take reasonable care at all times to avoid circumstances that could result in a claim.</p> <p>There is no cover if <b>you</b> are reckless or grossly irresponsible.</p>
	<p><b>4. Complying with this Policy</b></p> <p><b>We</b> will not pay any claim unless <b>you</b>, or any person who acts on <b>your</b> behalf, complies with this policy. This also applies to any other person who can claim under the policy.</p>
	<p><b>5. Changes In Circumstances</b></p> <p><b>You</b> must tell <b>us</b> immediately if there are any:</p> <ol style="list-style-type: none"> <li>1. modifications to an <b>insured vehicle</b>, or</li> <li>2. change in the use of an <b>insured vehicle</b>, or</li> <li>3. material changes that might alter the nature of the risk insured or increase the chance of a claim under this policy.</li> </ol> <p><i>Information is 'material' where we would have made different decisions about either:</i></p> <p><i>(a) accepting your insurance, or</i></p> <p><i>(b) setting the terms of your insurance, if we had known that information. If in any doubt, notify us anyway.</i></p> <p><i>The 'risk insured' refers to both:</i></p>

	<p>(a) the actual property or liabilities covered (known as physical hazard), and</p> <p>(b) you or other persons covered by this policy (known as moral hazard).</p> <p><b>6. Vehicle values</b></p> <p>All values of <b>insured vehicles</b> stated in the <b>vehicle declaration</b> must represent, as nearly as possible, their <b>market value</b>. Values such as book value, depreciated cost, written down value and residual value are not sufficient to comply with this policy condition.</p> <p><b>We</b> may require <b>you</b> to provide <b>vehicle declarations</b> showing their book value, depreciated cost, written down value or residual value in <b>your</b> business records.</p>
<p><b>How We Administer This Policy</b></p>	<p><b>Cancellation</b></p> <p>BY THE INSURED</p> <p><b>You</b> may cancel this policy at any time. If <b>you</b> do, <b>we</b> will refund any premium that is due based on the unused portion of the <b>period of insurance</b>.</p> <p>BY US</p> <p><b>We</b> may cancel this policy by giving <b>you</b> notice in writing or by electronic means at <b>your</b> last known address. The policy will be cancelled from 4pm on the 30th day after the date of the notice. <b>We</b> will refund <b>you</b> any premium that is due based on the unused portion of the <b>period of insurance</b>.</p>
	<p><b>Change of Terms</b></p> <p><b>We</b> may change the terms of this policy (including the <b>excess</b>) by giving <b>you</b> notice in writing or by electronic means at the last known address <b>we</b> have for <b>you</b>. The policy will be changed from 4pm on the 30th day after the date of the notice.</p>
	<p><b>Other Insurance</b></p> <p><b>You</b> must tell <b>us</b> as soon as <b>you</b> know about any other insurance which covers an <b>insured vehicle</b>. This policy does not cover loss or liability at all if it is insured to any extent under any other insurance policy. <b>We</b> will not contribute towards any claim under any other insurance policy.</p>

	<p><b>Joint Insurance</b></p> <p>If this policy insures more than one person, then all persons are jointly insured. This means that a breach of this policy by any one person affects everyone's ability to claim under this policy.</p> <p><b>We</b> may choose to pay any claim in full to the person who is named first in the <b>schedule</b>, and this will meet all <b>our</b> obligations under this policy for that claim.</p> <hr/> <p><b>Interests of Other Parties</b></p> <p>If <b>we</b> know of anyone who has a financial interest over an <b>insured vehicle</b>, <b>we</b> can pay them part or all of any claim proceeds. This payment goes towards meeting <b>our</b> obligations under the policy.</p> <p>However, anyone recorded as having a financial interest under this policy is not covered by it and has no right to make a claim.</p> <p><b>We</b> are also authorised by <b>you</b> to disclose personal information about <b>you</b> to anyone who holds a financial interest in an <b>insured vehicle</b>.</p> <hr/> <p><b>Total loss</b></p> <p>If <b>we</b> pay a claim for an <b>insured vehicle</b> that <b>we</b> determine is a <b>total loss</b>:</p> <ol style="list-style-type: none"> <li>1. that <b>insured vehicle</b> will become <b>our</b> property, and</li> <li>2. that <b>vehicle</b> is no longer an <b>insured vehicle</b> under this policy, and</li> <li>3. <b>we</b> will not give any refund of premium, and</li> <li>4. in the event premium for the <b>period of insurance</b> is paid in instalments, any unpaid premium for the balance of the <b>period of insurance</b> is due immediately and may be deducted from any payment made by <b>us</b>.</li> </ol>
<p><b>Laws And Acts That Govern This Policy</b></p>	<p><b>Governing Law and Jurisdiction</b></p> <p>The law of New Zealand applies to this policy and the New Zealand Courts have exclusive jurisdiction.</p> <hr/> <p><b>Legislation Changes</b></p> <p>Where this policy refers to any Act of Parliament, it also includes any sub-ordinate legislation made under it, and any subsequent Acts or Regulations.</p>

	<p><b>Insurance Law Reform Acts</b></p> <p>The exclusions and conditions in this policy are subject to <b>your</b> rights under the Insurance Law Reform Acts 1977 and 1985.</p>
	<p><b>Currency</b></p> <p>Any amount shown in this policy or the <b>schedule</b> is in New Zealand dollars.</p>
	<p><b>Goods and Services Tax</b></p> <p>Where GST is recoverable by <b>us</b> under the Goods and Services Tax Act 1985:</p> <ol style="list-style-type: none"> <li>1. all <b>vehicle</b> values specified in the <b>vehicle declaration</b> exclude GST, and</li> <li>2. all limits and sub limits exclude GST, and</li> <li>3. all <b>excesses</b> include GST, and</li> </ol> <p>GST will be added, where applicable, to claim payments.</p>

## DEFINITIONS

The definitions apply to the plural and any derivatives of the bolded words. *For example, the definition of 'accident' also applies to the words 'accidentally', 'accidental' and 'accidents'.*

<b>accessory</b>	A fitting or attachment that alters the performance, characteristics of, or is designed for use in, a vehicle to which it is attached but without which the vehicle would still operate, car tools, spare parts, and emergency aids, used exclusively for the <b>insured vehicle</b> (including when temporarily removed from the <b>insured vehicle</b> ), <i>for example but not limited to: on board computers, telephone installations, satellite navigation devices, remote controls for attached plant, load securing or protection equipment in, on or in connection with the <b>insured vehicle</b>, and racking installed in tradesmen's vehicles, but not any mobile telephone or personal audio equipment unless permanently attached to the vehicle</i>
<b>accident</b>	An <b>event</b> occurring in New Zealand that is unintended, unexpected and unforeseen by <b>you</b> .
<b>act of terrorism</b>	Includes any unlawful act, or preparation in respect of action, or threat of action designed to influence or coerce the government de jure or de facto of any nation or any political division therefore, or in pursuit of political, religious, ideological, or

	<p>similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and that</p> <ol style="list-style-type: none"> <li>1. involves violence against one or more persons, or</li> <li>2. involves damage to property, or</li> <li>3. endangers life other than that of the person committing the action, or</li> <li>4. creates a risk to health or safety of the public or a section of the public, or</li> <li>5. is designed to interfere with or disrupt an electronic system.</li> </ol>
<b>annual period</b>	<p>The <b>period of insurance</b>, but no more than 12 months. However, if</p> <ol style="list-style-type: none"> <li>1. <b>you</b> pay the premium monthly or quarterly, or</li> <li>2. the <b>period of insurance</b> is for more than 12 months,</li> </ol> <p>the annual period is any one 12 month period calculated from the date this policy first started, and consecutively thereafter</p>
<b>application</b>	<p>The information provided to <b>us</b> by <b>you</b> or on <b>your</b> behalf when <b>you</b> purchased this insurance or requested a quotation for this insurance from <b>us</b>. It also includes any subsequent information <b>you</b> provide <b>us</b> with.</p>
<b>bodily injury</b>	<p>The <b>accidental</b> death of or the <b>accidental</b> bodily injury to any person during the <b>period of insurance</b>, including sickness, disease, disability, shock, fright, mental anguish or mental injury.</p>
<b>driver</b>	<p>The person driving or operating any component of the <b>insured vehicle</b> (<i>for example a crane or hoist</i>).</p>
<b>excess</b>	<p>The first amount of any claim that <b>you</b> must pay for an <b>event</b>, specified in the <b>schedule</b> or in this policy.</p>
<b>event</b>	<p>An event or series of events, arising from one source or original cause.</p>
<b>insured vehicle</b>	<ol style="list-style-type: none"> <li>1. All <b>vehicles</b> listed in the <b>vehicle declaration</b> provided to <b>us</b>; and</li> <li>2. Any other <b>vehicle</b> not owned by <b>you</b> that is hired, rented, or borrowed or loaned without financial or other consideration (<i>for example a motor mechanic's or panel beater's loan vehicle</i>) during the <b>period of insurance</b> For the sake of</li> </ol>

	<p><i>clarity, this includes non-owned trailers.</i></p> <p><i>Note additional vehicles that you purchase or lease during the period of insurance are covered under the General Extensions - Additions and Deletions benefit.</i></p>
<b>loss</b>	Physical loss or physical damage.
<b>market value</b>	The reasonable sale price of the same or a comparable <b>vehicle</b> of similar pre-loss age, condition and specification, including the value of any <b>accessories</b> but excluding the value of any sign-writing.
<b>mechanical plant</b>	A <b>vehicle</b> , that has either plant or machinery attached to it, or is primarily designed as mobile plant or mobile machinery.
<b>natural disaster</b>	Earthquake, tsunami, volcanic activity, hydrothermal activity, geothermal activity, or subterranean fire, or fire following any of these.
<b>period of insurance</b>	The period of time stated in the <b>schedule</b> that specifies the start and end dates of this insurance contract.
<b>permitted use</b>	<p>Used by <b>you</b> or anyone with <b>your</b> consent:</p> <ol style="list-style-type: none"> <li>1. for <b>your</b> business or occupation; or</li> <li>2. for <b>your</b> private, social or domestic purposes; or</li> <li>3. for a business or occupation comparable with <b>your</b> business or occupation, when temporarily lent out by <b>you</b>.</li> </ol>
<b>reparation</b>	An amount ordered by a New Zealand Court to be paid to the victim of an offence under Section 32 of the Sentencing Act 2002.
<b>residual value</b>	The residual value of a leased <b>insured vehicle</b> , calculated in accordance with the lease agreement relating to that <b>insured vehicle</b> .
<b>schedule</b>	The latest document issued to <b>you</b> which specifies limits and or sub limits and any applicable <b>excesses</b> under individual parts of the policy wording. This document forms part of <b>your</b> policy wording.
<b>subsidiary</b>	A company with more than half the nominal value of its equity share capital

	owned by a parent company, either directly or through other subsidiaries.
<b>total loss</b>	Actual total loss, or if <b>we</b> determine the <b>insured vehicle</b> is uneconomic to repair.
<b>vehicle</b>	Any type of motor vehicle, machine on wheels, tracks or rollers (but not rails) that is propelled by its own power, and anything designed to be towed by such motor vehicle, or machine, including any <b>accessories</b> and fit out of such a machine.
<b>vehicle declaration</b>	The list of <b>insured vehicles</b> stating their values (including the value for any signwriting) provided by <b>you</b> at the inception of this policy, and any subsequent endorsement or renewal.
<b>we</b>	Lumley, a business division of IAG New Zealand Ltd.  <i>We may also use the words 'us' 'our' or 'company' to describe Lumley.</i>
<b>you</b>	The person(s) or entity named in the <b>schedule</b> as 'Insured' including any <ol style="list-style-type: none"> <li>1. <b>subsidiary</b>, or</li> <li>2. Associated management company, or</li> <li>3. Associated social or sporting club , or</li> <li>4. New organisation or company formed or acquired by you during the <b>period of insurance</b>.</li> </ol> <p><b>We</b> may also use the word 'Insured' to describe you.</p>

## FAIR INSURANCE CODE

As a member of the Insurance Council of NZ, IAG is committed to complying with the Fair Insurance Code. A copy of the Code can be found at [www.icnz.org.nz](http://www.icnz.org.nz)