



*Insure Direct*

# *Commercial Vehicle Insurance*

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# Welcome to Insure Direct.

Thanks for putting your trust in us to help look after your valuable assets.

This is your *Commercial Vehicle* cover policy wording. Insurance Underwriters (NZ) Limited issues the policy to you and handles claims as an agent of Tower Insurance Limited.

## **We want to make insurance simple and easy.**

That's why we've removed all the confusing language and made it easier to see what is (and isn't) covered under each section.

We've also included a handy table that shows you all the benefits under each section at a glance.

It's just one thing we do to give you a little more confidence in your insurance cover.

### **1. Start here.**

These are the basics of your policy.

### **2. These are your benefits.**

What you are covered for under each policy section

### **3. Responsibilities and exclusions.**

What you must do, and what isn't covered under each policy section

### **4. Making a claim.**

Information about making your claim with us in the How to make a claim section

### **5. Other stuff.**

This is important too, like what to do if you have a concern

### **6. Glossary.**

Some words have special meanings in the Glossary section



## Your benefits summarised

This is a summary of the level of cover that this document explains. If you have any questions about your cover, please call us on 0800 505 885.

|  | Comprehensive |                                 | Third party |                                   |
|--|---------------|---------------------------------|-------------|-----------------------------------|
| Section 1                              |               |                                 |             |                                   |
| Vehicle                                | ✓             | Market value                    | ✗           |                                   |
| Accessories and modifications          | ✓             | Current value                   | ✗           |                                   |
| Accidents caused by an uninsured party | ✓             |                                 | ✓           | Lesser of market value or \$4,000 |
| Completion of journey                  | ✓             | \$5,000                         | ✗           |                                   |
| Disability modifications               | ✓             | \$5,000                         | ✗           |                                   |
| Expediting expenses                    | ✓             | 50% of normal repair cost       | ✗           |                                   |
| Fatal injury                           | ✓             | \$5,000                         | ✗           |                                   |
| Goods in transit                       | ✓             | \$5,000                         | ✗           |                                   |
| Hoists                                 | ✓             | \$5,000                         | ✗           |                                   |
| Keys and locks lost or stolen          | ✓             | \$1,000                         | ✗           |                                   |
| Load recovery                          | ✓             | \$5,000                         | ✗           |                                   |
| New vehicle replacement                | ✓             |                                 | ✗           |                                   |
| Non-invalidity benefit                 | ✓             |                                 | ✗           |                                   |
| Repair guarantee                       | ✓             |                                 | ✗           |                                   |
| Rewards                                | ✓             | \$5,000                         | ✗           |                                   |
| Salvage and storage costs              | ✓             | \$5,000                         | ✗           |                                   |
| Signwriting                            | ✓             | \$1,000 or selected sum insured | ✗           |                                   |

|   | Comprehensive |   | Third party |                                     |
|---|---------------|---|-------------|-------------------------------------|
| Optional benefits                         |               |   |             |                                     |
| Loss of use                               | ✓             | Selected daily limit, maximum for 60 days | ✗           |                                     |
| Windscreen and window glass excess buyout | ✓             | No excess                                 | ✗           |                                     |
| Section 2                                 |               |   |             |                                     |
| Legal liability protection                | ✓             | \$20,000,000                              | ✓           | \$20,000,000                        |
| Bodily injury                             | ✓             | \$500,000 per period of insurance         | ✓           | \$500,000 per period of insurance   |
| Cleaning up costs                         | ✓             | \$20,000 per event                        | ✓           | \$20,000 per event                  |
| Defence costs                             | ✓             | \$500,000 per period of insurance         | ✓           | \$500,000 per period of insurance   |
| Exemplary damages                         | ✓             | \$500,000 per event                       | ✓           | \$500,000 per event                 |
|   |               | \$1,000,000 per period of insurance       |             | \$1,000,000 per period of insurance |
| Hazardous substances emergency            | ✓             | \$5,000 per event                         | ✓           | \$5,000 per event                   |
| Legal expenses                            | ✓             | \$2,000 per event                         | ✓           | \$2,000 per event                   |
| Marine 'general average'                  | ✓             |   | ✓           |                                     |
| Movement of other vehicles                | ✓             |   | ✓           |                                     |
| Reparation                                | ✓             | \$500,000 per event                       | ✓           | \$500,000 per event                 |
| Towing disabled vehicle                   | ✓             |   | ✓           |                                     |
| Weight damage                             | ✓             | \$500,000 per event                       | ✓           | \$500,000 per event                 |

## How your policy works

Your *Insure Direct Commercial Vehicle cover* consists of two documents: this policy wording, and the certificate of insurance. Make sure you read your policy wording and the certificate of insurance so you understand the cover we're providing and what your responsibilities are.

This policy wording describes the benefits, exclusions, responsibilities and limits of the cover.

Your certificate of insurance tells you what assets are covered, what policy sections apply, what level of cover applies and whether any special terms and conditions apply.

We agree to cover you according to the terms outlined in these two documents, as long as you have paid the premium due.

Please check we've got things correct. If there is an error of any sort, if your needs are not met or if you are in doubt then please contact us on 0800 505 885.

### Words with special meaning

In this policy some words have a special meaning. You can find out what those words are and what they mean in the *Glossary on page 37*.



# The claims process

We'll be ready. Here's hoping you never have to claim. But if life doesn't go to plan, here is what to do and when.



## Step one

Make sure you're safe

Make sure your property is safe

Take photos of the damage if you can

Call the police if required

Call us if you need immediate assistance



## Step two

Check your policy wordings

Collect up any documents required

Start an inventory of losses

Call us

We will explain how the claims process works



## Step three

We'll lodge the claim with you

We may ask for more information

We will tell you what's going to happen next

We will arrange an assessor if required

We will decide whether the claim fits the terms of the policy

We will clearly explain why if it doesn't fit



## Step four

We will process your claim as fast as we can

We will keep you informed of what's happening

We will settle your claim as soon as we can



## What your vehicle is insured for

Your vehicle will be insured under one of the following policy options. The option that applies will be shown in the certificate of insurance.



### If you have Comprehensive cover

You have cover under:

Section 1: Damage to your vehicle

Section 2: Liability protection



### If you have Third party only cover

You have cover under:

Section 1: Limited to only the Benefit:

*'Accidents caused by an uninsured third party'*

Section 2: Liability protection



## What your cover includes

### We cover your vehicle

We cover the vehicle shown in the certificate of insurance, including:

1. any of the following supplied by the manufacturer:
  - a. attached equipment and options
  - b. tools and breakdown equipment
2. accessories as described in the benefit – *Accessories and modifications on page 10 under Section 1: Damage to your vehicle*, provided any accessory is listed in the certificate of insurance.



## ***We do not cover modifications, tyres or contents***

Your vehicle does not include:

1. any modifications from the maker's standard specifications for the model and year of manufacture unless we have agreed to this and it is noted in your certificate of insurance. A conversion of your vehicle to run on CNG, LPG or Biogas will be included in this policy so long as the conversion complies with the appropriate New Zealand Standard and has a current Certificate of Fitness
2. any cover for tyres, unless the loss is malicious or it occurs at the same time as other loss to your vehicle and we have accepted your claim
3. personal effects and other contents left in your vehicle. These will need to be covered under a separate business or contents policy
4. any business or professional tools or items left in your vehicle.



## ***What your vehicle can be used for***

We cover your vehicle only while it is being used:

1. in the course of your business or occupation you have disclosed to us
2. for private, social or domestic purposes.



## ***Who can drive your vehicle***

We cover your vehicle while it is being driven or used by:

1. you, or
2. any person with your consent  
provided the driver/user
  1. is legally allowed to operate your vehicle,
  2. holds a current licence to drive it, and
  3. is not breaching any licence condition relating to that vehicle.



## Section 1: Damage to your vehicle



### *What your vehicle is insured for*

Loss that happens to your vehicle



## *Your automatic benefits under Section 1*

The Section: Damage to your vehicle also covers you for the benefits listed below.

The most we will pay is the maximum amount detailed in each benefit.

### *Accessories and modifications*

We will cover your accessories and/or modifications that are listed in the certificate of insurance so long as we have accepted your claim for loss to your vehicle.

#### **Limit**

We will pay the lesser of the repair cost and the current value of the item listed.

### *Accidents caused by an uninsured third party*

If your vehicle is only insured for Third party only cover, we will pay for repairs to your vehicle if it is damaged in an accident, we have accepted your claim and:

1. you have identified the party at fault (that is, name, address, phone number, make, model, registered number of that other party's vehicle),
2. we are satisfied that the other party was more than 50% at fault, and
3. their vehicle was uninsured.

#### **Limits**

The maximum we will pay under this benefit is the lesser of:

1. the market value, and
2. \$4,000.

## *Completion of journey*

We will reimburse travel and accommodation expenses to complete your journey or return home following a loss to your vehicle and we have accepted your claim.

This benefit also extends to any driver authorised by you, passengers and any tools and stock being carried in your vehicle.

We will also pay to return your vehicle home after it has been repaired or recovered, or for you to travel to collect it from the repairer.

### **Limit**

We will pay up to \$5,000 per period of insurance.

## *Disability modifications*

We will cover the reasonable costs of necessary modifications to your vehicle if you suffer an injury from which you are unlikely to ever recover and which would require modifications to your vehicle in order for you to drive or be driven in it. That disability must directly result from a loss covered under this Section.

### **Limits**

We will only pay in excess of any amount paid by the Accident Compensation Corporation.

We will pay up to \$5,000 for any one event.

## *Expediting expenses*

We will cover you for the reasonable additional costs of express freight and overtime to expedite repairs to your vehicle as a result of loss covered under this Section.

### **Limit**

We will only pay expediting expenses if we are paying you a loss of use benefit under this policy.

We will pay up to an additional 50% of the normal repair costs for any one event.

## *Fatal injury*

We will make a payment to your estate and we will pay for funeral costs if you or any driver authorised by you, die as a direct result of an accident involving your vehicle for which a claim is accepted.

### **Limits**

The death must occur within 12 months of the accident.

We will pay your estate \$5,000.

We will pay for funeral costs up to \$5,000.

If more than one individual is entitled to payment under this benefit, through a single event, the amount paid will be divided equally among them.

### ***Goods in transit***

We will cover you for loss to your business assets being carried in or on your vehicle when that vehicle suffers loss caused by:

1. fire
2. collision
3. overturning
4. impact.

#### **Limit**

We will pay up to \$5,000 for any one event.

### ***Hoists***

We will pay for repairs caused by mechanical breakdown or failure of hoists permanently attached to your vehicle, provided it is not due to wear and tear.

#### **Limit**

We will pay up to \$5,000 for any one event.

### ***Keys and locks lost or stolen***

We will pay to replace your vehicle remote, keys, entry card or key codes and replace or re-code the locks if during the period of insurance:

1. they are lost or stolen
2. you have reasonable grounds to believe they have been illegally duplicated without your permission
3. you have reasonable grounds to believe that the combination number or electronic key codes may have become known to someone else without your permission.

#### **Limits**

We will pay reasonable expenses up to \$1,000.

Your first claim during the period of insurance will be excess-free and your no claims bonus will be unaffected.

Any further claims within the same period of insurance will mean you pay your excess and your no claims bonus will be affected.

### **Load recovery**

We will cover you for the reasonable costs incurred in salvaging any load spilled onto a road, carriageway or parking area from your vehicle.

This includes the reasonable costs of removing debris, reloading or trans-shipping the load to the nearest place of safety.

#### **Limits**

We will pay up to \$5,000 for any one event.

The spill must result from a loss to your vehicle that we have accepted a claim for.

### **New vehicle replacement**

We will replace your vehicle with a new vehicle of the same make and model, subject to current local availability if, as a result of a loss covered by this policy, your vehicle becomes a total loss.

#### **Limits**

This benefit only applies to cars, station wagons, 4wds, vans, trucks and utes that are under 3.5 tonnes.

You must have owned the vehicle from new.

You must have insured the vehicle with us from new.

The total loss must occur within one year of you purchasing the vehicle.

If a new replacement vehicle is not immediately available, we will pay the last listed retail price for that vehicle.

### **Non-invalidating**

We will cover you for liability or loss to your vehicle even though the vehicle was being used or driven in a way that policy exclusions would usually mean your claim would be declined.

#### **Limits**

This benefit only applies when:

1. the use of your vehicle in those excluded circumstances was without your knowledge or consent
2. you have not waived any right of recovery against that person
3. you co-operate fully in any recovery action we take against that person

4. the claim would otherwise be covered under this policy.

This benefit does not apply to anyone who has an interest in the legal ownership of the vehicle.

There is no cover under Section 2: Liability protection:

1. for the driver or person responsible for this loss
2. for your liability for exemplary or punitive damages.

For the purposes of this benefit, your knowledge is considered to include the knowledge of:

1. any person employed and authorised by you to control the conduct of the driver of the vehicle
2. anyone who is so senior in your business that their knowledge is by law your knowledge.

### ***Repair guarantee***

If we accept your claim and repairs are carried out by one of our recommended repairers, we will provide you with a lifetime guarantee on those repairs.

### ***Rewards***

We will cover you for any reward you offer and pay, with our prior approval, in order to secure the return of your vehicle following its theft covered under this policy.

#### **Limit**

We will pay up to \$5,000 for any one event.

### ***Salvage and storage costs***

We will pay the reasonable costs for towing your vehicle to the nearest repairer or place of safety if it is unable to be driven after a loss covered under this policy.

We will also pay the reasonable temporary storage costs for your damaged vehicle after a loss covered under this policy.

#### **Limit**

We will pay up to \$5,000 for any one event.

### ***Signwriting***

We will pay for loss to signwriting on your vehicle which happens at the same time as other loss to your vehicle for which a claim is accepted.

### Limit

We will pay up to \$1,000, or the sum insured for signwriting shown in the certificate of insurance.



## Section 1: Optional benefits

### Loss of use

If you have purchased this optional benefit, we will cover you for the reasonable costs you incur to hire a substitute vehicle following a loss covered under this policy.

### Limits

The substitute vehicle must be of a similar make, model and specification to your vehicle.

The repair of your vehicle must be carried out as soon as possible.

This optional benefit does not cover petrol, insurance or normal running costs.

This optional benefit does not apply if you have available a free substitute vehicle or purchase an additional vehicle.

Cover under this benefit begins:

1. when your vehicle is delivered to the repairer to start the repair, or
2. from the date of the accident if your vehicle can no longer be driven, or
3. from the date your vehicle was stolen, or
4. from the date we tell you that your vehicle is a total loss

and ends on the first of:

1. when your repaired vehicle is returned to you,
2. you have returned the substitute vehicle,
3. we have settled your claim.

Our liability under this benefit is limited to:

1. the daily limit for loss of use detailed in the certificate of insurance, and
2. a maximum period of 60 days inclusive of the excess period.

The excess for this benefit is the amount of the first seven days' rental costs.

## Windscreen and window glass excess buyout

If you have purchased this optional benefit and your claim is only for loss to your windscreen or window glass, your claim will be excess-free and you will keep your no claims bonus.

### Limit

This benefit does not cover mirrors, lights, indicators or their covers.



## Section 2: Liability protection



### What you are insured for

We will cover you and any driver authorised by you for your legal liability for accidental physical property damage occurring during the period of insurance in New Zealand involving:

1. your vehicle
2. any vehicle not owned by you that you are using with the owner's permission
3. any trailer or caravan attached to your vehicle
4. and including the loading and unloading of the vehicle under 1. and 2. above.

We will also cover your employees liability while their vehicle is being used for your business or any other person using your vehicle with your permission provided they:

1. were not insured under another policy
2. have not been refused vehicle insurance in the last five years
3. have not had a policy cancelled or claim declined by any insurance company in the last five years
4. would meet the policy limits, terms and conditions.

### Limits

Liability protection is for up to \$20,000,000 in total during the period of insurance.

If you have liability cover with us under any other policy our maximum combined liability under all policies is \$20,000,000.

We will only pay for claims made during the period of insurance relating to accidents that happen during the period of insurance.



## **Your automatic benefits under Section 2**

The Section: Liability protection also covers you for the benefits listed below.

The most we will pay is the maximum amount detailed in each benefit. Unless the benefit expressly says otherwise, the maximum amount is included within the liability protection sum insured and is not in addition to it.

### ***Bodily injury***

We will cover your legal liability arising from accidental bodily injury occurring in New Zealand during the period of insurance.

#### **Limits**

We will pay for accidental bodily injury to a person for up to \$500,000 in total during the period of insurance.

If you have this cover with us under this or any other policy then our maximum combined liability is \$500,000.

### ***Cleaning up costs***

We will cover you for costs lawfully charged by any local body or authority, Fire and Emergency New Zealand, ambulance service or any other entity for cleaning and restoring the site of an accident involving a vehicle which is covered under this policy.

#### **Limit**

Our total liability under this benefit is \$20,000 for any one event during the period of insurance.

### ***Defence costs***

We will pay for all civil costs and expenses incurred by you, with our approval, in defending claims under this Section. This includes any costs awarded against you unless arising from a deliberate or wilful act.

#### **Limit**

We will pay up to \$500,000 in any one period of insurance.

## ***Exemplary damages***

We will cover exemplary or punitive damages for bodily injury caused by, or in connection with the vehicle.

### **Limits**

We will pay up to \$500,000 for any one event and a maximum of \$1,000,000 for all claims during the period of insurance.

An additional excess of 10% of the exemplary or punitive damages claim value, with a minimum of \$5,000 applies.

We do not cover exemplary or punitive damages arising from any dishonest, fraudulent or malicious acts or omissions by you or anyone acting on behalf of you.

## ***Hazardous substance emergency***

We will pay for any charge Fire and Emergency New Zealand enforces on you under the Fire and Emergency New Zealand Act 2017 or any amendments or any Act passed in substitution of the Act, for their attendance at a hazardous emergency involving your vehicle.

### **Limit**

We will pay up to \$5,000 for any one event.

## ***Legal expenses for certain criminal charges***

We will cover your criminal defence costs if you or any driver authorised by you are charged with manslaughter or dangerous driving causing death arising out of an accident involving your vehicle for which a claim is accepted.

### **Limit**

We will pay up to \$2,000 for any one event during the period of insurance.

## ***Marine 'general average'***

We will pay your share of general average or salvage charges you are legally required to pay to prevent the loss of a ship and/or cargo while your vehicle is being carried by that ship between ports in New Zealand.

## Movement of other vehicles

We will cover your liability for accidental bodily injury to any person, or accidental damage to any property occurring in New Zealand during the period of insurance arising from:

1. the movement by you of any vehicle which is parked in a position which prevents or impedes the loading or unloading of your vehicle, or
2. any vehicle that prevents or impedes the legitimate passage of your vehicle.

## Reparation

We will cover your or your employees' legal liability to pay reparation to a victim who has suffered accidental damage to property or bodily injury in connection with the use of your vehicle, or any other vehicle, while it is being used in the course of your business. This includes the loading and unloading of your vehicle, or any trailer or caravan attached to it.

### Limits

We will pay up to \$500,000 for any one event during the period of insurance.

We will only provide this cover if:

1. that use of the vehicle was with your permission
2. you and your employee have met all the policy limits, terms and conditions
3. the reparation is not insured under any other policy
4. we have given our written approval before any offer of reparation is made, and
5. you and your employee must notify us immediately if they are charged with any offence in connection with the use of your vehicle, which resulted in loss to property or bodily injury to another person.

There is no cover under this benefit for any amounts that are covered under the Accident Compensation Act 2001 (Act), or any amendments or any Act passed in substitution of the Act, or would be covered but for:

1. a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act

2. the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act
3. 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.

Nothing in this clause should be taken as providing cover for any defence costs, court costs, levies or costs awards or fines for any offence.

### ***Towing disabled vehicle***

We will cover you and any driver authorised by you for your legal liability for claims made against you for accidental physical damage to any property while your vehicle is towing a disabled vehicle during the period of insurance.

#### **Limit**

You must not be towing the disabled vehicle for reward or financial gain.

### ***Weight damage***

We will cover your legal liability for accidental physical damage to any property (including any road) caused by the weight of the load being carried by your vehicle and/or the weight of your vehicle.

#### **Limits**

Our total liability under this benefit will not exceed \$500,000 for any one event during the period of insurance.

An excess of \$2,500 applies to this benefit.

## **We do not cover vehicles with other insurance**

This policy does not cover any loss, damage or liability if you are covered for that same loss, damage or liability to any extent under a policy with another insurer. We will not contribute towards a claim under any other policy with another insurer.

## **What you are not insured for**

Your policy does not cover you if your vehicle is being driven by or is in the charge of anyone who:

1. Alcohol limit exceeded  
has a blood or breath alcohol level which exceeds the legal limit
2. Alcohol or drug related convictions  
after a claim event is subsequently convicted of any alcohol or drug related offence in connection with driving or being in charge of your vehicle
3. Intoxication while driving  
is under the influence of intoxicating substances or drugs (either prescribed or not) that has caused or contributed towards the covered loss or liability under this policy
4. Leaving the scene of the accident  
did not stop at or leaves the scene of an accident when it is an offence to do so
5. Refusing testing  
fails or refuses to permit a specimen of blood or breath test to be taken when lawfully required to do so
6. Unlicensed drivers  
does not have a legal licence to drive in New Zealand, or is not complying with the conditions of their licence.

These exclusions do not apply if the person who is in charge of your vehicle has stolen it.

Your policy does not cover any loss, damage or liability arising from:

1. Activities in the air  
airborne activities while being towed by your vehicle
2. Confiscation by an authority  
confiscation, nationalisation, destruction or requisition of or damage to property by an order of Government, Local Authority,

the Courts or any public authority unless it is to prevent loss or damage covered by this policy

3. Controlled drugs pollution or contamination  
the pollution or contamination of your vehicle by the manufacture, storage or use in the vehicle of a 'precursor substance' or 'controlled drug', as defined in the Misuse of Drugs Act 1975 or any amendments or Act passed in substitution of the Act
4. Criminal and reckless acts  
any criminal or reckless act or omission by you or by anyone in charge of your vehicle. This exclusion does not apply to acts by any person who is in charge of your vehicle after stealing it.
5. Defending any charges  
the cost of defending any charge or charges relating to any continuing offence under any Act of Parliament.
6. Driving hours  
the vehicle is being used in breach of the law relating to the maximum driving hours allowable for any one driver.
7. Driving unsafely  
the vehicle being driven in an unsafe or dangerous way/condition, for example by overloading the vehicle or texting while driving, or the vehicle being driven in an un-roadworthy condition where that condition causes or contributes to the loss
8. Entanglement of objects  
any object drawn, cast into or entangled in your vehicle by any means whatsoever. You are covered for loss that occurs by fire, collision or overturning resulting from such an occurrence
9. Hireage of the vehicle  
the vehicle being on hire or the carrying of fare paying passengers
10. Mechanical failure of the vehicle  
the failure, breakage or breakdown of:
  - a. the engine, motor and/or its associated subsystems
  - b. the transmission system
  - c. any electrical or electronic system or equipment
  - d. any cooling or lubricating system
  - e. any air conditioning system
  - f. any other mechanically or hydraulically operated system or equipment, other than the cover provided under the automatic benefit – [Hoists on page 12](#)

- g. the fuel system and/or its associated subsystems
- h. the motors or electrical equipment of your vehicle caused by water ingestion
- i. autonomous or assisted driving systems  
unless it occurs as a result of other damage to your vehicle for which a claim is payable
- 11. Nuclear and radiation risks  
nuclear weapons material or ionising radiation or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel, including any self-sustaining process of nuclear fission or fusion
- 12. Operating the vehicle outside of specifications  
loading or operating the vehicle in excess of the manufacturer's recommended specifications or loading contrary to the law. This includes the vehicle's ancillary plant or machinery being operated contrary to the law.
- 13. Prior claims  
any claim or potential claim already notified under any previous policy of insurance held by you
- 14. Using the vehicle for a purpose it was not designed for  
a purpose other than the purpose it was designed for, or not as a motor vehicle as defined in the Transport Act 1998 or any amendments or any Act passed in substitution of the Act or used otherwise than under the heading What your vehicle can be used for
- 15. Using the vehicle for racing  
racing, sprinting, drag racing, pacemaking, hill climbing, reliability or time trials, rallying, speed tests or any form of motorsport or high speed driver training
- 16. Using the vehicle off-road  
The vehicle being used for recreational purposes off sealed public roads.

**Your policy does not cover any claim for:**

- 1. 48 hour stand-down  
any loss that occurs within 48 hours of the start date of your policy caused by storm, flood, wildfire or landslide.  
This exclusion does not apply:
  - a. If this policy started immediately after another policy that covered these risks, or

- b. If this policy was taken out at the same time you purchased the vehicle
- 2. Accessories that are not listed  
any accessory or set of accessories unless they are listed in the certificate of insurance
- 3. Consequential loss  
consequential loss of any kind
- 4. Depreciation  
depreciation or diminished loss resulting from repairs after the vehicle was involved in an accident
- 5. Excess that you pay  
any excess unless specifically stated
- 6. Faults and defects, wear and tear  
the cost of remedying or repairing any faults or defects in the vehicle's design, specifications or materials, wear and tear, rot, mould, rust or corrosion, or action of sunlight
- 7. Fines and damages  
aggravated, punitive or exemplary damages, fines (including fines under the Health and Safety at Work Act 2015 or any Act passed in substitution of the Act) and/or penalties other than the cover provided by the automatic benefit – *Legal expenses for certain criminal charges on page 18*
- 8. Incorrect re-fuelling  
any part of the engine or other vehicle systems resulting from incorrect re-fuelling of the vehicle
- 9. Outside New Zealand  
any event outside of New Zealand
- 10. Unrepaired damage  
any unrepaired damage
- 11. Use of the vehicle  
the inability to use your vehicle unconnected with loss covered by this policy.

**Your policy does not cover Liability for:**

- 1. ACC personal injury  
personal injury as defined in and/or for which cover is provided under the Accident Compensation Act 2001 or any amendments or any Act passed in substitution of the Act
- 2. Airside activity  
the use of your vehicle within the restricted area of any airport used for scheduled commercial flights

3. Asbestos  
where such liability directly or indirectly arises out of, results from or is a consequence of, or in any way involves asbestos, or any materials containing asbestos in whatever form or quantity
4. Bodily injury to you  
bodily injury to you or any person who is in charge of your vehicle
5. Bodily injury from the use of plant and machinery  
any bodily injury or loss or damage to property arising from the use of any plant or machinery attached to or forming part of your vehicle, other than the cover provided by the automatic benefit – *Hoists on page 12*
6. Digging and excavating  
damage to property arising from the use of your vehicle while it is boring, digging, drilling or excavating
7. Hire or lease  
any vehicle that you are hiring or leasing (unless the leasing company is named as an interested party)
8. Load transportation  
the transportation of a load to, or away from, your vehicle. However, this does not apply to the actual loading or unloading of your vehicle
9. Loss to other property  
loss or damage to property, including any bridge, viaduct, weighbridge or any road or any other surface upon which your vehicle may drive. This includes the material beneath such surfaces or structures, where the damage arises from vibration caused by
  - a. your vehicle, or
  - b. the weight of the load carried by your vehicle, or
  - c. the weight of your vehicle, or
  - d. the combined weight of the load and your vehicle; other than the cover provided by the automatic benefit – *Weight damage on page 20*
10. Loss to your property  
loss of or damage to property belonging to you or under the care, custody or control of you or any person who is in charge of your vehicle. However, this exclusion does not apply while any disabled vehicle is being towed by your vehicle for no financial gain or reward

11. Where you have agreed to accept responsibility loss or damage if you or the person who is in charge of your vehicle have agreed with any party to accept responsibility for any loss or damage for which the law would not otherwise hold you or that person responsible.

Your policy does not cover any loss, damage or liability arising directly or indirectly from or occasioned by or through or in consequence directly or indirectly of or claim for:

War and terrorism

1. war, invasion, act of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war,
2. mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law,
3. confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public local authority
4. any act of any person or persons acting on behalf of or in connection with any organisation the objective of which includes the overthrowing or influencing of any de jure or de facto government by terrorism or by any violent means.



## *What your responsibilities are*

Here is a list of what you and any person in charge of your vehicle with your permission must do.

1. You must be honest and fair with us. All your statements made about this policy and any claim must be honest, correct and complete. If they are not, we have no liability under this policy or for any claim.
2. You must provide us with all relevant information. This means you must tell us everything you know, or could reasonably be expected to know, that may influence our decision to insure you or the terms on which we insure you.
3. You must keep your vehicle well maintained and in roadworthy condition. This means that the vehicle must be maintained to a level where it would pass a warrant of fitness test by someone else who is authorised to conduct that test.

4. You must tell us if any circumstances change or may change while we are insuring your vehicle. This applies when the policy starts, while it is in force and when it renews.

Examples of a change in circumstances or any other information may include if:

- a. any modifications or changes are made to your vehicle that are different from the manufacturer's standard specifications
- b. you or anyone who drives your vehicle is charged with, convicted of or commits any criminal offence or traffic offence, other than parking infringements.

These examples are a guide only. If you are in any doubt, tell us the details, even if we have not asked questions that relate to it.

We may change the terms on which we insure you, or the premium, to reflect the change in circumstances that you have told us about.

We may cancel your policy by giving you at least seven days' notice if what you tell us is, in our opinion, a substantial change in risk.

5. You and any person in charge of your vehicle with your permission must:
  - a. take reasonable care to protect and maintain your vehicle and to avoid legal liability, and
  - b. ensure that your vehicle is securely locked when unattended.

Otherwise we may decline your claim and/or recover any payment already made.

6. You must pay all premiums in full by the due date. If any premium remains unpaid 28 days following the due date, we may cancel this policy (effective from the first day of the period to which the unpaid premium relates).
7. If you do not comply with your responsibilities under this section *What your responsibilities are on page 26* and *What your responsibilities are at claim time on page 29*, we can decline any claim (and recover any claims payment already made). We can also cancel or avoid this policy.

If we cancel we will give you seven days' notice emailed or posted to your last known address on our records. If we do this, we will refund your unused premium.

If we avoid your policy, it will be treated as if it had never been taken out. If we ask, you will have to refund any claims payments we have previously paid to you. If we do this we will email or post notice of this decision to your last known address on our records. We will refund your entire premium paid less any claims already paid.



## How to make a claim

It is important that you tell us as soon as you become aware of any circumstances that may result in a claim.

Call us on 0800 505 885.

### What your responsibilities are at claim time

Events leading to a claim can be stressful. The driver's and passenger's personal safety is paramount, so make sure you and anyone else involved are safe from harm and if necessary, call the emergency services.

Here is a list of what you and any person in charge of your vehicle with your permission must do at claim time.

We want to remind you that any statements made at any time about a claim must be honest, correct and complete.

### Before you lodge your claim

You must:

1. Inform the Police if it appears that there has been arson, theft, burglary or malicious damage.
2. Tell us as soon as possible:
  - a. if it is likely that you will make a claim
  - b. if you or anyone else who may have cover under this policy is charged with any offence which resulted in loss of property, or caused bodily injury to someone else
  - c. about any claim made against you by another person, with full particulars and all legal documents served on you.
3. Take all reasonable steps to prevent further loss or liability.
4. Get our permission before you arrange for any repairs or replacement, or incur any expense for any claim.
5. If we ask you to complete a claim form, return that claim form to us within 30 days.

### Once you've lodged your claim

You must:

1. Let us inspect the damaged vehicle and deal reasonably with any salvage. No property may be abandoned to us.
2. Let us complete all necessary documents and authorities for any claims under this policy as your authorised agent.

3. Provide proof of purchase and/or proof of ownership of all items being claimed for.
4. Comply with all our requests about your claim by providing full cooperation, information and assistance.
5. Not discuss a claim made on you by another person with them. Instead, refer them to us.
6. Pay any applicable excess and any additional excess, and where you discover damage caused on multiple occasions then pay an excess for each occasion or event that occurred.
7. Let us instruct a solicitor of our choice to conduct your defence. You must follow the recommendations of that solicitor about the conduct or continuation of your defence.
8. Let us talk with that solicitor when necessary about the details of the case and the conduct or continuation of your defence.

### After we've accepted your claim

You must:

1. Make sure that any repairs are carried out promptly.
2. Cooperate fully in any action we take to recover money from other parties involved in your claim.
3. Let us take over for our own benefit and settle any legal right of recovery you may have.
4. Tell us if any person is ordered to make reparation to you for any loss or cost that was part of the claim. Reimburse us for that payment as soon as you receive any reparation.
5. Tell us if any lost or stolen property that was part of the claim is found or recovered. Hand it over to us or, at our option, refund any money paid by us if we request it.

If you fail to meet these responsibilities we may decline your claim and/or recover any payment already made.

### How we will look after your claim

When you contact us to make a claim we will:

1. process your claim within the terms of the policy
2. explain how the claims process works
3. explain what we need to go ahead with your claim
4. if required, arrange for an assessor, investigator or other specialist to inspect the loss and explain the procedure that will be followed

5. keep you updated on your claim's progress
6. give you all the information you need on how we will settle your claim
7. if we decline your claim we will clearly explain why.

### ***What excesses you may need to pay***

The excess is the amount of any claim that you are responsible for. The excess applies to each event that results in a claim. Where loss has been caused on multiple occasions an excess will apply for each occasion or event.

Where a benefit or optional benefit specifies an additional excess, that additional excess will apply above any other excess in your certificate of insurance.

Unless the benefit being claimed says it's excess-free you will need to pay your excess.

Additional excesses apply when the vehicle is being driven or in the control of:

1. an inexperienced driver
2. a driver who holds an International drivers licence unless that licence was issued in a country identified by the NZTA as being eligible to apply for an exemption from a practical test. These countries are detailed on their website
3. when an additional underwriting excess has been applied.

Your excess and any additional excesses that apply are detailed on your certificate of insurance and/or in this policy wording.

### ***How we will settle your claim***

We will settle your claim for loss following the process set out below.

If we decide to repair your vehicle, we have the option to:

1. arrange the repair, or
2. pay you an amount equal to the reasonable cost of repairs as assessed by us.

If your vehicle is repairable, and you have decided to go to a repairer who is not part of our recommended repairer network, then we may choose Option 2 above.

The most we will pay is the least of:

1. the cost of repairs

2. the market value at the time of the loss
3. the sum insured shown in the certificate of insurance.

In the case of partial loss to your vehicle, we will automatically reinstate your vehicle sum insured to its pre-loss cover value after we meet any claim and repairs are completed.

If we decide your vehicle is a total loss:

1. we will pay you the market value for your vehicle at the time of the loss, and the current value for any listed accessories and modifications
2. we will replace your vehicle if it fits within the limits described in the automatic benefit – [New vehicle replacement on page 13](#)
3. your vehicle, including its accessories and modifications, will become our property
4. your policy will be automatically cancelled and no refund of premium will be given
5. we will pay a financially interested party if we know of their interest in your vehicle. Their receipt will fully discharge us.

If your vehicle is leased at the time of loss:

1. we will pay the reasonable market value or residual value of your vehicle, whichever is the greater amount, up to an amount no greater than the market value of the vehicle plus 20%.
2. we will not pay:
  - a. penalties for early termination
  - b. penalties for any additional distance travelled
  - c. penalties resulting from lack of servicing or poor maintenance
  - d. unpaid obligations under the lease at the time of loss
  - e. balloon payments
  - f. the amount by which the residual value of your vehicle exceeds 120% of its market value, where there is a guaranteed buy back agreement.

The residual value for the purpose of this clause means the market value of the vehicle or the final book value at the natural expiry date of the lease contract, as set out under the terms of that contract.

#### **In all cases:**

If you pay your premium by instalments and your vehicle is a total loss you must pay the rest of the annual premium for your vehicle before

we settle your claim.

We will not pay more than the maximum amounts detailed for all benefits in this policy wording or in your certificate of insurance.

If your vehicle includes any set of accessories, in the event of a partial loss we will firstly try to match the undamaged item or items and, if that is not possible, we will replace the set with the nearest equivalent set available.

We have the option to use new, recycled or reconditioned parts in any repair.

## **Replacement parts**

We will pay for any part or accessory not currently available in New Zealand up to the lesser of:

1. the last known price list in New Zealand when the part or accessory was available, or
2. the part's or accessory's closest New Zealand equivalent.

We will pay you the equivalent cost to us for a part or accessory if you ask us not to replace it.

### **Limits**

Your vehicle is not covered for:

1. freight and other costs to import parts or accessories from outside New Zealand
2. any costs due to the inability to match existing paint, or
3. costs to replace any part or accessory that has not suffered loss.

## Cancelling this policy

You can cancel this policy by notifying us either by telephone or in writing.

We may cancel or avoid this policy in accordance with the express rights of cancellation and/or avoidance set out under the headings:

1. *What your responsibilities are on page 26*
2. *What your responsibilities are at claim time on page 29*
3. *Making changes to this policy on page 34.*

If you make a claim that is false or fraudulent in any way, or you make any false statement to us, or your claim is fraudulent, we may retrospectively avoid your policy. We may also avoid any other policies you have with us or cancel them immediately from the date of the fraudulent act. If we do this, we will refund your unused premium.

If your policy has only one vehicle insured then settlement of a claim for a total loss of that vehicle will automatically cancel this policy and no refund of premium is given. However, you may apply to us to insure your replacement vehicle.

### Free look period

If you are not completely happy with your policy, you can cancel it within 15 days of the start date so long as you have not made any claims.

We will refund any premiums you paid and we will both regard this policy as never having started.

## Making changes to this policy

You can have this policy altered at any time as long as we agree in writing to such alteration before it takes effect.

We can alter the terms or cancel this policy by giving you at least seven days' notice sent or emailed to your last known address on our records in any of the following circumstances:

1. to reflect any material changes to relevant law
2. to increase the level of existing cover, or add additional cover
3. if we are no longer able to secure reinsurance protection for perils covered by this policy

4. to allow for a material change in your (or your insured property's) risk profile
5. to allow for a material change in the risk profile of a group of similar policy holders (or similar insured property) that will not be commercially sustainable for us under current policy terms.

If you do not agree to the alterations to the terms of your policy, you can cancel it (effective from the date of the proposed alteration).

You can do this by notifying us by telephone or in writing, before the effective date of the proposed alterations. If you cancel on this basis, we will refund your unused premium.

## ***Other parties with a financial interest***

You authorise us to disclose personal information about your insurance to any holder of a financial interest in the vehicle.

## ***This policy is under New Zealand law***

### ***New Zealand has jurisdiction***

The laws of New Zealand apply to this policy. The Courts of New Zealand have exclusive jurisdiction in relation to legal proceedings about this policy.

Any compensation awarded or costs or expenses of litigation outside New Zealand are not covered.

### ***New Zealand currency and taxes apply***

All sums insured and policy limits are expressed in New Zealand currency and exclude Goods and Services Tax (GST) and all other taxes.

All excesses are expressed in New Zealand currency and include Goods and Services Tax (GST) and all other taxes.

All claims will be paid in New Zealand currency.

## *How we will communicate with you*

We will communicate with you to your last notified physical or email address.

If we are communicating to your email address, you must keep that address valid and make sure that you check it on a regular basis.

You must tell us if you change your physical or email address.

## *If you have a concern*

We always strive to give the best possible service. So, if you're not happy with something - anything - please let us know. We'll aim to get it sorted for you quickly and fairly.

Often a quick conversation with us can help straighten things out. But, every now and then there'll be an issue that can't be easily resolved. If that's the case, we'll talk you through our internal disputes resolution procedure. And if we still can't agree, we'll let you know how you can access our external disputes resolution provider.

If you would like more information check out [insuredirect.co.nz](https://insuredirect.co.nz)

# Glossary

Please note words in the singular can be in the plural and vice versa.

## Accident

An event that is unintended and unexpected by you or anyone using the vehicle with your permission.

## Accessory

An automotive part installed in or on your vehicle which is not supplied or fitted by the manufacturer of your vehicle as standard equipment for your make and model of vehicle.

## Act of terrorism

An act, including but not limited to the use of force or violence and/or threat thereof, of 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, 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. Act of terrorism shall also include any act that is verified or recognised by the relevant government(s) de jure or de facto as an act of terrorism

## Bodily injury

Accidental bodily injury to a person occurring during the period of insurance in New Zealand, including death, illness, disability, disease, shock, fright, mental anguish or mental injury.

## Business assets

stock and materials in trade, plant and machinery, such as:

1. chattels, equipment, spare parts, tools, molds, patterns, dies
2. customers goods in custody

and tools of trade including any:

1. equipment
2. instruments
3. tools
4. devices
5. machinery

while they are being used in the normal course or scope of your profession, trade or occupation

### Certificate of insurance

The certificate of insurance first issued to you or any further certificate issued following a change to the policy or a renewal of the policy (whichever applies at the time of the event).

### Current value

The cost at the time of loss of repairing or replacing listed accessories and modifications to a condition no better than new, less an appropriate allowance for depreciation.

### Event

Any one event or series of events arising from one source or original cause.

### Excess

The amount of any claim that you must bear as shown in the certificate of insurance and/or this policy wording.

### Loss

Sudden and accidental physical loss or sudden and accidental physical damage occurring during the period of insurance in New Zealand.

### Market value

The reasonable cost at which a vehicle of the same make, model, kilometres travelled, year and condition as your vehicle could have been purchased on the retail market immediately before the loss, as assessed by a valuer approved by us.

### Modifications or modified

Changes or alterations to your vehicle from the manufacturer's standard specifications, including but not limited to engine, sound system, steering, suspension, tyres or wheels.

### Period of insurance

The period shown in the certificate of insurance.

### Reparation

An amount ordered to be paid under Section 32 of the Sentencing Act 2002, or any amendments or any Act passed in substitution of the Act, by a New Zealand Court to a victim of an offence.

Reparation does not include any payment deemed to be unlawful to insure against.

### Unused premium

Premium for the days you have paid for, but will not be insured (calculated as at the effective date of cancellation).

## Vehicle

The vehicle or vehicles shown in the certificate of insurance including;

1. spare parts, attached equipment,
2. accessories listed on the certificate of insurance,
3. tools and breakdown equipment supplied by the manufacturer.

Any other vehicle borrowed without financial or other consideration by you.

## We, us or our

Tower Insurance Limited via their agent Insurance Underwriters (NZ) Limited. PO Box 90347, Victoria Street West, Auckland 1142, New Zealand.

## You or your

The person(s) or entity named in the certificate of insurance as the insured. Where you jointly own the vehicle, this policy insures you jointly.

***Call us on 0800 505 885 or  
visit [insuredirect.co.nz](https://insuredirect.co.nz)***

