

Heartland Motor Vehicle Insurance



HEARTLAND
BANK

This policy is underwritten by the Insurer detailed in your Policy Schedule and arranged by Monument Insurance (NZ) Limited (a related company of the Crombie Lockwood Group).

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Introduction

Congratulations and welcome. It is **our** pleasure to confirm **your** coverage with Heartland Motor Vehicle Insurance.

You have selected our Platinum Cover what **we** consider to be one of the most comprehensive motor policies available today. Heartland is very proud to be able to bring **you** this unique offering.

Please take time to familiarise yourself with this material. **You** need to know and understand this information.

Your contract of insurance

Your contract of insurance with **us** is formed from the information **you** gave **us**, the information on **your schedule** and this policy document. Please keep these documents safe and read them together.

If you change your mind

If **you** find the cover **you** have chosen is not what **you** want, **you** may change **your** mind and cancel the policy if **you** notify **us** within 30 days from the start date of the policy. **We** will refund any **premiums** paid in full and cancel the policy provided there have been no claims.

Defined words

If a word is shown in **bold** it has a special meaning. There is a list of these words and their meanings in the section Words with Special Meaning.

Description of use

You will be insured for either Private or Business use, both of which are defined below.

Where the Type of Use on **your schedule** is shown as Private **your Vehicle** is covered while it is being used:

- for social, domestic, pleasure and farming purposes; or
- by religious workers and social welfare or youth organisation persons in the course their work; or
- by **you** in person for business purposes. This means the policy must be in **your** name.

Where the Type of Use on **your schedule** is shown as Business, **your vehicle** is covered while it is being used by **you**, or anyone with **your** consent:

- for **your** business or professional purposes but only if **your** business, profession or occupation is not listed in the Policy Exclusions; and
- for private, social or domestic purposes.

There is no cover if **your vehicle** is being used:

- in connection with the motor trade or for business purposes by commission agents, sales or service persons, commercial travellers, insurance representatives, insurance assessors, motor driving instructors, stock, station or real estate agents.

What You Are Insured For

We will insure **you** for **accidental loss** to **your vehicle** anywhere in **New Zealand** during the **period of cover**.

What we will pay:

At **our** option **we** will pay for:

1. The repair of **your vehicle**

For **loss we** consider economic to repair, **we** will pay:

- **you** or the repairer the reasonable costs actually incurred to repair **your vehicle**, or
- **you** the amount **we** estimate is equivalent to the cost of having **your vehicle** repaired.

Or,

2. The total loss of **your vehicle**

For **loss we** consider uneconomic to repair, **we** will pay:

- **you** the **market value** of **your vehicle** up to the sum insured shown in **your schedule** immediately before the **loss**, and **we** keep **your vehicle** unless **your** claim is accepted and settled under the New Car Option benefit.

As the **premium**, and in some cases **your** excess, is partly based on **your vehicle's** stated value, it is important to make sure the sum insured shown on **your schedule** takes into account depreciation and **your vehicle's** general condition.

Limits on what we will pay:

Parts

We will attempt to repair or replace **loss** to **your vehicle** using genuine new parts, however, if new parts are not available in **New Zealand**, the most **we** will pay is the lesser of:

1. the manufacturer's last known list price in **New Zealand**; or
2. the price of the item's closest **New Zealand** equivalent; or
3. the cost of having a new item made in **New Zealand**.

We will not pay for the cost of freighting parts from overseas or for the replacement of any item that has not been damaged.

Paint

We will only pay for the repainting of those areas that have been damaged. **We** will not pay additional costs due to the inability to match new paint to existing paint.

Repairs

If **we** elect to repair **your vehicle**, **you** may use the repairer of **your** choice. If **you** choose one of **our** accredited repairers **we** will pay the cost of repairs and guarantee the work while **you** own the **vehicle**, otherwise **we** will not pay more than **our** assessor's estimate of the cost of repairs.

Additional Benefits

New Car Option

If at the time of the **accidental loss your vehicle's** age is less than one year old and has travelled less than 20,000 kilometres **we** will, at **your** option, supply a new **vehicle** of the same make, model and specification, provided:

- **we** assess the reasonable cost of repairing **your vehicle** to be uneconomic; and
- the **vehicle** was initially insured for its original purchase price
- the same make, model and specification is available in **New Zealand**; and
- **we** keep **your vehicle** (unless stolen and not recovered).

The maximum **we** will pay towards the replacement vehicle is 110% of the purchase price **you** originally paid for **your vehicle**. Any difference between this amount and the purchase price of the replacement vehicle is **your** responsibility.

If **you** do not want **your vehicle** replaced with a new one, **we** will pay **you** the **market value** of **your vehicle** up to the current sum insured shown on **your** schedule, whichever is the lesser.

Incorrect fuel

This policy is extended to cover where **you** or the **insured person** have used the incorrect fuel (example; diesel instead of petrol). **We** will pay for the cost of removing the fuel. There is no cover for damage to **your vehicle** as a result of using the incorrect fuel.

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

Note: This benefit does not apply where contaminated fuel has been used.

Transport or accommodation costs following accident

We will pay the reasonable costs incurred if **your vehicle** can no longer be driven as a result of **accidental loss to your vehicle** covered by this policy for:

- transport home or to the next immediate destination; or
- overnight accommodation for the driver and passengers and domestic pets travelling in **your vehicle**.

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

Broken glass cover

This policy is extended to include cover if **you** suffer **accidental loss to your vehicle's** windscreen, window glass, sunroof, mirrors, factory fitted lights and/or light protectors:

- **we** will pay the reasonable costs incurred to repair or replace **your vehicle** glass; and
- **you** do not pay any excess; and
- **your** no claim bonus is not affected.

Keys and locks

Where any key giving access to **your vehicle** is lost, stolen or believed on reasonable grounds to have been duplicated without **your** permission, **we** will cover **you** for the costs reasonably incurred in altering or replacing locks or replacing the keys.

- a \$100 excess applies; and
- **your** no claim bonus is not affected.

Valet costs

We will pay up to \$250 for a vehicle valet if **your vehicle** is broken into and **accidental loss** occurs to the inside of the **vehicle** provided **you** do not claim under any other part of this policy; and

- **you** do not pay any excess; and
- **your** no claims bonus is not affected

Premium credit following total loss

Where **your vehicle** is treated as a total **loss** and **we** insure **your** replacement **vehicle**, **we** will credit the unused **premium** towards insurance on the replacement. This is provided that:

- the person in control of **your vehicle** was completely free of blame; and
- the identity of the other party who caused the loss is established.

Vehicle change or addition

If **you** replace **your vehicle**, or buy an additional **vehicle** for **your** sole use then **we** will automatically insure that **vehicle** for its **market value** on the same terms that apply to **your vehicle** but only if:

- **you** tell **us** within 14 days after buying the replacement or additional **vehicle** and provide full details; and
- **you** pay any extra **premium** which **we** may require; and
- the **vehicle** purchased is valued at no more than \$100,000

Vehicle accessories in/on your vehicle

This policy is extended to include **loss** to fitted **vehicle accessories** as a result of **accidental loss** covered by this policy. The most **we** will pay in total for **loss to accessories** is \$1,000 unless such equipment is the manufacturer's standard fitting for **your vehicle** model.

If the **accessories** are not available in **New Zealand**, the most **we** will pay is the lesser of:

- the manufacturer's last known list price in **New Zealand**; or
- the price of the item's closest **New Zealand** equivalent; or
- the cost of having a new **accessory** made in **New Zealand**.

We will not pay for the cost of freighting parts from overseas or for the replacement of any **accessory** that has not suffered **loss**.

Restricted driver waiver

If there are any driver restrictions on this policy **we** will not apply them when **your vehicle** is being driven:

- by a member of the motor trade who is professionally engaged in the overhaul, upkeep or repair of **your vehicle**; or
- by a valet parking attendant while parking or retrieving **your vehicle**; or
- by a professional dial-a-driver in the course of delivering **your vehicle** to **your** home or workplace; or
- to a medical facility in the event of a medical emergency.

Removal of Debris

When **we** have accepted a claim for **your vehicle's accidental loss**, **your** policy covers the reasonable costs incurred for:

- the removal of vehicle debris from the **accident** site if this is **your** responsibility; and
- emergency repairs to **your vehicle** that are required to allow **you** to drive **your vehicle** to **your** destination or a repairer; or
- the reasonable costs incurred removing **your vehicle** if it can no longer be driven, to the nearest safe place, and reasonable and necessary storage costs; and
- to return **your vehicle** home or any other place **we** agree to after it has been repaired or recovered.

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

Trailers

In the event of **accidental loss** to any trailer owned by **you** or in **your** care or control for Private use, **we** will:

- pay up to \$1,500 for the reasonable costs incurred to repair or replace the trailer as long as the **loss** is not covered by any other insurance; and
- a \$100 excess applies; and
- **your** no claim bonus will not be affected.

We will not cover:

- the contents of any trailer; or
- trailers which are insured by another policy; or
- trailers which cannot be drawn by **your vehicle**; or
- any caravan, boat, or camper trailer.

Legal liability – Third party property damage

This benefit covers **you** for **your liability** as a result of **accidental loss** to property other than property belonging to **you** or a member of **your family**, caused by or through or in connection with the use of:

- **your vehicle**; or
- any caravan while attached to **your vehicle**; or
- any trailer for which **you** are responsible.

The most **we** will pay for any one **accidental loss** is up to \$20,000,000 (or any lesser amount for which the liability can be settled) plus legal costs and expenses incurred with **our** express consent. If **we** do so, this meets **our** obligations under this Additional Benefit in full.

We will extend this benefit to provide the same cover:

- to any person who is driving **your vehicle** with **your** consent and who is not otherwise excluded from the policy;
- for **loss** caused by any other motor vehicle being driven by **you** in person, or **your** dependent children where they do not otherwise have current **vehicle** insurance of their own, provided the vehicle does not belong to, is not hired to, or is not under a hire purchase or lease arrangement to **you** or **your** dependent children;
- to **your** employer while **your vehicle** is being driven with **your** permission on **your** employer's business;

But **we** will not pay:

- for **loss** to property (including motor vehicles) in **your** or the driver's custody or control. However **loss** to a disabled vehicle being towed (other than for reward) is covered;
- if **you** or any person or organisation to whom this benefit applies is entitled to indemnity under any other policy or fails to comply with the terms and conditions of this policy;
- for any exemplary or punitive damages;
- **accidental loss** which **you** have agreed to accept, unless **you** would have had the **liability** anyway;
- **accidental loss** where financial gain or reward is received for the use of **your vehicle**;
- **accidental loss** arising from the use of any form of trailer while it is attached to any **vehicle** other than **your vehicle**.

*Note: Where **you** have entitlement for this **liability** cover with **us** under any other benefit or policy, the most **we** will pay under all benefits or policies is the highest applicable limit.*

Legal liability – Third party accidental death or bodily injury

Your liability for **accidental** bodily **injury** to any person other than the **insured person** or **your family** arising from **accidental loss** caused by or through or in connection with the use of:

- **your vehicle**; or
- any caravan while attached to **your vehicle**; or
- any trailer for which **you** are responsible

The most **we** will pay for any one **accidental loss** is up to \$1,000,000 (or any lesser amount for which the **liability** can be settled) plus legal costs and expenses incurred with **our** express consent. If **we** do so, this meets **our** obligations under this Additional Benefit in full.

*Note: Where **you** have entitlement for this **liability** cover with **us** under any other benefit or policy, the most **we** will pay under all benefits or policies is the highest applicable limit.*

Legal liability – Forest and Rural Fires Act

Your policy covers **you** for any amount which **you** are legally required to pay under Section 43 of the Forest and Rural Fires Act 1977 as a result of **accidental loss** caused by or through or in connection with the use of:

- **your vehicle**, or;
- any caravan while attached to **your vehicle**, or
- any trailer for which **you** are responsible

The most **we** will pay for any one **accidental loss** is up to \$1,000,000 (or any lesser amount for which the **liability** can be settled) plus legal costs and expenses incurred with **our** express consent. If **we** do so, this meets **our** obligations under this Additional Benefit in full.

We will not pay for:

- levies for expenditure under Sections 44, 45, 46 & 46A of the Forest and Rural Fires **Act** 1977;
- fines or penalties;
- gross negligence or deliberate **loss** caused by **you**;
- fire intentionally lit by **you** that does not comply with the Forest and Rural Fires **Act** 1977 and its amendments or any other statutory or local body requirement governing the lighting of fires.

*Note: Where **you** have entitlement for this **liability** cover with **us** under any other benefit or policy, the most **we** will pay under all benefits or policies is the highest applicable limit.*

Personal injury

If within 3 calendar months from the date of an **accident**, **you** or **your family** suffer bodily **injury** as a result of **accidental loss** to **your vehicle**, while restrained (as and when legally required), **we** will pay:

- the following amounts, provided such **injury** is the sole cause:
 - a. death – \$5,000
 - b. total and irrecoverable loss of the sight of an eye \$2,500;
 - c. total and irrecoverable loss of the sight of both eyes \$5,000;
 - d. total and permanent loss of the use of one hand or one foot \$2,500; and
 - e. total and permanent loss of the use of both hands or both feet or of one hand together with one foot \$5,000.

The most **we** will pay for each person is the death benefit amount of \$5,000 up to a maximum of \$15,000 for any one **accident**.

- **we** will also pay medical expenses incurred in connection with such **injury** up to \$1,000 per person per **accident**.

We will not pay:

- where death or bodily **injury** was caused by suicide or attempted suicide;
- if the insureds named on **your schedule** are not individuals; or
- under more than one motor vehicle insurance policy held with **us**.

Optional Additional Benefits

Loss of use/hire vehicle

When **you** have paid for this benefit and it is shown on **your schedule**, and **your vehicle** suffers **accidental loss** (not including **loss** to **vehicle** glass), **we** will contribute towards the reasonable costs incurred if **you** require a hire vehicle:

- while **your vehicle** is being repaired or is not fit to drive, until it is repaired; or
- where **you** have opted to replace **your vehicle** under the New Car Option Benefit, until **you** receive **your** new **vehicle**; or
- while **your vehicle** is missing after being stolen, until it is recovered and repaired; or
- until **you** receive payment, or 3 days after **we** send payment to **you**, whichever is earlier.

However;

- this benefit only applies to **your vehicle**;
- the hire vehicle specification must be similar to **your vehicle** specification; and
- **you** must pay for any bond or deposit, and for fuel, running costs and any extras costs.

The benefit does not apply if **you** have access to a free courtesy vehicle that is not extensively substandard to **your vehicle**, or if **you** purchase an additional vehicle.

The most **we** will pay for any **accidental loss** is \$1,500.

No claim bonus protection

When **you** have paid for this optional additional benefit and it is shown on **your schedule** **you** will not be penalised with a reduction of **your** no claim bonus for one at fault claim during the **period of cover**.

Additional Policy Options

This policy sets out the standard cover for **your vehicle**. The cover may be varied by one or more of the following options being applied. **Your schedule** will show if any apply of these options apply and will note any other variations to **your** cover.

Named driver option

When this option is shown on **your schedule** against a particular **vehicle**, the amount shown as the Unnamed driver excess on **your schedule** will apply as an excess if **your vehicle** is being driven by any person other than those listed on **your schedule**.

Exclude drivers under 25 option

When this option is shown on **your schedule** against a particular **vehicle**, no cover will apply while the **vehicle** is being used or driven by any person aged under 25, unless the Restricted driver waiver Additional Benefit applies.

Policy Exclusions

We will not pay for:

1. any excess

This will be deducted from **your** claim, not any policy limit.

All excesses are cumulative.

Where **loss** is caused by multiple **accidents** an excess applies to each **accident**.

The excess/es will be refunded to **you** if **we** are satisfied that:

- the driver of **your vehicle** was completely free of blame; and
- the identity of the other party who caused the **accident** is established.

Various excesses may be shown on **your schedule**. These are:

- Standard excess

This excess applies to each and every claim

- Underage excess

Any drivers of **your vehicle** who are under the age of 25 at the time of the **accident**, are subject to the additional excess shown on **your schedule**.

- Underage excess waiver

The underage excess will be waived if the driver in control of **your vehicle** at the time of the **loss** has achieved a driving qualification of NZQA 3465 or 3466.

- Unnamed driver excess

Where **you** have received a **premium** discount for restricting drivers to those named on **your schedule** any unnamed drivers of **your vehicle** are subject to the additional excess shown on **your schedule**.

- New driver excess

Any drivers of **your vehicle** over the age of 25 who have not held a full **New Zealand** drivers licence for more than 12 months at the time of the **accident** are subject to the additional excess shown on **your schedule**.

- International driver excess

Any drivers of **your vehicle** who do not hold a **New Zealand** licence but do hold an international licence at the time of the **accident** are subject to the additional excess shown on **your schedule**.

- Voluntary excess

Where **you** have received a **premium** discount for voluntarily increasing **your** standard excess, the voluntary excess shown on **your schedule** replaces the standard excess.

- Imposed excess

Any **vehicle** noted on **your schedule** under "Imposed Excess" is subject to the additional excess shown on **your schedule**.

2. breakdown

we will not pay for:

- a. depreciation, gradual damage, wear and tear, corrosion, existing defects or damage;
- b. breakdown; being any breakage, breakdown, inability to operate, or failure of any component or **accessory**, the engine, transmission, mechanical, electrical, alarm or electronic systems or any **loss** that their failure causes to the rest of these systems unless the breakdown is caused by collision or impact, earthquake, fire, flood, lightning, a malicious act, overturning of **your vehicle**, theft or illegal conversion or volcanic eruption.
- c. **loss** to tyres by application of brakes or by punctures, cuts or bursts, or bursting unless the **vehicle** suffers other **loss** in the **accident**, or the **loss** is deliberate and is caused by a person not insured by this policy;

3. design and specification faults

Losses arising from failure of, or defect or fault in, the design, specifications or materials incorporated into the **vehicle**.

4. losses when your vehicle is being:

- a. used other than in accordance with the Type of Use shown on **your schedule**;
- b. used for hire or carrying of fare paying passengers, or as a courtesy or loan vehicle for any commercial business **you** own or operate;
- c. used anywhere for (or being tested in preparation for) racing of any kind, pace-making, trials, tests, demonstrations, race track driver training, or race track **vehicle** handling lessons (or similar events) whether organised or not;
- d. driven on a racetrack whether sealed or not and whether in the presence of other vehicles or not.

5. losses when your vehicle is being used or driven by any person who:

- a. does not have a licence which is in full force and effect to drive **your vehicle** at the time and place of the **accident**; or
 - b. is not complying with the conditions of his/her licence; or
 - c. is excluded from the policy cover;
- unless the Restricted driver waiver Additional Benefit applies.

6. losses when your vehicle is being used or driven by any person who:

- a. at the time of the **accidental loss** is under the influence of intoxicating liquor and/or a drug (or a combination of drugs) or who has a proportion of alcohol in their blood or breath higher than that allowed under **New Zealand** road traffic law.

If **your vehicle** is being used or driven by a person who at the time of the **accidental loss** is under the influence of intoxicating liquor, cover will still apply if **you** can establish that the proportion of alcohol in the breath of the person is lower than that allowed under **New Zealand** road traffic law.

It will be assumed that the proportion of alcohol in the blood or breath at the time of the **accident** was no less than the proportion of alcohol in any subsequent blood sample or breath test carried out following the **accident**.

- b. following **accidental loss** refuses to undergo a breath test or provide a blood sample having been lawfully requested to do so or fails to stop or leaves the scene of the **accident** when it is an offence to do so.

7. losses that arise from your vehicle being in an unsafe or damaged condition:

unless **you** can prove that such condition did not cause or contribute to the **loss**. Cover will still apply if **you** can prove that **you** or the **insured driver** were unaware of such condition and had taken all reasonable steps to maintain **your vehicle** in a safe condition.

8. loss or liability occasioned by or through or in consequence directly or indirectly of any of the following occurrences:

- a. war, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war;
- b. mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, rebellion, revolution, insurrection, military or usurped power;
- c. lawful seizure, confiscation, nationalisation, requisition, repossession, destruction or damage by or under the order of any government or public or local authority.

9. loss, liability, costs or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

- a. nuclear weapons material, ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion nuclear fuel;
- b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d. any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the **loss**;
- e. any action taken in controlling, preventing, suppressing or in any way relating to any **act of terrorism**.

10. loss, liability, costs or expenses from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur for:

- a. the total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **electronic data**;
- b. any error in creating, amending, entering, deleting, or using **electronic data**;
- c. the total or partial inability or failure to receive, send, access or use **electronic data** for any time or at all.

11. loss, liability or benefit to the extent that:

the provision of such cover, payment of such claim or provision of such indemnity would expose IAG New Zealand Ltd to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, United States of America, Australia or **New Zealand**.

12.the Injury Prevention, Rehabilitation, and Compensation Act 2001

Any amount/s which can be recovered under the provisions of the Injury Prevention, Rehabilitation, and Compensation **Act** 2001. However, nothing in this exclusion affects any rights to payment under the Personal injury Additional Benefit.

13.consequential loss

Any loss of use, consequential loss, and/or loss of value.

Policy Conditions

All of the policy terms and conditions must be complied with or **we** may be entitled to:

- reject payment of a claim;
- reduce a claim payment; or
- avoid **your** policy.

In some cases **you** may not be entitled to a refund of **premium**.

1. Assignment

You must not assign or attempt to assign this policy or **your** interest in this policy to any other person or party without **our** written consent.

2. Cancellation

We may cancel this policy at any time by sending a letter, facsimile or e-mail to this effect to **you** at **your** last known postal address, facsimile number or e-mail address. The cancellation will take effect at 4pm on the 14th day after the communication has been sent. **We** will refund the unused part of **your** paid **premium**. **You** may cancel this policy by giving written notice to **us**. **We** will refund 75% of the unused part of **your** paid **premium** provided that **you** have not made a claim.

3. Care of your vehicle

You must, at **your** cost, take all reasonable steps to prevent **loss** and maintain **your vehicle** in good condition. **We** shall always have the right to examine **your vehicle**.

4. Change of terms

We may change the terms of this policy (including the excess) during the **period of cover** by sending a letter, facsimile or e-mail to this effect to **you** at **your** last known postal address, facsimile number or e-mail address. The change or changes will take effect at 4pm on the 14th day after the communication has been sent.

5. Claims

On the happening of any **accident** that may give rise to a claim under this policy **you** must:

- a. do as much as **you** can to minimise any **loss** or **liability**;
- b. take reasonable steps to obtain details of any other person, property or **vehicle** involved, and any witnesses in relation to the **loss** or **liability**;
- c. tell **us** as soon as possible;
- d. tell the Police as soon as possible if property is lost or **you** suspect the **loss** has been caused by a criminal act;

- e. immediately send **us** any communication received from any other person in relation to the **loss** or **liability**;
- f. fully co-operate with **us** and complete any documentation **we** require, including statements on oath;
- g. give **us** reasonable access to examine and assess any **loss** or **liability**;
- h. allow **your** personal information in connection with **your** claim to be disclosed to us and for us to disclose it to **our** agents assisting with **your** claim;
- i. ask and get **our** written agreement to:
 - a. dispose of any property or **vehicle** involved in a claim;
 - b. incur any expense in making good any **loss**, except as is necessary to minimise any **loss** or safeguard the insured property or **vehicle**;
 - c. incur any expense or negotiate, pay, settle, admit, repudiate or make any agreement in relation to any claim.

We shall be entitled at **our** expense and in **your** name to take any proceedings necessary to obtain relief from any other party and to take over and conduct the defence and settlement of any claim.

If **we** pay the **market value**, the sum insured or the New for old Additional Benefit, then the cover is finished and no **premium** is refundable. **We** may keep whatever is left or recovered of the **vehicle**.

6. Goods and services tax – GST

The **market value**, sum insured and all limits, amounts or excesses shown are GST inclusive.

7. Instalment premiums

Where **we** have agreed to accept payment of **premium** by instalments:

- a. **we** reserve the right in the event of a claim being made to require immediate payment of the balance of any annual **premium**; and
- b. all benefits under this policy will be forfeited from the date the first unpaid instalment was due and **your** policy automatically cancelled if:
 - i. any three consecutive fortnightly instalments remain unpaid; or
 - ii. any two consecutive monthly instalments remain unpaid; or
 - iii. any quarterly or half yearly payments remain unpaid 14 days after the due date of the instalment.

Where any instalment is overdue and the policy has not been cancelled, all benefits under this policy will be forfeited from the date the first unpaid instalment was due until the date **we** receive all the overdue instalment **premiums**. Any claim proceeds payable to **you** under this policy will be withheld by **us** until **you** have brought all instalments up to date.

8. Joint insureds

Where this policy is issued in joint names, or in the name of a Trust, then this policy is a joint policy. This means that if one of **you**, including Trustees, does or fails to do anything so that there is no cover, there will be no cover for any of **you**, not just the person responsible.

9. Jurisdiction

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

10. Modifications

You must tell **us** of any **modifications** which have been made to the manufacturers standard specifications for **your vehicle**. **We** have agreed to insure **your vehicle** based on the information **you** have provided which is shown on **your schedule**. There is no insurance for any **modification to your vehicle** that is not shown on **your schedule**.

11. Other insurance

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

12. Other interests

If **your vehicle** is mortgaged or secured by any other financial agreement, **we** may make payment for any **loss** direct to the interested party. Receipt by the interested party will discharge **our** responsibilities to **you** in respect of the amount paid.

13. Your duty of disclosure and providing accurate information

Your contract of insurance with **us** is formed from the information **you** gave **us**, the information on **your schedule** and this policy document. Please check **your schedule** carefully to make sure the information **you** gave **us** is shown correctly and the cover **you** selected meets **your** needs. Please tell us if this information has changed, is not correct or changes in the future. This includes;

- a. information about **you, your vehicle** and any person insured by this policy;
- b. any criminal convictions not subject to the 'clean slate scheme' under the Criminal Records (Clean Slate) **Act** 2004;
- c. any bankruptcy or insolvency;
- d. any previous traffic violations including speeding, reckless driving, drink-driving or drug driving;
- e. any previous refusal by an insurance company to insure **you**;
- f. any previous claims, including any claims that were declined by an insurance company;
- g. any previous accidents or history of **losses** whether **you** were insured at the time or not;
- h. any change of regular drivers of **your vehicle**;
- i. if **you** are a parent insuring **your** child's **vehicle** in **your** name;
- j. any non-factory modifications (whether structural, performance or cosmetic) to **your vehicle**; and
- k. any change of use of **your vehicle**, for example **your vehicle** is now used as a courier **vehicle** or taxi.

We want to make sure **you** are properly covered now and every time **you** renew this policy. If **you** are not sure whether **you** need to tell **us** about something just ask **us**.

If **you** don't tell **us** and the information is incorrect or changed, **you** may find **you** are not insured when **you** most need to be.

Words With Special Meaning

Accessory or **accessories** means:

- communication systems that are attached to, or plugged into **your vehicle**, including any parts that attach to or work together with them;
- any navigation systems or radar detectors in or on **your vehicle**;
- child restraints/seats;
- tools and breakdown equipment permanently kept in **your vehicle**, purchased by **you** to repair **your vehicle**;
- car seat covers, floor or boot mats
- first aid kit, torch, fire extinguisher, maps;
- other equipment (not otherwise defined) permanently fitted to **your vehicle**.

Accident or **accidental** mean a sudden and unforeseen happening or event that is not intended or expected by **you**.

Act means any Act of the **New Zealand** Parliament in force at the commencement of the **period of cover** or which comes into force during the **period of cover** and any substitution of, amendment to, replacement of or any statutory regulation made under such Act.

Act of terrorism means an act, including but not limited to the use of force or violence and/or threatening the use of force or violence, 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) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Electronic data means facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programs, software and other coded instructions for such equipment.

Family means **you** or any of the following people providing they normally live with **you**:

- **your** husband, wife or partner;
- **your** children (including foster children);
- **your** parents;
- **your** husband's, wife's or partner's parents.

Injury means external or internal bodily injury caused, independently of any other cause, solely and directly by violent, **accidental**, external and visible means (including exposure to the elements or by inhaling water or gas) or by medical misadventure or treatment injury (as defined in the Injury Prevention, Rehabilitation, and Compensation **Act** 2001).

Insured driver means any person who has **your** permission and is legally licenced in **New Zealand** to drive **your vehicle**.

Liability means the amount **you** shall become legally liable in **New Zealand** to pay to a third party for compensation in respect of **accidental** property damage and/or **accidental** bodily injury.

Loss/es means physical loss, damage or destruction. A series of losses arising from any one **accident** during a period of 72 consecutive hours will be treated as one **loss**.

Market value means the estimated reasonable cost to replace the property or **your vehicle** in **New Zealand** with a similar item or vehicle that is of comparable age, quality and capability, and in the same general condition.

Modification/s means any change or alteration made to **your vehicle** that is different from the manufacturer's original specification.

New Zealand means New Zealand including transit between any of the islands of New Zealand.

Period of cover means the period shown on **your schedule** during which this policy is in force.

Personal effect/s means an item or items generally carried or worn on one's person, such as clothing, jewellery, keys, and a wallet or purse.

Premium/s is the amount **you** need to pay **us** to ensure cover commences or remains in force. This means the first **premium** or any subsequent **premium** and may include any government or other levies or taxes.

Schedule means the most recently dated schedule which **we** issue. This includes any schedule issued to renew or change **your** policy.

Uneconomic means the assessed cost to repair a vehicle is deemed too high in comparison with its market value.

Vehicle means the vehicle stated in **your schedule** or any replacement vehicle insured under the **Vehicle** change or addition Additional Benefit. It includes:

- equipment for the particular make and model of **your** vehicle supplied and fitted by the manufacturer;
- spare parts, tools and breakdown equipment supplied by the manufacturer which would normally be sold with **your** vehicle such as a car jack, tool kit, wheel brace and spare wheel;
- its **accessories**;
- any **modifications** which are shown in **your schedule**

while they are in or attached to **your** vehicle or while they are being used in connection with it.

For the purposes of the Policy Exclusions, vehicle also means any other vehicles covered by this policy.

We, us or **our** means IAG New Zealand Ltd.

You or **your** means the person or persons named on your schedule.